

City Council Retreat Summary 2022

January 25, 2022

(Approved February 2, 2022)

(Note: Items in blue are changes/updates from prior year's topics. Text in green is supplemental/background information that may be helpful. Text in red reflects the discussion during the Retreat)

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:

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| 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. Infrastructure/Capital Expenditure Related

a. American Rescue Plan Act (ARPA)

- i. The City Council intends to conduct a Work Session to discuss the use of the City's ARPA funding once in-person meetings with the public can resume. The City Manager intends to include full funding of the ARPA allocation in the FY 2022-23 Proposed Budget with the specific uses to be determined.

The rules for how the ARPA funds can be expended have changed, allowing for more flexibility in the use of the City's funds. The Council validated the importance of having a transparent process regarding the use of these funds and reaffirmed the desire to conduct a Work Session on this topic. This item will be reflected on the City/District Manager's Top Priorities for the coming year.

b. Street Infrastructure

- i. The PTSSMAC is currently working on formulating a recommendation to the City Council, date of a joint Work Session to be determined.

The Council discussed that the condition of the City's streets and roads remain an area of concern and determining how to address the situation long-term is very important. This topic will also be reflected on the City/District Manager's Top Priorities for the coming year and reaffirmed the desire to conduct a joint Work Session with the PTSSMAC on this topic..

c. Building needs:

i. Police Department Building

1. The City is engaged with the Sheriff at the Staff level regarding a possible joint building. The City Council will be engaged as appropriate.

2. Staffing

a. Police and Fire Department

- i. The public safety sector has been particularly difficult to keep fully staffed in recent years, which has become even more difficult over the past two years. We have been unsuccessful in recruiting experienced police officers and certified paramedics. Other jurisdictions are experiencing similar issues and signing bonuses and other incentives are becoming more prevalent. Additionally, call volumes and other workload considerations are making recruitment and retention more difficult. Staff would like to explore additional measures such as expanded recruitment incentives, potentially revisiting compensation mid-contract, and staffing levels in both Police and Fire.

The City Council expressed concerns related to attracting and retaining quality public safety employees and were supportive of finding effective ways of addressing the situation. The challenges of competing with larger jurisdictions on the basis of salaries and the impacts of ongoing staffing shortages were also discussed. Staff will explore options related to this in conjunction with the budgeting process.

b. Succession Planning

- i. The City has been and will continue to experience significant turnover due to retirements in the management team and upper end of technical employees. It is anticipated that the City Manager and Fire Chief could retire within the next two to three years. Neither position has a clear “second in command” or deputy position in place to allow for continuity. The City Manager believes adding an Assistant Fire Chief position is warranted in the coming fiscal year and is exploring options for City Manager succession.

The Council was supportive of considering adding an Assistant Fire Chief Position. This would not only provide potential succession and continuity benefits, but also provide relief to the Captains, allowing them to focus on more shift-related duties. It was emphasized that when the City Manager is closer to retirement that the City Council conduct a Work Session to explore options for identifying the best plan and process for selecting a successor. It was noted that the City Manager is looking to see whether or not any current members of the City Staff are interested in pursuing the position and how they could become better trained to be more competitive during a selection process. One suggestion was to consider an Assistant City Manager position to help provide continuity as is being proposed for the Fire Department.

3. Planning

a. Housing

- i. **Comprehensive Housing Production Strategy (HPS)**—following the adoption of the Housing Needs Analysis, the City adopted a HPS to comply with HB 2003.
 1. The HPS addressed the following WITHIN La Grande:
 - a. Low income/affordable housing (e.g. work force)

- b. Middle to upper income housing for professionals (recruitment)
 - c. EOU student housing and multi-family housing
 - d. Upper floor downtown housing
 - e. Potential Zoning Code changes
2. During the adoption process the City Council supported targeting incentives such as:
- a. Reduce or waive fees for targeted projects (e.g. water/sewer connections, building permits, system development charges, other)
 - b. Tax abatement for new development (phase in property tax)
 - c. Modify the System Development Charges (SDC) fee to assess based on the scale of development (e.g. number of bedrooms vs. one set fee per dwelling unit).
 - d. Target Urban Renewal District investments to better support the renovation and creation of new housing units
 - e. Public-private partnerships where the City helps fund or participates in new infrastructure construction.

The Staff will be bringing forward items for Council consideration as appropriate based on resources.

The City Council emphasized the importance of continuing to pursue solutions to the housing shortage in La Grande. This item could warrant a Work Session in the future to discuss specific actions to be taken. It was noted that lack of adequate housing has an adverse impact on the ability of local businesses to recruit staff. One possible solution that was briefly mentioned was the potential to use ARPA funds to fund water and sewer infrastructure projects that could leverage private investment in new housing by lowering development costs.

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

- 1. Limited available lands for larger commercial/retail development.
 - i. No large lot commercial in URD and recent sales/development has depleted our available lands inventory.
 - ii. In order to address this shortage, we need to pursue conducting a Commercial Land Needs Analysis and Comprehensive Plan Goal 9 Update to increase our inventory to allow for new development.
 - iii. Currently there aren't any grant opportunities to fund such an update.
 - iv. Based on our inability to add new Commercial property without an update, Staff is recommending the City Council support moving forward and fund this effort using City General Fund dollars given we cannot accommodate any significant new projects at this time.

This is also on the Economic Development Retreat topic list.

The City Council did not discuss this in any great detail as it was addressed at the Economic Development Retreat. It was noted that this could be an item that warrants a Work Session in the future.

4. Homelessness/Max Square

- a. Staff has been working this issue, including holding a public forum with local business leaders. The recent legislative actions and court decisions limit local government's ability to enforce past ordinance provisions which were effective tools for addressing certain behaviors. Next steps include:
 - i. Adding security cameras in or near Max Square.
 - ii. A follow up meeting is scheduled with City Staff to continue to evaluate the situation including how we can better communicate with our local partners with the intent to form a local working group or ad hoc committee.
 - iii. Additional communication with the community at large, with an emphasis on downtown businesses.
 - iv. Updating City Ordinances relating to use of public spaces to conform to the new requirements.

The Council briefly discussed the measures being taken and the need to update the City's Ordinances. This could be a topic that needs a future Work Session.

5. Committees and Commissions

- a. Encouraging participation in Advisory Committees and Commissions.
- b. Increasing diversity and community participation on Commissions and Committees.

6. Service/Program Related

a. Recreation Center

Active committee discussions stopped in the winter of 2019 for the holidays and never resumed due to the COVID-19 outbreak. The Parks & Recreation Advisory Commission is currently drafting a parks master plan that will set department priorities for the next five years. An online survey and focus group discussions took place in 2021 with over 500 people participating. When asked about indoor recreation needs, the top two priorities were a multi-purpose active recreation space and safe indoor space for teens. Due to these results, it is likely that planning for a multi-use, multi-purpose facility will resume and be a priority for the Commission over the next few years after the Parks Master Plan is adopted in the Fall of 2022.

The Council did not discuss this item in any detail but it was noted that the La Grande School District was pursuing bond funding for facilities that could impact this project.

b. Greenway

The City was awarded a grant from Oregon State Parks to expand the end of the Greenway trail in a loop formation on the two City-owned lots to the East. This funding will enable the City to construct an additional 1600 feet of asphalt pathway in summer 2022.

The Staff confirmed that part of the grant would repair segments of the existing trail.

7. Partnerships

a. Tourism Promotion

- i. The agreement with the Chamber runs through 2023 and no action is required.

b. La Grande Main Street Downtown

- i. The Agreement with LGMSD expires in June, 2022. 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.

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

8. Wildland Urban Interface

Following last year's Retreat, the City Council conducted a Work Session with a presentation from County Emergency Management and the City of La Grande Public Safety regarding measures that are in place and activities that have occurred over the past few years. Staff evaluated and determined that evacuation signage would be ineffective and likely counterproductive in the event the need for large scale community evacuation. Public information about preparedness and emergency procedures was sent out in a direct mailing campaign and a number of postings on social media. More work still needs to be done in the area of defensible spaces with more education and assistance with possible funding for residents in the Wildland Urban Interface.

The Staff confirmed that the reference to potential funding was not City General Fund dollars but possible funding from other agencies.

9. Budget Related Issues/Fiscal Management

a. General

- i. What are the baseline budget priorities for the coming year?
- ii. Validate continuation current services and programs at a minimum.
- iii. Continue practice of conservative capital investments/maintenance using existing fund balance in General Fund to avoid reductions.

The intent of this item is to identify 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.

b. Under Levy City Council perspective

- i. Validate continuation of Urban Renewal Agency (URA) Under Levy.
 1. Based on current City General Fund ending Fund Balance for 2020-2021 the City could forego an Under Levy in 2022-2023 and use Fund Balance to cover reduced property tax revenues.
 - a. This would impact other taxing jurisdictions, so if the Council decides not to under levy or significantly reduce the amount of the under levy we would want to notify the other jurisdictions immediately following the February Council Meeting.

The City Council had a lengthy discussion of the merits of continuing the practice of an under levy. Among the points made were:

- *The importance of the City receiving the full benefit of the increase in assessed value resulting from the improvements made within the Urban Renewal District once the District ceases to exist.*

- *The value to the City and the other taxing jurisdictions of receiving the funds from an under levy now as opposed to waiting until the District ends.*
- *The importance of conducting a Work Session to address the long-term plan for Urban Renewal given the impact on the City's General Fund of Urban Renewal.*
- *It was noted that assuming the URA budget increases the budget for capital expenditures, the amount of property tax revenues to pay for that \$225,000 would reduce the City's General Fund revenues by approximately \$92,000, down from \$205,000 in the current year.*

The Urban Renewal Agency is required to notify the other taxing jurisdictions of the intent to under levy. These notices will go out after the City Council meeting on February 2nd.