

CITY of LA GRANDE

COUNCIL RETREAT

Tuesday, January 24, 2023

6:00 p.m.

Council Chambers
La Grande City Hall
1000 Adams Avenue
La Grande, Oregon

You can view the Council Retreat on Facebook Live at the following link:
www.facebook.com/CityofLaGrande

AGENDA

The purpose of the Annual Council/Staff Retreat is to exchange ideas with Staff and establish Council Goals and the City Manager's Priorities for the upcoming year. The Goals/Manager Priorities then become the focal point of budget development for the 2023 ~ 2024 Fiscal Year. Council decisions are not made during a Council Retreat; but, rather, direction is provided to Staff in connection with the identification of the Goals to be scheduled for adoption during the February 1, 2023, Regular Session of the Council. While the Annual Retreat is open to the public, public comments will not be entertained during the Retreat. Members of the public are routinely provided with an opportunity to address the Mayor and Council during the Public Comments portion of each Regular Session Agenda. Per ORS 192.670(1), some Councilors and/or Staff may be participating in this Work Session by electronic communication.

1. CALL to ORDER/WELCOME 6:00 p.m.
~Justin Rock, Mayor

2. CITY RETREAT TOPICS/SEQUENCE
(Please Refer to Attached)
~Robert A. Strope, City Manager

3. ADJOURN 8:30 p.m.

Stacey M. Stockhoff
Acting City Recorder

City Council Retreat Topics 2023 Tuesday, January 24, 2023

Vision Statement: The City of La Grande is the economic, educational, recreational, and cultural hub for eastern Oregon, with a family oriented, small-town character. (City’s current Vision Statement with the goals NOT specifically related to Economic Development highlighted below)

Goals to support our vision:

G1	Enhance and grow our diverse economy through innovation, partnerships, and relationships, to capitalize on our existing strengths while seeking new opportunities.
G2	Take full advantage of the benefits of our thriving educational community, anchored by Eastern Oregon University.
G3	Promote the natural beauty and resources of the Grande Ronde Valley, which provide recreational opportunities and quality of life benefits that complement our economic development objectives.
G4	Showcase La Grande as a culturally-rich city with a strong sense of identity, pride, and environmental awareness that preserves our heritage.
G5	Foster a family-oriented community with high quality amenities, including excellent parks, safe neighborhoods, and outstanding schools.
G6	Champion public involvement and civic leadership that values economic, ecological, and social stewardship, while maintaining our small-town character.

1. Budget Related Issues/Fiscal Management

a. General Fund

The intent of this item is to identify the baseline budget priorities for the year and to determine if there are any significant shifts in direction from the City Council. Typically, the City will continue to provide the same core services and programs as in prior years. Using the 2022-2023 Adopted Budget to illustrate, and excluding ALL capital expenditures and ARPA funding/expenditures, the City’s General Fund budgeted expenditures exceed budgeted revenues by around \$700,000. With capital included, that deficit grows to around \$1.2 million. We purposefully continue to budget to spend more than the projected revenues because we currently have sufficient cash on hand to maintain services and make needed capital improvements. Therefore, if the City Council wants to consider increasing staff or services in certain areas, we would need to know the Council’s specific priority guidance regarding what areas would see reduced staffing or program funding to allow for the desired increases.

i. Validate continuation current services and programs at a minimum.

1. *Currently the City is maintaining staffing levels, programs, and functions using a balanced approach with increases to staffing levels limited based on the fiscal resources.*
 - Does the City Council want to continue this approach or make any changes?
 - Does the City Council want to continue the practice of conservative capital investments/maintenance using existing fund balance in General Fund to avoid reductions?

b. Compensation Studies, Collective Bargaining, and the Pay Equity Act

- i. The City is currently in the last year of the three-year Collective Bargaining Agreements (CBA) for all represented groups and will be bargaining with all three unions. In conjunction with bargaining, the City has hired a consultant to conduct salary market surveys for all employees as well as assist with implementation of the Pay Equity Act. The intent is to develop an implementation plan to comply with the provisions of the Pay Equity Act as part of the labor negotiations. It is anticipated that with the current rate of inflation and the preliminary data from the market surveys, labor costs are likely to increase at a higher rate than we have seen in the past several years. These impacts will include the General Fund and the Enterprise and Other Fund Budgets. Given we are negotiating new labor agreements that will be effective this coming June, this item will not be discussed in any detail during the Retreat.*

c. Staffing

i. Fiscal Impact

- 1. *Excluding the American Rescue Plan Act (ARPA) funding, County Hotel/Motel Tax passthrough, and the transfer to the Street Reserve Fund in the currently adopted City General Fund Budget, labor costs total \$8,986,754, and represent 74% of the total expenses.*
- 2. *There have been increased workloads in most if not all departments. We have made incremental staffing increases within our resources in recent years. We continuously evaluate the needs and will request changes based on our ability to sustain the ongoing costs in conjunction with the annual budget process.*
- 3. *Any potential increases in staffing levels will have to be evaluated in conjunction with the budget implications of the aforementioned impacts of collective bargaining and implementation of the Pay Equity Act.*

ii. Recruitment and Retention

- 1. *The City continues to have challenges with recruitment, and to a lesser degree, retention for certain positions. The compensation studies currently in progress should help identify any significant disparities between La Grande and other cities from a market perspective. Addressing these will be part of the collective bargaining process. We have instituted a lateral entry recruitment incentive for police officers and have created a paramedic education program to help address the lack of paramedic candidates in recent years.*
 - Does the City Council have any specific guidance regarding staffing levels?

d. Police Department Building

- i. The City Council ranked the use of ARPA funds to acquire land for the construction of a new police department building very high but ultimately opted not to fund the purchase. There is clearly a need for a new building but identifying a funding source and location remains to be done. The City had*

participated in discussions with the County Sheriff regarding a potential new jail facility that would also house the UCSO and LGPD but that effort has stalled.

- Should the City begin allocating General Fund dollars to fund the land acquisition and construction of a new facility in the coming fiscal year?
- Should the City pursue acquisition of vacant land or an available existing building for conversion to a police station in the coming fiscal year?
- Should the City consider hiring a consultant to assist in evaluating the need for a new building, the specifics of the new facility, and identify funding options to pursue?
- Should the City continue to work with the County for a shared facility?

e. Under Levy City Council perspective

i. Validate continuation of Urban Renewal Agency (URA) Under Levy.

1. *The decision to Under Levy is an annual decision and impacts other taxing jurisdictions. We are required to provide notice of the intent to Under Levy to the other jurisdictions, which we typically do immediately following the February Council Meeting.*
 2. *The current intent is to Under Levy to provide additional tax revenues to the City's General Fund to help address the shortfall between current revenues and expenses mentioned above without reducing key economic development efforts/Urban Renewal program funding.*
- What is the Council's guidance regarding an Under Levy?

f. Infrastructure/Capital Expenditure Related

i. American Rescue Plan Act (ARPA)

1. *The City Council voted to use all but \$250,000 of the ARPA funding for street projects which were then identified and approved as a separate City Council action. The remaining \$250,000 was designated for the Union County Fairgrounds as gap funding. The City Manager, based on City Council guidance, intends to include \$119,000 of unallocated TRT funds in the 2023-2024 Proposed Budget. Additionally, the City Council will be asked to waive a portion of the water and sewer connection fees for a total of at least \$250,000 in financial support. This would trigger the provision in the ARPA Funding Resolution to allocate the \$250,000 to street projects. No further action is required by the City Council regarding the street projects. Council action will be required on the fee waiver.*

i. Are the ARPA street projects including the bike lanes and ADA ramps?

1. When completing the ARPA funded street projects, we are planning to restore the system to at a minimum what pre-existed the project. As none of the Council approved roadway projects include removal of curbs or sidewalks, it will not trigger the requirement to build any ADA corner ramps. Most of these roadways do not have designated bike lanes. Gekeler was the only street done so far (was

not ARPA funding) that did have bike lanes which we intend to get rehabbed in the coming paving season. We do not intend on constructing bike lanes as a part of the ARPA projects as we will not be widening any roadways. However, we are currently working on the community pathways grant which will take a look at the possibility of the addition of bike lanes on roadways in the City's network around the college, and if possible, we might try to integrate some of the resulting project elements if it is feasible.

With the Council action allocating the full amount of ARPA funding complete, including a provision for using any unused funds for Street projects, this item is informational only and Staff is not seeking any additional guidance.

ii. Street Infrastructure

1. *In 2022, the PTSSMAC presented recommendations to the City Council regarding additional funding for streets, specifically using ARPA funds for streets; modifying the Street User Fee correct inequities and if needed, increase the fee amount in the future; create a System Development Charge (SDC) for transportation; and impose a local gas tax. As stated above, the City Council approved the use of all but \$250,000 of ARPA funds for Streets. No timeframe was identified to begin the process to place a gas tax on the ballot and given the current gas prices, such a tax is unlikely to be approved by the voters. This tax should be revisited next year or sooner if gas prices drop substantially. The transportation SDC should be incorporated into the work that is planned for the switch to SDC's for Water and Sewer connections to save costs.*
- Does the City Council have any specific guidance regarding any of the non-SDC recommendations of the PTSSMAC for action this coming fiscal year?

iii. Water and Sewer Infrastructure (ICW ARPA Street Projects)

1. *In conjunction with the ARPA funded street projects, the City should consider replacing outdated service or mainlines. This may impact the timing of other water and sewer improvements and will be addressed as part of the annual budget process.*
This is informational only.

iv. Public Work Fueling Station Replacement

1. *The existing system including hardware and software is obsolete. Staff is looking at options including full replacement as well as potentially eliminating the onsite refueling. This may be addressed as part of the annual budget process.*
This is informational only.

2. Planning

a. Housing

i. Comprehensive Housing Production Strategy (HPS) implementation:

1. *Based on the Housing Needs Analysis and the Housing Production Strategy, Staff is moving forward with:*
 - i. *Completing the Land Development Code updates related to housing.*
 - ii. *Modifying the Water and Sewer connection fee to System Development Charges (SDC). As part of this process, the City can consider incentives based on the scale of development (e.g. number of bedrooms vs. one set fee per dwelling unit).*
2. *The City Council supported pursuing the following incentives:*
 - i. *Reduce or waive fees for targeted projects (e.g. water/sewer connections, building permits, system development charges, other).*
 - ii. *Tax abatement for new development (phase in property tax).*
 - iii. *Targeting Urban Renewal District investments to better support the renovation and creation of new housing units.*
 - iv. *Public-private partnerships where the City helps fund or participates in new infrastructure construction.*
 - Are there additional incentives the City Council would like to pursue?
 - For a variety of reasons, identifying which actions to focus on in any given year will be important. (staffing, measuring success, changing priorities, etc.)

ii. Eastside Housing Water and Sewer Infrastructure Project

1. *The City Council opted not to use ARPA funds for the Eastside Housing Water and Sewer Infrastructure Project which would construct the primary water and sewer distribution lines along the border of a future proposed housing project that could add over 200 new residential housing lots.*
- Should the City pursue other funding options for this project?
 - Formally request County assistance using County ARPA funding?
 - Consider a Local Improvement District to install the infrastructure?
 - Public/Private Partnership?

b. Annexation

- i. *Currently there are residential properties within the Urban Growth Boundary that are contiguous with or immediately adjacent to the City Limits. (some separated by a street for example, and others that may be fully surrounded by City boundaries resembling islands) Some of these properties have annexation agreements in place, while others do not. Some of these Urban Growth Boundary properties benefit from receiving services, such as water and sewer. Currently the City has taken the approach of only annexing at the request of the property*

owners, typically in conjunction with the extension of City services. The City Council has not initiated any annexations since the failed North Side Annexation was challenged and reversed in 1999-2000.

- Should the City Council consider directing Staff to:
 - Take actions to annex all eligible properties with annexation agreements in place? (Note: This would only include a small number of properties that have received City water and sewer services within the past 30-years, in exchange for agreeing to annexation.)
 - Take actions to annex all eligible properties with or without an annexation agreement in place? (Note: This would include all properties with annexation agreements in place, those which have become islands-fully surrounded by City limits, and a limited number of other eligible properties.)

c. Commercial Land Needs Analysis and Comprehensive Plan Goal 9 Update

- i. *The City is conducting a Commercial Land Needs Analysis and Comprehensive Plan Goal 9 Update to potentially increase our inventory to allow for new development. The Request for Qualifications (RFQ) process is in progress. This is informational only and is also on the Eco Devo/URA Retreat topic list.*

3. Homelessness

- a. *The City Council has discussed the issues related to homelessness on a number of occasions, with an area of emphasis on Max Square and impacts to downtown businesses. Homelessness, addiction, and mental health issues often overlap and are not unique to La Grande. The appropriate role of local government, the tools and resources available, coupled with the legal and regulatory constraints as well as whether or not those who may need assistance will accept it often collide with what the public would like to see happen. City Staff, along with other agencies and organizations, have and will continue to work together where practical to try to address the situation. Things that have been done that may help:
 - i. *Adding security cameras in and near Max Square.*
 - ii. *Updating the City Ordinance relating to use of public spaces to conform to the new requirements (the second reading of this Ordinance was completed on January 4th).*
 - iii. *Using some of the Opioid Settlement Funds to hire a consultant to assist with determining what is currently being done and where the gaps are and how we can use future settlement funds to help address the opioid crisis was approved at the December City Council meeting.*
 - iv. *The police department has partnered with local agencies to create a bi-weekly Behavioral Health Multi-Disciplinary Team (MDT). This MDT provides a structured opportunity to discuss (among other things) collective solutions for individuals who we are having repeated law enforcement contact with. In many cases these persons are also experiencing homelessness.**
- b. *Once the new Ordinance regarding use of public spaces becomes effective, we will have additional tools to address some elements of the situation.*

- What, if any, additional actions would the City Council like to explore?

4. City Council, Committees and Commissions

a. Encouraging participation in Advisory Committees and Commissions.

b. Increasing diversity and community participation on Commissions and Committees.

- Are there any specific actions the City Council would like to see taken in regards to 4. a. and 4. b. above?

c. City Council election revisions.

Changing the City's Charter does require a vote of the citizens of La Grande. The current system of candidates filing for individual positions, which are not tied to geographic areas in the City and is non-partisan, creates a potential for a candidate running for one position be elected with fewer votes than a second candidate who was running opposed for another position. Changing to an at large or other system where the candidates with the most votes are elected would also be less confusing for both the candidates and the citizens. Another element would be to remove the potential for the adversarial nature that can occur when two individuals are vying for the same position. However, it also removes the element of running with the intent to replace a specific incumbent or opponent.

- Should the City Council consider a proposed Charter Amendment for voter approval to change from the current position specific election to one where vacant positions are filled by those who receive the most votes regardless of position? Should the Mayor become a four-year term?

5. Emergency Management Planning

a. Wildland Urban Interface

- The City has continued with providing information regarding prevention this past year.*

Staff recommends this item be incorporated into a larger priority called Emergency Operations Planning.

b. New City Emergency Operation Plan

- The City's current Emergency Operation Plan was last updated in the early 1990s. We need to develop a new plan using the current best practices and doing so will entail significant staff time as well as the involvement with other agencies. With current workloads and expertise, creating the new plan without outside, professional assistance would take several months, if not more than a year to be done correctly. A comprehensive plan would include a base Emergency Operation Plan (EOP), a Hazard Vulnerability Analysis, an Emergency Support Functions document, a training plan, and the completion of a table top exercise to validate the plan. Options include doing nothing, attempting to create the plan internally, hiring an outside consultant to do just the base EOP immediately, hiring an outside consultant to do a base EOP as well as the other items listed above. Staff recommends moving forward to request proposals for completing the*

project with phases for the work which would likely encompass two fiscal years. We believe we would be able to absorb the cost of the first phase from existing budgets (2022-23). The decision on whether or not to proceed with the project would be made by the City Council following receipt of the proposals.

- Should Staff develop and publish a Request for Proposals?

6. Partnerships

a. Tourism Promotion

i. The agreement with the Chamber runs through 2023.

Staff is recommending the City renew the Agreement with the Chamber prior to expiration.

b. La Grande Main Street Downtown

i. The Agreement with LGMSD runs through June, 2025. Under the agreement they are required to maintain the Performing Main Street level status as well as raise a minimum of \$25,000 each fiscal year.

No action is required.

7. Service/Program Related/Other

a. Street lighting

i. Currently new streetlighting is done in conjunction with new construction or in response to citizen requests.

- Should additional actions be considered?

b. Storm Event Recovery

i. The City has experienced a higher number of storm events in the past few years resulting in significant damage to trees and property. These include a micro burst that was isolated to a small area of town but downed several trees and inflicted heavy damage to trees and property and the more recent snow event this past fall where heavy snow caused damage throughout the City. In both cases City staff was engaged in the initial response and in the case of the micro burst, the City provided financial assistance to some residents to help with tree removal during recovery. (the City Manager took immediate action to approve the use of City funds in this case and notified the City Council at the time)

- Should the City consider:
 - Creating a Community Forest Emergency Management Plan to establish a consistent response to future, major storm events?
 - Creating a formalized funding mechanism to provide financial assistance following major events?
 - Address each action on a case-by-case basis?
 - Depending on the scope, the City Manager could take immediate action or the City Council would convene to declare an emergency.

c. Parks and Recreation Master Plan Update

i. Priorities

1. *A new Parks Master Plan was co-adopted by the City of La Grande and Union County with the following priorities: indoor facilities, outdoor facility improvements beginning with the Riverside Playground replacement, more youth and teen programming, and prioritizing the eastern part of La Grande for new park space.*

This is informational only.

ii. Recreation Center

1. *The Parks and Recreation Advisory Commission still supports moving forward with this project even though the School District was successful in their bond funding effort.*
 - Should the City consider hiring a consultant to assist with identifying and securing funding for this project?

iii. Riverside Playground Replacement

1. *The playground equipment needs to be replaced. Staff is moving forward to identify the new design and funding sources. This is a multi-year project.*

This is informational only.

d. Snow removal

- i. *Staff is planning to review the existing snow removal plan and identify revisions at the end of the winter season.*

In the interest of time, Staff is not planning to discuss this topic in any detail and will add it to the calendar as a Council Work Session topic.

e. Community Relations, Communication, and Public Outreach

i. Customer satisfaction survey

- Should the City consider conducting a survey(ies) to gather feedback from the community?
 - What would be the intent of the survey?
 - Scope? Data gathering? Department specific? Program specific?
 - Type of survey.
 - Online Survey? Mailing with utility bills?
 - Cost and implementation.
 - The answers to the above will drive the cost and implementation.

ii. Codification

1. *The City is currently in the process of codifying the City's Ordinances into a single City Code which will then be hosted on the City's website and will be a much more user friendly tool for Staff and the public.*

This is informational only.

iii. MuniDocs Public Records Search Tool

1. *The Codification project also included the purchase of a feature called MuniDocs which allows the City to upload documents in a searchable format that is also significantly more efficient than our current platform.*

The uploading of City documents to MuniDocs is ongoing and includes historical records as staff time permits.

This is informational only.

iv. Social Media

1. *Many City departments have social media accounts with the Library and Parks and Recreation having the largest presence. Other departments including Public Works and Police use social media to keep the community updated on projects, activities, and emergency situations. The City's website also has a banner feature to highlight important information. Public Works has used their Facebook page to inform residents regarding responses to storm events for example. Current number of Facebook followers: Police Department: 3.1K; Parks and Recreation: 2.6K; Fire Department: 2.4K; Library: 1.6K; Public Works: 868; City Manager: 176.*

This is informational only.

v. Public Meetings

1. *All City Council and Urban Renewal Agency regular sessions are broadcast live on Cable television and online.*
2. *All City Council and Urban Renewal Agency Work Sessions and all Advisory Committee and Commission Meetings and Work Sessions are live broadcast online and can be accessed after the meeting for viewing.*
3. *Any public meeting of the Council, Agency, or Advisory Committees/Commissions which allows for public comments must provide an opportunity to provide public comments virtually during the meeting.*

This is informational only.

f. National Pollutant Discharge Elimination System (NPDES) re-permitting process

- i. *The City will be working with DEQ on the re-permitting process. This will likely result in increased costs that will be addressed as part of the annual budget approval process for the Sewer Fund once the specifics are identified.*

This is informational only.

City/District Manager's Top Priorities
Fiscal Year 2022-2023
(Approved by the City Council on February 2, 2022)

Priorities are revised and order ranked by the Council/Agency during the Retreats and formally adopted by both the City Council and Urban Renewal Agency in February. Staff comments in green are based on the topic list. .

- **American Rescue Plan Act (ARPA) Funding**
 - Develop a recommended list of potential uses and or projects for the City's ARPA funds to maximize the use of the funds for City Council consideration.
This one should either be updated to reflect implementation or can be removed as the Council has already taken formal action on how the funds will be allocated.

- **Street and Road Infrastructure**
 - Develop recommendations for a long-term strategy to address the condition of the infrastructure to include potential funding options for City Council consideration with the intent of implementing the strategy upon approval.
This one should be retained and if needed, updated based on the Retreat discussion.

- **Housing**
 - Implement the Comprehensive Housing Production Strategy (HPS) as adopted by the City Council.
This one should be retained and if needed, updated based on the Retreat discussion. Staff recommends adding a priority related to homelessness either as a stand-alone item or combined with this priority.

- **Economic Development**
 - Continue to implement the Urban Renewal Plan and economic development strategy as approved by the City Council/Urban Renewal Agency.
This one should be retained and if needed, updated based on the Retreat discussion.

- **Staffing**
 - Take necessary actions to address critical staffing issues including, but not limited to, hard to fill positions and succession planning for key positions.
This one should be retained and if needed, updated based on the Retreat discussion.

- **Fiscal management**
 - Continue to manage the City's finances within limited resources to provide highest possible level of service to the City of La Grande.
This one should be retained.

- **General Fund Capital Improvements**
 - Identify funding sources and strategy to address major capital needs.
This one should be retained and if needed, updated based on the Retreat discussion.

➤ **FEMA Maps and Land Use Code Amendments**

- Complete the submittal to FEMA requesting the City's Floodplain Maps be updated and respond to any requirements as needed throughout the process.
- Complete the revisions and adoption of the City's Land Use Codes as necessary.

This one should be retained and updated to reflect the current status of the process.

➤ **Wildland Urban Interface**

- In concert with Union County and other agencies, take actions to assure La Grande is prepared in the event of a wildfire or other natural disaster, such as the ones that devastated other communities in Oregon in 2020.

*Staff recommends revising this one to read **Emergency Management Planning and updated based on the Retreat discussion.***

Urban Renewal Agency Under Levy Projections Based on 2022-23 Levy Rates

Jurisdiction	Levy Rate per \$1,000	Percent of total	Amount per dollar	Projected tax revenues resulting from Under Levy:
Union County	2.9668	16.37%	\$ 0.16	\$ 142,675
City of La Grande General Fund	7.4392	41.05%	\$ 0.41	\$ 357,754
Intermountain ESD	0.6156	3.40%	\$ 0.03	\$ 29,604
La Grande School District	4.6282	25.54%	\$ 0.26	\$ 222,572
LG School Bonds	1.7237	9.51%	\$ 0.10	\$ 82,893
LG Cemetery District	0.2828	1.56%	\$ 0.02	\$ 13,600
Vector Control Local Option	0.1600	0.88%	\$ 0.01	\$ 7,694
Union County Weed Local Option	0.1200	0.66%	\$ 0.01	\$ 5,771
Vector Control	0.0239	0.13%	\$ 0.00	\$ 1,149
4H/Extension	0.1619	0.89%	\$ 0.01	\$ 7,786
Total:	18.1221	100%	\$ 1.00	\$ 871,499
For each dollar the City's General Fund receives, the Urban Renewal Agency gives up \$2.44			Loss to Urban Renewal:	\$ 871,499
			Net loss to City/URD:	\$ 513,745

Note: the amount for La Grande School District (not LG School Bonds) would result in the State adjusting (reducing) the level of State funding and therefore the benefit is minimal at best

Under Levy Calculations			Tax Revenue Amounts
Assessed Value with Under Levy	\$ 52,422,181	URA Revenue with Under Levy	\$ 950,000
Projected Total Assessed Value	\$ 100,512,600	URA Revenue without Under Levy	\$ 1,821,499
Assessed Value Subject to Levy by other Jurisdictions	\$ 48,090,420	Loss to URA-- Gain to other taxing jurisdictions	\$ 871,499
	Frozen Base 1999:	\$ 79,416,398	AV as of 2020:
	Current year estimated assessed value (assumes 3% growth):	\$ 179,928,998	\$ 174,688,348
	URA Value:	\$ 100,512,600	\$ 179,928,998