

Urban Renewal Advisory Committee Meeting
Regular Meeting
May 28, 2020

Present: Chair Jack Trumbull, Vice Chair Pat McAllister, Abby Capovilla, Tina Lassen, Amanda Goeke, Joshua Chandler, Clint Harris

Staff: Director of Finance/ACM Will Norris, City Recorder Jennifer Gray, GIS Analyst Jonathan Skloven-Gill

Absent:

I CALL TO ORDER – Trumbull opened the meeting at 6:00p.m.

II BUSINESS FROM THE AUDIENCE

III AGENDA ADDITIONS

Trumbull stated he would like Article VI. Items from Members to go before Article V. Urban Renewal Administrator, so there can be clarification on some of the conversations that have been had, between meetings regarding the deferred taxing districts.

IV APPROVAL OF MINUTES

Motion: To approve the meeting minutes of February 20, 2020 as written

First: McAllister

Second: Chandler

Discussion: None

Vote: Motion passed unanimously. Harris abstained.

V ITEMS FROM MEMBERS

Trumbull stated he had a meeting with Norris and Streich prior to this meeting, to get a better understanding about what was suggested regarding the deferred tax increment spending. He believes it is important for the Urban Renewal Advisory Committee to understand what the Agency did. They elected to defer a one-time payment to the specific tax districts. Within those tax districts, the City of Hood River is giving \$250,000 as COVID relief, not Urban Renewal. Trumbull's take on it initially was he did not feel it was within the scope of Urban Renewal, for COVID relief. After talking to Norris, he explained to him that Urban Renewal is not giving the money.

Norris explained the City has the money specifically because Urban Renewal does not. Because Urban Renewal is not collecting it for one year, assessed value is going to the general roles and being collected as general tax revenue, by all the overlapping districts. Each district then gets the same as all their property taxes. That assessed revenue was no different. It can be used at the direction of the governing board. The City proposed and

wanted that for a couple of reasons. One, the Urban Renewal Agency has sufficient fund balances in all districts, to continue activities unhindered in anyway. All the public service agencies that levee a tax, will see a one-time bump to their revenues which is going to be very helpful to them. The City will also receive its proportion of that general assessment. In the proposed City budget, it did not need it to maintain current operations. They have planned far enough to build up a significant reserve that will hold them through for one year. They are taking the one-time bump to the City and setting it aside for a yet to be defined economic relief program, if one is warranted and needed. That is how the City chose to use their portion. This will not take away from Urban Renewal activities.

VI URBAN RENEWAL ADMINISTRATOR

1. Continued from Budget Committee Deliberations – COVID19 Response

Background:

The FY2020-21 Proposed Budget suspends division of tax across all three Urban Renewal Districts. This action will release approximately \$2.22M of tax revenue to overlapping taxing districts. These include Hood River County, Library District, 911 District, Port, Transit District, Community College, School District, Parks District, and the City of Hood River. Suspension of division of tax for one year will not delay or otherwise slow Urban Renewal activities due to substantial accumulated fund balances in all three districts. The one year pause on collections will not diminish the total amount that each Urban Renewal District will spend on projects as set by each districts' respective Authorized Maximum Indebtedness. The one-year pause will not reduce future urban renewal tax collections or alter ongoing urban renewal tax increment calculations.

The City of Hood River's Approved Budget, distinct from the Urban Renewal Agency, dedicates its portion of the one-time influx in general property tax revenue from the pause in urban renewal tax collection to a yet to be defined COVID19 economic relief program. A City of Hood River program is fully separated from the Urban Renewal Agency. Spending on a City program is not included in the Urban Renewal Agency's Budget and is not controlled by the Urban Renewal Agency. A City program, if adopted, will not use urban renewal funds. Instead, a City program, if adopted, uses general property tax available because urban renewal is pausing tax collection.

During Budget deliberations, the Urban Renewal Budget Committee discussed creating an Urban Renewal specific COVID19 economic relief program of its own targeted at businesses within the Urban Renewal districts. The Budget Committee tabled the discussion with the expectation the topic will be discussed within the next 30-days and fit within the FY2020-21 Approved Budget's existing appropriations.

This discussion item is meant to facilitate the continued discussion on district specific COVID19 response spending as requested by the Urban Renewal Budget Committee. Below are important considerations for the Advisory Committee's deliberations and recommendation to the Urban Renewal Agency Board:

Administrative Capacity

The Urban Renewal Agency does not have experience providing direct economic relief to small businesses. It also does not have the administrative infrastructure to facilitate a lending program. A feasible program will need to include objective criteria that does not require Agency staff to make subjective evaluations of business applications. An example of an administratively feasible program is direct cost reimbursement for 9 COVID19 phased reopening supplies on a first come first served basis. This might include paying for plastic barriers, outdoor seating, or personal protective equipment for employees.

Funding Availability

If the Urban Renewal Agency chooses to fund its own economic relief program, separate from a program under consideration by the City of Hood River, it will be with existing accumulated urban renewal resources and appropriations. Below are available sources by district:

- Columbia Cascade

The downtown district's Approved Budget include \$3.6M for redevelopment projects and \$45,000 in budgeted contingency. COVID19 response spending will reduce total amount available for a potential final parking infrastructure project.

- Waterfront

This district's budget includes \$85,000 in budgeted contingency. The Riverside Drive Stormwater Line Replacement project may require the full amount of the Waterfront District's remaining spending authority and should be considered in the context of spending on COVID19 relief.

- Heights

The Heights District's FY2020-21 budget includes \$85,000 in budgeted contingency. Any spending on COVID19 relief programs will displace future projects identified by the in-process Heights Urban Design & Engineering project.

District Constraints

Spending from district funds must be directed to the benefit of the respective district. Stated differently, Heights District funds cannot be used to benefit a downtown district business, or a business located in west Hood River. If the Urban Renewal Agency chooses to "piggyback" on a future City of Hood River COVID19 response program, accounting mechanisms will be put in place to track sources and uses of funds to ensure proper use of district dollars.

This discussion was requested during the Urban Renewal Agency Budget Committee's deliberations. Staff does not have a recommendation outside of the considerations described above.

Harris stated he felt this came out of "left field" during the budget meeting. He felt this was an unrelated topic for a whole different term of concerns than this advisory

board is trying to address. It is much more short-term, reactionary, and not long-term planning that is going to affect considerably more people and businesses down the road; businesses that might not be here next year. He does not know if there is an immediate need for relief for short-term, but he still feels very strongly that it is inappropriate use of discretionary funds at this time.

Lassen stated she and Harris were both in agreement during the Urban Renewal budget discussion. She has given it more thought since the meeting and still feels the same way. She feels Urban Renewal is a special “pot of money” and it is really designed for long-term, visionary, and more permanent infrastructure changes. It is for things they want to see the results 20-50 years from now. While this pandemic is wreaking havoc in all sorts of ways, she does not feel that is what Urban Renewal is for.

McAlister agrees with Lassen statement. He feels strongly about Urban Renewal money needs to stay with Urban Renewal.

Chandler noted the City of The Dalles is struggling with this as well. They are having a meeting next week for their Urban Renewal Agency to see how the City is going to move funds around. They are facing a \$650,000 deficit for the next budget cycle. It is a real issue, but he believes they cannot spend money from one district to another; it creates issues of singling out.

Goeke feels it should have flexibility. She would rather see money going to the parking project in the downtown area. She would hate to take away from last projects from districts.

Trumbull stated Norris is looking for a recommendation from the Advisory group. After listening to everyone's comments tonight, it is the groups recommendation not to use Urban Renewal monies for COVID relief. He added everyone is affected by this and it does not mean they are not passionate about those who are struggling. It just means this is not the appropriate bucket of money to help.

Motion: I move to reject the idea of using Urban Renewal funds for short-term economic relief and prefer they be retained for the use of the original purpose, for long-term improvements to the districts.

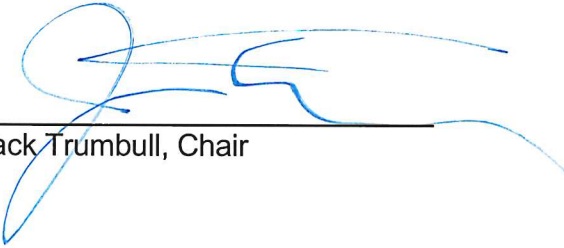
First: Lassen

Second: McAllister

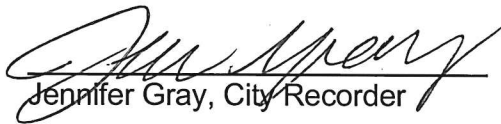
Discussion: None

Vote: Motion passed unanimously

VII ADJOURN – 6:16 p.m. by unanimous consent.



Jack Trumbull, Chair



Jennifer Gray, City Recorder

Approved by the Agency on 8-20-2020