

CITY COUNCIL AGENDA



MEDFORD
OREGON

June 18, 2020

6:00 P.M.

Medford City Hall, Council Chambers

411 W. 8th Street, Medford, Oregon

This meeting may be viewed via livestream at www.cityofmedford.org. Click on **COUNCIL MEETINGS** at the bottom of the first page. From there click on **LIVE STREAM GOVERNMENT CHANNEL**.

10. **Roll Call**

20. **Recognitions, Community Group Reports**

20.1 Employee Recognitions

20.2 Employee of the Quarter

20.3 Employee of the Year

30. **Oral Requests and Communications from the Audience**

Comments will be limited to 4 minutes per individual, group or organization. PLEASE SIGN IN.

40. **Approval or Correction of the Minutes of the June 4, 2020 Regular Meeting**

50. **Consent Calendar**

50.1 **COUNCIL BILL 2020-72**

A resolution canvassing the returns of the Primary Election on May 19, 2020 and declaring the election results on Ballot Measure 15-187, amending the City Charter to require "transient lodging intermediaries" to collect the Transient Lodging Tax, and Ballot Measure 15-188, amending the City Charter to increase the Transient Lodging Tax from 9 percent to 11 percent.

50.2 **COUNCIL BILL 2020-73**

An ordinance ratifying execution of a Settlement Agreement resolving the attorney fee award in the *Bova v. City of Medford, et al.* litigation.

50.3 **COUNCIL BILL 2020-74**

An ordinance approving the amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Fire and EMS dispatch services with Emergency Communications of Southern Oregon (ECISO) in the amount of \$697,196.99.

Meeting locations are generally accessible to persons with disabilities. To request interpreters for hearing impaired or other accommodations for persons with disabilities, please contact the ADA Coordinator at (541) 774-2074 or ada@cityofmedford.org at least three business days prior to the meeting to ensure availability. For TTY, dial 711 or (800) 735-1232.

50.4 COUNCIL BILL 2020-75

An ordinance authorizing Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Police dispatch services with Emergency Communications of Southern Oregon (ESCO) in the amount of \$1,441,482.79.

50.5 COUNCIL BILL 2020-76

An ordinance authorizing the execution of a funding agreement with ColumbiaCare to receive a 2019/2020 award from the City's Housing Opportunity Fund (HOF).

50.6 COUNCIL BILL 2020-77

An ordinance setting the annual ad valorem property tax levy of the City of Medford for fiscal year 2020-2021.

50.7 COUNCIL BILL 2020-78

A resolution certifying the City of Medford is eligible to receive state shared revenues and elects to receive state shared revenues for fiscal year 2020-2021.

60. Items Removed from Consent Calendar

70. Ordinances and Resolutions

70.1 COUNCIL BILL 2020-79

An ordinance authorizing execution of Amendment No. 3 to the Hope Village Operational Agreement.

70.2 COUNCIL BILL 2020-80

An ordinance amending sections 8.802, 8.803, and 8.815 of the Medford Municipal Code related to the transient lodging tax.

70.3 COUNCIL BILL 2020-81

A resolution authorizing the issuance, sale, execution, and delivery of limited tax revenue and refunding bonds in one or more series, in an aggregate principal amount of up to \$60,000,000 for the purpose of financing all or a portion of a sports and event complex and an amount sufficient for the purpose of refunding all or a portion of certain outstanding obligations of the City and paying costs of issuance of the bonds relating to financing the sports and events complex and refunding certain outstanding obligations; authorizing a pledge of the full faith and credit of the City; authorizing the execution and delivery of financing, legal and disclosure documents; designating authorized representatives and delegating authority; providing for publication of notice; and related matters.

80. Public Hearings

Comments are limited to a total of 30 minutes for applicants and/or their representatives. You may request a 5-minute rebuttal time. Appellants and/or their representatives are limited to a total of 30 minutes and if the applicant is not the appellant they will also be allowed a total of 30 minutes. All others will be limited to 4 minutes. PLEASE SIGN IN.

YOU MAY SUBMIT WRITTEN COMMENTS INSTEAD OF TESTIFYING IN PERSON. IF YOU PROVIDE TIMELY WRITTEN TESTIMONY BY NOON OF THE DATE OF THE MEETING, YOU NEED NOT TESTIFY IN PERSON.

80.1 COUNCIL BILL 2020-63 – CONTINUED FROM MAY 21, 2020

An ordinance amending sections 10.012, 10.185, 10.421, 10.482, 10.924, and 10.925 of the Medford Municipal Code, and adding section 10.503, pertaining to Shared-Use Paths. (DCA-18-112) Land Use, Legislative; Planner: Sara Sousa, sara.sousa@cityofmedford.org

80.2 COUNCIL BILL 2020-82

An ordinance amending sections 9.560, 9.561, 10.732, and 10.839 of the Medford Municipal Code pertaining to electrified fences. (DCA-19-010) Land Use, Legislative; Planner: Carla Paladino, carla.paladino@cityofmedford.org

80.3 COUNCIL BILL 2020-83

A resolution authorizing the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan to use Community Development Block Grant (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus pandemic. Planner: Angela Durant, angela.durant@cityofmedford.org

80.4 COUNCIL BILL 2020-84

A resolution adopting the sixth Supplemental Budget for the 2019-21 biennium resulting in a \$4,092,364 increase in appropriations for the 2019-21 biennium. Accounting Supervisor: Lorraine Peterson, lorraine.peterson@cityofmedford.org

80.5 COUNCIL BILL 2020-85

An ordinance amending sections 4.718, 4.1001, 4.1009, 4.1011 and 4.1019 of the Medford Municipal Code related to Storm Drain and Parks utility fees. Accounting Supervisor: Lorraine Peterson, lorraine.peterson@cityofmedford.org

80.6 COUNCIL BILL 2020-86

An ordinance amending sections 8.751, 8.752, and 8.755 of the Medford Municipal Code related to car rental taxes. Accounting Supervisor: Lorraine Peterson, lorraine.peterson@cityofmedford.org

90. Council Business

90.1 Proclamations issued:

Juneteenth Celebration Day – June 18, 2020

90.2 Committee Reports and Communications

a. Council Officers Update

b. Budget Committee Appointment

100. City Manager and Staff Reports

110. Adjournment



AGENDA ITEM COMMENTARY

DEPARTMENT: City Manager's Office
PHONE: (541) 774-2017
STAFF CONTACT: Karen Spoons, City Recorder

AGENDA SECTION: Consent Calendar
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-72

A resolution canvassing the returns of the Primary Election on May 19, 2020 and declaring the election results on Ballot Measure 15-187, amending the City Charter to require "transient lodging intermediaries" to collect the Transient Lodging Tax, and Ballot Measure 15-188, amending the City Charter to increase the Transient Lodging Tax from 9 percent to 11 percent.

SUMMARY AND BACKGROUND

Council is requested to consider approval of a resolution certifying the election results of the May 19, 2020 Primary Election. Chapter VI, Section 22 of the Medford Charter requires that all election results "be entered into the record of the proceedings of the Council." Adoption of this resolution fulfills this requirement for the following two City ballot measures that appeared on the May 19, 2020 Primary Election ballot:

Measure 15-187: Amends Medford City Charter. Provides that the City of Medford may collect transient lodging tax from transient lodging intermediaries in addition to owners or operators.

Measure 15-188: Amends Medford City Charter. Provides that the City of Medford may by ordinance impose and levy a transient lodging tax not exceeding 11% on gross room receipts on most premises rented for a period of twenty seven days or less. Changes the tax rate from 9% to 11%; all other room tax provisions remain unchanged.

The County Clerk finalized the votes and certified the May Primary Election results. Council approval of this resolution will enter the election results into the Council record in compliance with Chapter VI, Section 22 of the City Charter.

PREVIOUS COUNCIL ACTIONS

On January 2, 2020, Council approved Council Bills 2020-02 and 2020-03 referring to the City of Medford electorate two proposed changes to the Medford City Charter to be voted upon at the Primary Election held on Tuesday, May 19, 2020. The two ballot measures would amend the Charter to allow collection of the transient lodging tax from "transient lodging intermediaries" and increase the tax to 11%.

ANALYSIS

Chapter VI, Section 22 of the Medford Charter states "The results of all elections shall be entered into the record of the proceedings of the Council." Adoption of the resolution fulfills this requirement.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

None pertaining to Council.



TIMING ISSUES

None.

COUNCIL OPTIONS

Adopt the resolution.

Modify the resolution.

Deny the resolution and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve the resolution canvassing the returns of the Primary Election of May 19, 2020.

EXHIBITS

Resolution

RESOLUTION NO. 2020-72

A RESOLUTION canvassing the returns of the Primary Election on May 19, 2020 and declaring the election results on Ballot Measure 15-187, amending the City Charter to require “transient lodging intermediaries” to collect the Transient Lodging Tax, and Ballot Measure 15-188, amending the City Charter to increase the Transient Lodging Tax from 9 percent to 11 percent.

WHEREAS, the votes cast by all of the legal voters of the City of Medford at the Primary Election of May 19, 2020 on Ballot Measures 15-187 and 15-188, to amend the Charter for the City of Medford concerning the Transient Lodging Tax, have been counted and returns thereof have been fully reported and certified by the County Clerk of Jackson County and the City Council has canvassed the same; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

Section 1. The votes cast at the Primary Election of May 19, 2020 on Ballot Measure 15-187, amending the City Charter to require “transient lodging intermediaries” to collect the Transient Lodging Tax, are as follows:

Yes	12,906
No	9,820
TOTAL	22,726

Section 2. It is hereby declared that Ballot Measure 15-187 passed.

Section 3. The votes cast at the Primary Election of May 19, 2020 on Ballot Measure 15-188, amending the City Charter to increase the Transient Lodging Tax from 9 percent to 11 percent, are as follows:

Yes	11,931
No	10,795
TOTAL	22,726

Section 4. It is hereby declared that Ballot Measure 15-188 passed.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Legal
PHONE: (541) 774-2020
STAFF CONTACT: Eric Mitton, Deputy City Attorney

AGENDA SECTION: Consent Calendar
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-73

An ordinance ratifying execution of a Settlement Agreement resolving the attorney fee award in the *Bova v. City of Medford, et al.* litigation.

SUMMARY AND BACKGROUND

Council is requested to consider an ordinance ratifying a settlement agreement resolving the attorney fee award, concluding the *Bova* class action litigation.

PREVIOUS COUNCIL ACTIONS

Council has not previously taken action on this particular component of the retirement benefits litigation.

ANALYSIS

The substance of the class action litigation is now resolved. The last matter to resolve is the attorney fee award. This settlement of \$758,600.00 covers more than a decade of class action litigation including appellate proceedings. The settlement reflects a discount of \$211,299.00 from the amount sought by the attorney for the class, and also avoids additional attorney fee exposure and interest accrual for proceedings going forward. Litigation is ongoing between the City and insurance companies regarding reimbursements to the City for costs and expenses related to the retirement benefits litigation.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Payment of this settlement involves a transfer from Risk Contingency, which is addressed in the supplemental budget.

TIMING ISSUES

Payment must be made on or before July 17, 2020.

COUNCIL OPTIONS

- Approve the ordinance as written.
- Modify the ordinance.
- Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve the ordinance ratifying the settlement of the attorney fee award in the *Bova* class action litigation.



EXHIBITS

Ordinance

Settlement agreement on file with the City Recorder's Office

ORDINANCE NO. 2020-73

AN ORDINANCE ratifying execution of a Settlement Agreement resolving the attorney fee award in the *Bova v. City of Medford, et al.* litigation.

WHEREAS, the *Bova v. City of Medford, et al.*, litigation is a class action suit that has been ongoing for more than a decade; and

WHEREAS, the substance of the class action litigation has been fully resolved; and

WHEREAS, the parties to the litigation have reached a tentative, comprehensive settlement regarding Plaintiff's attorney fees in the amount of \$758,600.00, which covers more than a decade of class action litigation, including appellate proceedings, reflects a discount of \$211,299.00 from the amount sought by the attorney for the class, and also avoids additional attorney fee exposure and interest accrual for proceedings going forward; now, therefor,

THE CITY OF MEDFORD, OREGON ORDAINS AS FOLLOWS:

The Settlement Agreement, on file in the City Recorder's office, resolving the attorney fee award in the *Bova v. City of Medford, et al.* litigation is hereby ratified.

PASSED by the Council and signed by me in authentication of its passage this _____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Fire
PHONE: 541-774-2301
STAFF CONTACT: Eric Thompson, Fire Chief

AGENDA SECTION: Consent Calendar
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-74

An ordinance approving the amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Fire and EMS dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$697,196.99.

SUMMARY AND BACKGROUND

Council is requested to consider an Ordinance approving the amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$697,196.99. This agreement was initiated in 2012.

PREVIOUS COUNCIL ACTIONS

On July 5, 2018, Council Bill 2018-81 was approved authorizing the execution of the Emergency Communication of Southern Oregon Intergovernmental Agreement for Fire Department dispatch services in the amount of \$681,255.61.

On June 6, 2019, Council Bill 2019-45 was approved adopting the City of Medford budget for biennium 2019-21 and commencing July 1, 2019.

On July 18, 2019, Council Bill 2019-67 was approved authorizing the execution of a contract in the amount of \$697,196.99 with Emergency Communications of Southern Oregon to provide fire dispatch services for fiscal year 2019-20.

ANALYSIS

This Amendment and Exhibit C outline the fees and services provided by ECSO for the second year of the biennium (FY 2021). The Fire department relies on ECSO to answer 911 calls for service and forward the information to first responders so they are able to respond to the needs of callers. Their gathering of information and relaying in a timely and concise manner helps to ensure the caller is able to receive the appropriate resource for each response. The Fire User Group has reviewed the policies, procedures, and protocols adopted by ECSO for compatibility with their own prior to presenting the contract for approval. The contractual amount is based on population, assessed value and calls for service.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

\$1,415,311 is budgeted for the two-year period in the Fire Department, Operations, and detailed on page 36 of the 2019-2021 Budget. The annual user rate published by ECSO for FY 2021 is \$697,196.99. While ECSO anticipated an increase for FY 2021, it should be noted that there is no increase in the user rate for FY 2021. This fee remains the same as FY 2020.



TIMING ISSUES

Approving the Amendment will allow the City of Medford to continue to contract for dispatching services with ECSO.

COUNCIL OPTIONS

- Approve the ordinance as presented.
- Modify the ordinance as presented.
- Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve the ordinance authorizing the Amendment to the contract with Emergency Communications of Southern Oregon for Fire dispatch services.

EXHIBITS

- Ordinance
- IGA on file in City Records Office

ORDINANCE NO. 2020-74

AN ORDINANCE approving the amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Fire and EMS dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$697,196.99.

WHEREAS, the Fire department relies on ECSO to answer 911 calls for service and forward the information to first responders so they are able to respond to the needs of the caller. ECSO gathering of information and relaying in a timely and concise manner helps to ensure the caller is able to receive the appropriate resource for each response; and

WHEREAS, on July 18, 2019, Council Bill 2019-67 was approved authorizing the execution of a contract in the amount of \$697,196.99 with Emergency Communications of Southern Oregon to provide fire dispatch services for fiscal year 2019-20; now therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA), on file in the City Recorder's office, for Fire and EMS dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$687,196.99, is hereby authorized.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020.

Mayor



DEPARTMENT: Police
PHONE: 541-774-2209
STAFF CONTACT: Scott Clauson, Police Chief

AGENDA SECTION: Consent Calendar
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-75

An ordinance authorizing Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Police dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$1,441,482.79.

SUMMARY AND BACKGROUND

Council is requested to consider an Ordinance approving the Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Police dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$1,441,482.79. This agreement was initiated in 2012.

PREVIOUS COUNCIL ACTIONS

On July 5, 2018 – Council Bill 2018-80 was approved authorizing the execution of the Emergency Communication of Southern Oregon Intergovernmental Agreement for Police Department dispatch services in the amount of \$1,408,523.34.

On June 6, 2019, Council Bill 2019-45 was approved adopting the City of Medford budget for biennium 2019-21 and commencing July 1, 2019.

On July 18, 2019, Council Bill 2019-60.2 was approved authorizing the execution of a contract in the amount of \$1,441,482.79 with Emergency Communications of Southern Oregon to provide police dispatch services for fiscal year 2019-20.

ANALYSIS

This amendment and Exhibit C outline the fees and services provided by ECSO for the second year of the biennium (FY 2021). The police department relies on ECSO to answer 911 calls for service and forward the information to officers so they are able to respond to the needs of the caller. Their gathering of information and reporting in a timely and concise manner helps to ensure callers is able to receive the appropriate resource for each response. The Police User Group has reviewed the policies, procedures, and protocols adopted by ECSO for compatibility with their own prior to presenting the contract for approval. The contractual amount is based on population, assessed value and calls for service.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

\$2,925,100 is budgeted for the two-year period in the Police Department, Administrative Support division, detailed on page 31 of the 2019-2021 Budget. The annual user rate for FY 2021 is \$1,484,200. While ECSO anticipated an increase for FY 2021, it should be noted that there is no increase in the user rate for FY 2021. The fee remains the same as FY 2020.



TIMING ISSUES

Approving the Amendment will allow the City of Medford to continue the contract for dispatching services with ECSO.

COUNCIL OPTIONS

Approve the ordinance as presented.
Modify the ordinance as presented.
Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve the ordinance authorizing the Amendment with Emergency Communications of Southern Oregon for Police dispatch services.

EXHIBITS

Ordinance
IGA on file in City Records Office

ORDINANCE NO. 2020-75

AN ORDINANCE authorizing Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA) for Police dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$1,441,482.79.

WHEREAS, the police department relies on ECSO to answer 911 calls for service and forward the information to officers so they are able to respond to the needs of the caller. ECSO gathering of information and reporting in a timely and concise manner helps to ensure the caller is able to receive the appropriate resource for each response; and

WHEREAS, on July 18, 2019, Council Bill 2019-60.2 was approved authorizing the execution of a contract in the amount of \$1,441,482.79 with Emergency Communications of Southern Oregon to provide police dispatch services for fiscal year 2019-20; now therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Amendment of the 2019 telecommunications Intergovernmental Agreement (IGA), on file in the City Recorder's office, for police dispatch services with Emergency Communications of Southern Oregon (ECSO) in the amount of \$1,441,482.79, is hereby authorized.

PASSED by the Council and signed by me in authentication of its passage this _____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020.

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Planning
PHONE: (541) 774-2390
STAFF CONTACT: Angela Durant, Principal Planner

AGENDA SECTION: Consent Calendar
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-76

An ordinance authorizing the execution of a funding agreement with ColumbiaCare to receive a 2019/2020 award from the City's Housing Opportunity Fund (HOF).

SUMMARY AND BACKGROUND

Council is requested to consider approval of an ordinance authorizing the execution of a funding agreement with ColumbiaCare to receive a 2019/20 award from the City's Housing Opportunity Fund (HOF), established through the adoption of a Construction Excise Tax (CET). ColumbiaCare will use HOF funds to leverage state and private funding to develop affordable housing specifically for low-income Veterans on a vacant lot (owned by ColumbiaCare) located at 1319 W. Stewart Avenue. Construction of a 16-unit complex will consist of two buildings. The first building will offer 12 one-bedroom units, a laundry room, and a storage area. A smaller building will include one handicap accessible unit, the office/community space, and three studio units. This project, referred to as the ColumbiaCare Stewart Avenue Apartments, will serve Veteran households earning up to 80% of the Area Median Income (AMI). Funding shall be awarded through the issuance of a zero interest, deferred loan due upon sale, transfer of title, or failure to maintain the 60-year affordability period. Loan terms shall be secured by a trust deed and declaration of land use restrictive covenants. The project is expected for completion no later than June 30, 2021.

PREVIOUS COUNCIL ACTIONS

On February 15, 2018, City Council approved Council Bill 2018-15 establishing a CET of one-third of one percent on the value of residential, commercial, and industrial improvements to provide funding for affordable housing in Medford.

On June 21, 2018, City Council appointed the Housing Advisory Commission (HAC) to administer the annual public solicitation and selection process for the HOF in accordance with MMC 9.282 - 9.295 and ORS 320.192.

On May 30, 2019, Council approved Council Bill 2019-63 adopting the 2019-2021 Biennial Goals for the City of Medford.

On June 6, 2019, City Council approved Council Bill 2019-45 adopting the 2019-21 Biennial Budget. CET revenue detail is located on page 12-9 of the budget book.

On October 10, 2019, Council held a study session to discuss HOF funding priorities and provided direction on prioritizing development of affordable housing units.



On November 7, 2019, Council approved Council Bill 2019-118 adopting the 2019 Housing Opportunity Fund 2019 funding awards, recommended by the HAC.

ANALYSIS

The ColumbiaCare Stewart Avenue Apartments will help fulfill the goal of the HOF, which is to increase, improve, and preserve supportive and attainable housing to meet the needs of the citizens of Medford. In addition, the project will help City Council accomplish two goals referenced in the 2019-2021 Biennial Goals for the City of Medford, including:

- 1) Support the development of 100 units of housing affordable to households earning up to 120% AMI; and
- 2) Implement the goals and actions identified in the Homeless System Action Plan (HSAP) that increase the supply of affordable and supportive housing.

This project also aligns with the City's 2020-2024 Consolidated Plan for Housing and Community Development and meets the CET program guidelines in Medford Municipal Code 9.292, declaration of CET revenue.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

\$250,000 from the Construction Excise Tax Fund.

TIMING ISSUES

City Council's approval is requested on June 18, 2020, to ensure ColumbiaCare is able to secure favorable construction loan terms.

COUNCIL OPTIONS

Approve the ordinance as presented.

Modify the ordinance as presented.

Decline to approve the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance to execute the funding agreement with ColumbiaCare.

SUGGESTED MOTION

I move to approve the ordinance authorizing execution of the agreement with ColumbiaCare to develop affordable housing for Veterans using City of Medford Housing Opportunity Funds.

EXHIBITS

Ordinance

Agreement, Trust Deed, and Declaration of Restrictive Covenants on file in the City Recorder's Office

ORDINANCE NO. 2020-76

AN ORDINANCE authorizing the execution of a funding agreement with ColumbiaCare to receive a 2019/2020 award from the City’s Housing Opportunity Fund (HOF).

WHEREAS, on February 15, 2018, City Council approved Council Bill 2018-15 establishing a construction excise tax (CET) of one-third of one percent on the value of residential, commercial, and industrial improvements to provide funding for affordable housing in Medford. A portion of CET proceeds are placed into the City’s Housing Opportunity Fund (HOF); and

WHEREAS, the City Council on June 21, 2018 appointed the Housing Advisory Commission (HAC) to administer the annual public solicitation and selection process for distributing the HOF in accordance with MMC 9.282 – 9.295 and ORS 320.192; and

WHEREAS, on October 10, 2019, Council held a study session to discuss HOF funding priorities and provided direction on prioritizing development of affordable housing units; and

WHEREAS, on November 7, 2019, Council approved Council Bill 2019-118 adopting the 2019 Housing Opportunity Fund (HOF) 2019 funding awards, recommended by the HAC; and

WHEREAS, ColumbiaCare proposes to use HOF proceeds to leverage state and private funding to develop a 16-unit affordable housing complex specifically for low-income Veterans on a vacant lot owned by ColumbiaCare and located at 1319 W. Stewart Avenue; and

WHEREAS, this project, scheduled for completion by June 30, 2021, will serve Veteran households earning up to 80% of the Area Median Income (AMI); and

WHEREAS, the ColumbiaCare Stewart Avenue Apartments will a) help fulfill the goal of the HOF, which is to increase, improve, and preserve supportive and attainable housing to meet the needs of the citizens of Medford; b) align with the City’s 2020-2024 Consolidated Plan for Housing and Community Development; and c) meet CET program guidelines; now therefore,

THE CITY OF MEDFORD, OREGON ORDAINS AS FOLLOWS:

Execution of a funding agreement, on file in the City Recorder’s office, with ColumbiaCare to receive a 2019/2020 award from the City’s Housing Opportunity Fund is hereby authorized.

PASSED by the Council and signed by me in authentication of its passage this _____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED June _____, 2020

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

AGENDA SECTION: Consent Calendar

PHONE: (541) 774-2030

MEETING DATE: June 18, 2020

STAFF CONTACT: Ryan Martin CFO/Deputy City Manager

COUNCIL BILL 2020-77

An ordinance setting the annual ad valorem property tax levy of the City of Medford for fiscal year 2020-2021.

SUMMARY AND BACKGROUND

Council is requested to consider an ordinance making the annual ad valorem property tax levy of the City of Medford for fiscal year 2020-2021.

ORS 294.435 requires the governing body to declare by resolution or ordinance the tax amount or tax rate to be levied. Additionally, the resolution or ordinance must declare the tax limitation category into which the tax is placed. The City's proposed tax levy is as follows:

General Government Limitation	Permanent Rate	\$5.2953
Excluded from limitation	General Bonds	\$430,000

The permanent rate will raise approximately \$39 million in taxes depending upon final assessed value and the collection rate.

PREVIOUS COUNCIL ACTIONS

The City Council has consistently levied the maximum permanent rate of \$5.2953 per \$1,000 of assessed value. A resolution to establish and categorize taxes at the rate of \$5.2953 was presented to the Budget Committee and it was unanimously approved by the committee on May 8, 2019.

On June 6, 2019 Council approved Ordinance 2019-47 making the annual ad valorem property tax levy of the City of Medford for the fiscal year 2019-2020.

ANALYSIS

This is an annual levy and must be approved by the Council and filed with Jackson County before July 15, 2020. The resolution to establish and categorize taxes at the rate of \$5.2953 per \$1,000 of assessed value was presented to the Budget Committee and was recommended for approval on May 8, 2019.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The total estimated revenue from property tax is \$39 million.

TIMING ISSUES

The declaration must be completed and filed with Jackson County prior to July 15, 2020.



COUNCIL OPTIONS

- Approve the ordinance as presented.
- Modify the ordinance as presented.
- Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve the ordinance which declares and categorizes the tax for the City of Medford for the fiscal year July1, 2020 to June 30, 2021.

EXHIBITS

- Ordinance
- Department of Revenue Certification of Tax Levy Form LB-50

ORDINANCE NO. 2020-77

AN ORDINANCE setting the annual ad valorem property tax levy of the City of Medford for fiscal year 2020-2021.

WHEREAS, a resolution to establish and categorize taxes at the rate of \$5.2953 was presented to the Budget Committee and it was unanimously approved by the Committee on May 8, 2019; and

WHEREAS, ORS 294.435 requires the governing body to declare by resolution or ordinance the tax amount or tax rate to be levied, and to declare the tax limitation category into which the tax is placed. Based on the foregoing requirements, the City's proposed tax levy for fiscal year 2020-2021 is as follows:

General Government Limitation	Permanent Rate	\$5.2953
Excluded from limitation	General Bonds	\$430,000; and

WHEREAS, the permanent rate will raise approximately \$39 million in taxes, depending upon final assessed value and the collection rate; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Section 1. The City's proposed tax levy, as set-forth below, is authorized:

General Government Limitation	Permanent Rate	\$5.2953
Excluded from limitation	General Bonds	\$430,000

Section 2. The Finance Director is hereby authorized and directed to certify to the County Clerk and County Assessor of Jackson County, Oregon, and the Department of Revenue in Salem, Oregon, the levy of taxes made by this ordinance.

PASSED by the Council and signed by me in authentication of its passage this ___ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED: _____, 2020.

Mayor

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2020-2021

To assessor of Jackson County

Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The City of Medford has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Jackson County. The property tax, fee, charge, or assessment is categorized as stated by this form.

<u>411 W 8th Street</u>	<u>Medford</u>	<u>OR</u>	<u>97501</u>	<u>June 19, 2020</u>
Mailing address of district	City	State	ZIP code	Date submitted
<u>Ryan Martin</u>	<u>CFO/Deputy City Manager</u>	<u>541-774-2033</u>	<u>finance@cityofmedford.org</u>	
Contact person	Title	Daytime telephone number	Contact person e-mail address	

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

- The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.
- The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits	
	Rate —or—	Dollar Amount
1. Rate per \$1,000 or total dollar amount levied (within permanent rate limit) ... 1	5.2953	
2. Local option operating tax 2	N/A	Excluded from Measure 5 Limits
3. Local option capital project tax 3	N/A	
4. City of Portland Levy for pension and disability obligations 4	N/A	Dollar Amount of Bond Levy
5a. Levy for bonded indebtedness from bonds approved by voters prior to October 6, 2001 5a		
5b. Levy for bonded indebtedness from bonds approved by voters after October 6, 2001 5b		430,000.00
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) 5c		430,000.00

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per \$1,000 6	5.2953
7. Election date when your new district received voter approval for your permanent rate limit 7	
8. Estimated permanent rate limit for newly merged/consolidated district 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.

(see the back for worksheet for lines 5a, 5b, and 5c)
File with your assessor no later than **JULY 15**, unless granted an extension in writing.

Worksheet for Allocating Bond Taxes

Debt service requirements for bonds approved **prior to** October 6, 2001 (including advanced refunding issues to redeem them):

	Principal	Interest	Total
Bond Issue 1			
Bond Issue 2			
Bond Issue 3			
Total A			

Debt service requirements for bonds approved **on or after** October 6, 2001:

	Principal	Interest	Total
Bond Issue 1			
Bond Issue 2			
Bond Issue 3			
Total B			
Total Bond (A + B)			

Total Bonds

$$\frac{\text{Total A} = \$ \underline{\hspace{2cm}}}{\text{Total A + B} = \$ \underline{\hspace{2cm}}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{\hspace{2cm}} \quad (\text{enter on line 5a on the front})$$

$$\frac{\text{Total B} = \$ \underline{\hspace{2cm}}}{\text{Total A + B} = \$ \underline{\hspace{2cm}}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{\hspace{2cm}} \quad (\text{enter on line 5b on the front})$$

Total Bond Levy \$ (enter on line 5c on the front)

Example – Total Bond Levy = \$5,000

Debt service requirements for bonds approved **prior to** October 6, 2001 (including advanced refunding issues to redeem them):

	Principal	Interest	Total
Bond A: Bond Issue 1	5,000.00	500.00	5,500.00
Bond Issue 2	3,000.00	250.00	3,250.00
Bond Issue 3	1,000.00	100.00	1,100.00
Total A			9,850.00

Debt service requirements for bonds approved **on or after** October 6, 2001:

	Principal	Interest	Total
Bond B: Bond Issue 1	3,000.00	50.00	3,050.00
Total B			3,050.00
Total Bond (A + B)			\$12,900.00

Formula for determining the division of tax:

$$\frac{\text{Total A} = \$ \underline{9,850.00}}{\text{Total A + B} = \$ \underline{12,900.00}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{3,818.00} \quad (\text{enter on line 5a on the front})$$

$$\frac{\text{Total B} = \$ \underline{3,050.00}}{\text{Total A + B} = \$ \underline{12,900.00}} = \text{Allocation \%} \times \text{Bond Levy} = \$ \underline{1,182.00} \quad (\text{enter on line 5b on the front})$$

Total Bond Levy \$ 5,000.00 (enter on line 5c on the front)



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin CFO/Deputy City Manager

AGENDA SECTION: Consent Calendar

MEETING DATE: June 18, 2020

COUNCIL BILL 2020-78

A resolution certifying the City of Medford is eligible to receive state shared revenues and elects to receive state shared revenues for fiscal year 2020-2021.

SUMMARY AND BACKGROUND

Council is requested to consider a resolution certifying the City of Medford is eligible to receive state shared revenues, and elects to receive state shared revenues for the fiscal year 2020-2021. Two public hearing are required as a part of the process.

ORS 221.770 requires cities to pass a resolution or ordinance each year stating their eligibility and desire to receive state shared revenue funds. The law also requires cities to certify that two public hearings were held. The first, before the Budget Committee, discloses possible uses of these funds. The second, before Council at budget adoption states the proposed uses of funds in relation to the entire budget. Both required public hearings were held as a part of the budgeting process in April and June of 2019.

PREVIOUS COUNCIL ACTIONS

On April 29, 2019 - City Budget Committee held a public hearing on the proposed uses of the state shared revenue for the 2019-2020 biennium. Council held a second public hearing on June 6, 2019 as a part of the budget adoption process. These are the two public hearings required in order to be eligible to receive state shared revenues.

On June 6, 2019 – Council approved Resolution 2019-46 certifying the City of Medford is eligible to receive state-shared revenues and elects to receive state-shared revenues for the fiscal year 2019-2020.

ANALYSIS

This is an annual election and must be approved by Council and filed with the state in order to receive state revenue sharing funds. There are five sources of state shared revenues: gas tax, alcohol tax, cigarette tax, marijuana tax and lottery taxes. Gas tax revenue received by the City is restricted to building and maintaining our transportation system. The other four shared revenues are not restricted and are therefore accounted for in the General and Council Vision Funds. The largest departments within the General Fund are Police, Fire and Parks & Recreation. The budget was recommended for approval by the Budget Committee on May 8, 2019.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The City expects to receive \$7.685 million in state shared revenue in fiscal year 2020-2021. The General Fund will receive an estimated \$2.46 million which is 3% of its total annual revenue. The Gas



Tax Fund will receive an estimated \$4.95 million which is 89% of its annual revenue. The Council Vision Fund will receive \$275,000, which is 49% of its annual revenue.

TIMING ISSUES

The declaration must be completed and filed prior to July 1, 2020

COUNCIL OPTIONS

Approve the resolution as presented.

Modify the resolution as presented.

Deny the resolution and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve the resolution which certifies the City of Medford is eligible to receive state shared revenues and elects to receive state shared revenues for fiscal year 2020-2021.

EXHIBITS

Resolution

RESOLUTION NO. 2020-78

A RESOLUTION certifying the City of Medford is eligible to receive state shared revenues and elects to receive state shared revenues for fiscal year 2020-2021.

WHEREAS, ORS 221.770 requires cities to pass a resolution or ordinance each year stating their eligibility and desire to receive state shared revenue funds. The law also requires cities to certify that two public hearings were held. The first hearing, before the Budget Committee, discloses possible uses of these funds and the second hearing, before City Council at budget adoption, states the proposed uses of funds in relation to the entire budget; and

WHEREAS, on April 29, 2019 City Budget Committee held a public hearing on the proposed uses of the state shared revenue for the 2019-2020 biennium. Council held a second public hearing on June 6, 2019 as a part of the budget adoption process. These two public hearings satisfy state eligibility requirements to receive state shared revenues; and

WHEREAS, on June 6, 2019 Council approved Resolution 2019-46 certifying the City of Medford is eligible to receive state-shared revenues and electing to receive state-shared revenues for the fiscal year 2019-2020; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON

The City of Medford hereby certifies it is eligible to receive state shared revenues and does hereby elect to receive state shared revenues for fiscal year 2020-2021.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor



DEPARTMENT: City Manager's Office **AGENDA SECTION:** Ordinances and Resolutions
PHONE: (541) 774-2000 **MEETING DATE:** June 18, 2020
STAFF CONTACT: Brian Sjothun, City Manager

COUNCIL BILL 2020-79

An ordinance authorizing execution of Amendment No. 3 to the Hope Village Operational Agreement.

SUMMARY AND BACKGROUND

The City Council is requested to consider approval of Amendment #3 to the operational agreement with Rogue Retreat for operation of Hope Village. Hope Village is a transitional housing campground that has been operated by Rogue Retreat since October 2017. This amendment would allow for an extension of the original lease term to July 4, 2023 with two additional three year renewals.

PREVIOUS COUNCIL ACTIONS

On November 17, 2016, Council Bill's 2016-140 and 2016-141 were approved. Resolution No. 2016-140 designated a portion of City-owned property near the Service Center at 821 N. Columbus Avenue as a campground under the terms of Oregon Revised Statutes (ORS) 446.265. Ordinance No. 2016-141 authorized a contract with Rogue Retreat to manage a transitional housing campground located near the Service Center at 821 N. Columbus Avenue.

On August 3, 2017 Council Bill 2017-86 was approved, amending the lease agreement with Rogue Retreat to designate additional tax lots as part of the original campground under the terms of ORS 446.265.

On July 5, 2018, Council Bill 2018-83 was approved, amending the lease with Rogue Retreat and allowing for the addition of 16 transitional housing units for a total of 30 units. The lease also extended the term to June 30, 2020.

On December 6, 2018, Council directed staff to amend the operational agreement eliminating the requirement for a \$20,000 letter of credit.

On January 16, 2020, Council Bill 2020-06 was approved authorizing execution of Amendment No. 2 to the Hope Village Operational Agreement. The amendment allows for four additional transitional housing units on the premises, as well as a recreational vehicle to be used as caretaker quarters.

Request for direction on the requested amendment for renewal was discussed at the May 15, 20, and 21 G-3 Mayor/Council meetings.

ANALYSIS

Rogue Retreat has successfully operated Hope Village, a transitional housing campground authorized under ORS 446.265 and located at 821 N. Columbus Avenue, for nearly three years. The original pilot project allowed for 14 transitional housing units. The operational agreement of January 18, 2017



AGENDA ITEM COMMENTARY

expanded the limit to 30 units phased in over a period of time and another expansion was approved by Council on January 16, 2020 bringing the total number of units to 34.

The operational agreement original term was for two years with an option to renew annually if agreed upon by both parties. The first two year term is set to expire on June 30, 2020 and Rogue Retreat is requesting consideration of extending the term of the lease. The proposed amendment would make the original term of the lease five years and would expire on July 4, 2023. The amendment also includes a proposed option for two additional three year extensions, thus possibly extending the lease to 2029 if the options are exercised by both Rogue Retreat and City.

Rogue Retreat has previously secured over \$700,000 in grants, donations and in-kind support to develop and maintain the 34 unit facility for those in need. Data provided by Rogue Retreat indicates the following:

- 170 individuals served since October 2017
- 37 current residents at Hope Village
- 76 have successfully moved from Hope Village

The consensus of the G-3 meetings was for staff to provide an amendment that extends the current lease agreement for consideration.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

None.

TIMING ISSUES

Current agreement expires on June 20, 2020. However, this agreement can be extended for one year with Council approval.

COUNCIL OPTIONS

- Approve the ordinance as presented.
- Modify the ordinance as presented.
- Deny the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve the ordinance authorizing execution of Amendment No. 3 to the Hope Village Operational Agreement.

EXHIBITS

- Ordinance
- Amendment No. 3 on file in the City Recorder's Office.

ORDINANCE NO. 2020-79

AN ORDINANCE authorizing execution of Amendment No. 3 to the Hope Village Operational Agreement.

WHEREAS, on November 17, 2016 the City Council designated a portion of City-owned property near the Service Center at 821 N. Columbus Avenue, Medford, as a campground under the terms of Oregon Revised Statutes (ORS) 446.265; the property is commonly referred to as "Hope Village;" and

WHEREAS, the City Council on November 17, 2016 authorized a contract with Rogue Retreat to manage a transitional housing campground located on the Hope Village grounds; and

WHEREAS, Rogue Retreat has successfully operated the Hope Village transitional housing campground for nearly three years, increasing the total number of transitional housing units to 34; and

WHEREAS, the City Council desires to extend the initial term of the lease to July of 2023 and to allow for two additional three-year extensions; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Execution of Amendment No. 3 to the Hope Village Operational Agreement, which is on file in the City Recorder's office, is hereby authorized.

PASSED by the Council and signed by me in authentication of its passage this ___ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020.

Mayor



DEPARTMENT: Finance

AGENDA SECTION: Ordinances and Resolutions

PHONE: (541) 774-2030

MEETING DATE: June 18, 2020

STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

COUNCIL BILL 2020-80

An ordinance amending sections 8.802, 8.803 and 8.815 of the Medford Municipal Code related to the transient lodging tax.

SUMMARY AND BACKGROUND

Council is requested to consider an ordinance amending sections 8.802, 8.803 and 8.815 of the Medford Municipal Code (MMC) related to transient lodging taxes to finance the Medford Sports and Events Complex.

PREVIOUS COUNCIL ACTIONS

January 31, 2019 study session, Council directed staff to research indoor recreation facility development options that best address community deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center.

September 12, 2019 study session, Council directed staff to proceed forward with the funding options presented by staff.

October 2019 G-3 meetings, Council discussed the funding mechanisms, outreach, and advocacy for the Sports & Events Complex.

February 13, 2020 study session, Council discussed funding mechanisms for the Sports & Events Complex.

May 28, 2020 study session, a majority of Council decided to proceed with staff presenting funding mechanisms at the June 18, 2020 Council meeting for a formal vote.

ANALYSIS

On May 19, 2020, voters approved ballot measure 15-188 allowing Council to increase the Transient Lodging Tax from 9% to 11% by ordinance. This was the first step in funding the Medford Sports and Events Complex. The remaining funding will come from an expansion of the car rental tax and an increase of the Parks utility fee. This AIC addresses changes to the Transient Lodging Tax section of Medford's Municipal Code.

Section 8.802, [Transient Lodging] Tax Imposed, is revised to change the rate from 9% to 11% effective August 1, 2020.

Section 8.803, Collection of Tax by Operators..., is revised to add that transient lodging intermediaries are also required to collect the tax.

Section 8.815, Administration, is revised to clarify how the tax revenues are distributed.



FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Revenue in the Park Improvement Fund is expected to increase \$741,500 per year.
Revenue in the Community Promotions Fund is expected to increase \$247,200 per year.

TIMING ISSUES

Rate changes will be effective August 1, 2020.

COUNCIL OPTIONS

Approve the ordinance as presented.
Modify the ordinance as presented.
Deny the ordinance as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve an ordinance amending sections 8.802, 8.803 and 8.815 of the Medford Municipal Code (MMC) related to transient lodging taxes to finance the Medford Sports and Events Complex.

EXHIBITS

Ordinance

ORDINANCE NO. 2020-80

AN ORDINANCE amending sections 8.802, 8.803 and 8.815 of the Medford Municipal Code (MMC) related to the transient lodging tax (TLT).

WHEREAS, in January of 2019 the City Council directed staff to research indoor recreation facility development options that would best address community, recreational deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center; and

WHEREAS, in May of 2019 the Mayor and Council adopted 2019-21 biennial goals that included determining the feasibility of an aquatic/event center within the Public Infrastructure initiative of proactively planning for and responding to identified infrastructure needs essential for citizens to live, work and play in Medford and the Rogue Valley; and

WHEREAS, the vision of the Mayor and Council is to construct an indoor Sports and Events Complex at the Howard Memorial Sports Park. The proposed complex will contain indoor recreational and competitive pools and a multi-purpose events center, and by combining aquatics and the events center into a single facility, the City reduces both development and operational costs through the sharing of spaces; and

WHEREAS, Mayor and Council directed City staff to bring forward a package of funding mechanisms for financing construction and operation of the proposed Medford Sports and Events Complex; and

WHEREAS, the recommended package of funding mechanisms does not involve increasing property taxes and includes the following revenue generators: a two percent increase to the Transient Lodging Tax (also known as the hotel-motel tax); expanding the current airport Rental Car Tax to apply to commercial locations citywide and vehicles for moving; increasing the Park Utility Fee by \$2.40/month, which will be offset by a commensurate reduction in the residential Storm Drain Utility Fee; and early repayment of a U.S. Cellular Community Park debt service bond to free up approximately \$1.6 million per year in existing City financing; and

WHEREAS, on May 19, 2020 City of Medford voters approved ballot measure 15-188 increasing the Transient Lodging Tax from 9% to 11% and ballot measure 15-187 requiring “transient lodging intermediaries” to collect the Transient Lodging Tax; and

WHEREAS, the City Council has determined it is appropriate to modify Sections 8.802, 8.803 and 8.815 of the Medford Municipal Code to increase the Transient Lodging Tax to 11% and to require “transient lodging intermediaries” to collect the Transient Lodging Tax; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Section 1. Section 8.802 of the MMC is amended to read as follows:

8.802 Tax Imposed.

For the privilege of occupancy in any transient lodging, on and after ~~January 1, 2006~~ **August 1, 2020**,

(1) A tax of ~~nine eleven~~ percent (~~9 11~~%) is imposed on any consideration rendered for the sale, service or furnishing of transient lodging. **The tax remains at nine percent (9%) for any such transaction occurring prior to August 1, 2020 and on or after January 1, 2006.**

- (a) The tax must be computed on the total retail price, including all charges other than taxes, paid by a person for occupancy of the transient lodging.
 - (b) The total retail price paid by a person for occupancy of transient lodging that is part of a travel package may be determined by reasonable and verifiable standards from books and records kept in the ordinary course of the lodging tax collector's business.
 - (c) The tax shall be collected by the lodging tax collector that receives the consideration rendered for occupancy of the transient lodging.
 - (d) The tax imposed by this subsection is in addition to and not in lieu of any state transient lodging tax.
- (2) The transient shall pay the tax to the lodging tax collector of the transient lodging at the time the rent is paid. The operators shall enter the tax on his records when rent is collected if the operators keeps his records on the cash accounting basis and when earned if the lodging tax collector keeps his records on the accrual accounting basis. If the rent is paid in installments, a proportionate share of the tax shall be paid by the transient to the lodging tax collector with each installment. If for any reason the tax due is not paid to the operators of the transient lodging, the Chief Financial Officer may require that such tax shall be paid directly to the city.

Section 2. Section 8.803 of the MMC is amended to read as follows:

8.803 Collection of Tax by Operators; Rules for Collection.

- (1) The lodging provider that collects the consideration charged for occupancy of a transient lodging business, or a transient lodging intermediary as described in Section 8.801(~~4312~~) of this Code, as applicable, is responsible for collecting any lodging tax and shall file a return of the tax with the City of Medford Chief Financial Officer, or with any tax administrator identified by the City, reporting the amount of tax due during the reporting period to which the return relates.
- (2) Every lodging tax collector renting rooms in this city, the occupancy of which is not exempted under the terms of this ordinance, shall collect a tax from the occupant. The tax collected or accrued by the lodging tax collector constitutes a debt owing by the operators **or the transient lodging intermediaries, as applicable**, to the city. In addition the tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the city.

Section 3. Section 8.815 of the MMC is amended to read as follows:

8.815 Administration.

(1) Special Fund. The Chief Financial Officer shall deposit twenty-five percent of the proceeds of the transient lodgings tax as they are received in a special fund to be known as the "Community Promotions Fund," **forty-one percent into the General Fund, and thirty-four percent into the Park Improvement Fund.** ~~and the balance of the proceeds shall be deposited in the General Fund.~~ The Community Promotions Fund shall be used for the purpose of promoting, directly or through contract, the use of the City of Medford for recreational, cultural, convention and tourist-related activities and services. However, the city council may by resolution transfer all or part of the balance remaining in the Community Promotions Fund at the end of any fiscal year to the General Fund.

NOTE: Matter in **bold font** is new. Matter in ~~strike through font~~ is existing law to be repealed. Three asterisks (***) indicate existing law which remains unchanged by this ordinance but was omitted for the sake of brevity.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

AGENDA SECTION: Ordinances and Resolutions

PHONE: (541) 774-2030

MEETING DATE: June 18, 2020

STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

COUNCIL BILL 2020-81

A resolution authorizing the issuance, sale, execution, and delivery of limited tax revenue and refunding bonds in one or more series, in an aggregate principal amount of up to \$60,000,000 for the purpose of financing all or a portion of a sports and event complex and an amount sufficient for the purpose of refunding all or a portion of certain outstanding obligations of the City and paying costs of issuance of the bonds relating to financing the sports and events complex, and refunding certain outstanding obligations; authorizing a pledge of the full faith and credit of the City; authorizing the execution and delivery of financing, legal and disclosure documents, designating authorized representatives and delegating authority; providing for publication of notice; and related matters.

SUMMARY AND BACKGROUND

Council is requested to consider a resolution authorizing the issuance, sale, execution and delivery of tax revenue bonds up to \$60 million and refunding certain outstanding obligations.

The Medford Sports and Events Complex will be paid for with the proceeds of a \$60 million bond issuance, which will be repaid from various sources. By Council approving this resolution, it will authorize the Chief Financial Officers (CFO) or the City Manager to negotiate and execute the bonds and financing documents on behalf of the City. Adoption of this resolution will also allow the City to be reimbursed for expenses incurred on the project from the date the resolution is approved to the date of debt issuance.

PREVIOUS COUNCIL ACTIONS

January 31, 2019 study session, Council directed staff to research indoor recreation facility development options that best address community deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center.

September 12, 2019 study session, Council directed staff to proceed forward with the funding options presented by staff.

October 2019 G-3 meetings, Council discussed the funding mechanisms, outreach, and advocacy for the Sports & Events Complex.

February 13, 2020 study session, Council discussed funding mechanisms for the Sports & Events Complex.

May 28, 2020 study session, a majority of Council decided to proceed with staff presenting funding mechanisms at the June 18, 2020 Council meeting for a formal vote.

ANALYSIS

The construction of the Medford Sports and Events Complex is proposed to be funded by issuing \$60 million tax-exempt revenue bonds with a 30 year term and approximate 3.85% interest rate. As a part of the financing, the City will also refund the 2017 refunding bonds.



Important dates of the debt issuance process are:

- June 18, 2020 – Staff proposes authorizing resolution
- June 25, 2020 – First draft of preliminary official statement and notice of sale circulated
- August 3, 2020 – Conference call with rating agency
- August 10, 2020 – Receive rating from rating agency
- August 27, 2020 – Bid opening at 9:00 a.m.
- September 10, 2020 – Closing – Funds wired to City

Many factors will determine the exact timeline of the development of the Medford Sports and Events Complex, but the preliminary development timeline is below:

- Summer 2020 – Complete architectural and engineering procurement process
- Fall 2020 – Start Conditional Use Permit process
- Winter/Spring 2021 – Achieve “shovel-ready” status; award construction contract(s)
- Spring 2021 – Groundbreaking
- Spring/Summer 2023 – Ribbon-cutting

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The City will be issuing tax-exempt revenue bonds using the full faith and credit of the City in the amount of \$60 million. The City will also be refunding the 2017 refunding bonds. The annual bond payment will be approximately \$3.7 million and will be repaid by the following sources:

- Transfers in year one and two from:
 - Park Improvement Fund
 - Park Utility Fund
 - Aquatic Reserve Fund
- Transient Lodging Taxes
- Car Rental Taxes
- Park Utility Fee

TIMING ISSUES

The approval of this resolution is the first step in the debt issuance process and follows the timeline of receiving funds on September 10, 2020.

COUNCIL OPTIONS

Approve the resolution as presented.
Modify the resolution as presented.
Deny the resolution and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve the resolution authorizing the issuance, sale, execution and delivery of tax revenue bonds up to \$60 million and authorization to refund the 2017 refunding bonds.

RESOLUTION NO. 2020-81

A RESOLUTION authorizing the issuance, sale, execution, and delivery of limited tax revenue and refunding bonds in one or more series, in an aggregate principal amount of up to \$60,000,000 for the purpose of financing all or a portion of a sports and event complex and an amount sufficient for the purpose of refunding all or a portion of certain outstanding obligations of the City and paying costs of issuance of the bonds relating to financing the sports and events complex and refunding certain outstanding obligations; authorizing a pledge of the full faith and credit of the City; authorizing the execution and delivery of financing, legal and disclosure documents; designating authorized representatives and delegating authority; providing for publication of notice; and related matters.

WHEREAS, the City of Medford (the "City") is authorized by Oregon Revised Statutes ("ORS") Section 287A, the laws of the State of Oregon and its City Charter, to issue "revenue bonds" as defined in ORS 287A.001 for any public purpose and to secure those bonds with a pledge of the full faith and credit of the City as provided in ORS 287A.315; and

WHEREAS, the City is authorized by ORS 287A.360 to issue current refunding bonds to refund or purchase its outstanding obligations; and

WHEREAS, the City has determined that it is financially feasible and in the City's best interests to (i) finance all or a portion of a sports and events complex including surrounding grounds (the "Sports and Events Complex"); (ii) refund all or a portion of the City's Full Faith and Credit Refunding Bond, Series 2017 (the "Refunded Bonds"); and (iii) pay certain costs of issuance of the Bonds relating to the financing of the Sports and Events Complex and the refunding of the Refunded Bonds including, without limitation, the funding of any required reserves and payment of costs in connection with obtaining a Credit Enhancement Device (a "Credit Enhancement Device" as defined in ORS 287A.001) for the Bonds, if beneficial to the City (collectively, the "Project"); and

WHEREAS, the City finds that it is further in the best interests of the City to authorize the sale, issuance and delivery of limited tax revenue and refunding bonds, in one or more series, in a combined aggregate principal amount of (i) not to exceed \$60,000,000 for the purpose of financing the Sports and Events Complex and (ii) an amount sufficient for the purpose of refunding the Refunded Bonds (the "Bonds"); and

WHEREAS, pursuant to Section 32 of the City Charter, the City Council finds that it is in the best interest of the City that the Bonds have a maturity date of more than 10 years from the date of issuance of the Bonds; and

WHEREAS, it is in the best interests of the City to authorize the execution and delivery of one or more bond declarations to establish the terms and conditions of the issuance, sale, execution and delivery of the Bonds (the "Bond Declaration") and the preparation of any disclosure or offering documents (the "Official Statement") and such other offering and sale notices or purchase agreements, escrow deposit agreements, sale documents and any other agreements, certificates or documents to provide for the issuance, sale, execution and delivery of the Bonds to finance and refinance the Project (collectively, the "Financing Documents"); and

WHEREAS, the City adopts this Resolution to authorize and provide for (i) the financing of the Project; (ii) the terms under which the City may sell the Bonds, in a combined aggregate principal amount of (a) not to exceed \$60,000,000 for the purpose of financing the Sports and Events Complex and (b) an amount sufficient for the purpose of refunding the Refunded Bonds; (iii) the sale of the Bonds through a competitive sale or negotiated sale process; (iv) the establishment of the terms of issuance, sale, execution and delivery of the Bonds, in one or more series, and at different times, pursuant to the Financing Documents; and (v) authorization of certain officials and employees of the City to take action on the City's behalf in connection with the Bonds authorized by this Resolution and the execution and delivery of the Financing Documents related to the Bonds; and

WHEREAS, upon adoption of this Resolution, the City will cause Notice of the Bonds to be published in the *Mail Tribune*, pursuant to ORS 287A.150 and as provided for herein in Section 9, and none of the Bonds may be sold, and no purchase agreement for the Bonds may be executed, until at least sixty (60) days following publication of the notice; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

Section 1. Authorization of the Bonds. The City authorizes the issuance, sale, execution and delivery of the Bonds, in one or more series. The proceeds of the Bonds received by the City pursuant to the terms of the Financing Documents shall be used to pay all or a portion of the costs of the Project. The Bonds may be issued such that interest on any series of the Bonds is designated as tax-exempt or federally taxable by the Authorized Representative (defined below). The true interest cost on the Bonds issued shall not exceed 4.00% per annum for Bonds designated as tax-exempt or 4.50% per annum for Bonds designated as federally taxable. The terms and conditions for the purchase, sale, issuance, execution, delivery and administration of the Bonds shall be established consistent with the authorization of this Resolution.

Section 2. Authorized Representative. The City authorizes and directs the City Manager, Chief Financial Officer or Acting Chief Financial Officer, or their respective designees (each, an "Authorized Representative"), each acting individually, to evaluate, negotiate, enter into, execute, deliver and otherwise implement on behalf of the City the terms and conditions for the purchase, sale, issuance, execution, delivery and administration of the Bonds and the Financing Documents, as may in the judgment of such Authorized Representative be in the best interest of the City and in a manner consistent with and in furtherance of this Resolution.

Section 3. Security. The City pledges its full faith and credit and taxing powers as contemplated by ORS 287A.315 to the payment of the Bonds. The Bonds shall be secured by and payable from the City's general non-restricted revenues and other funds that are lawfully available for that purpose, including, the proceeds of the Bonds, subject to the limitations of sections 11 and 11b, Article XI of the Oregon Constitution, and revenues derived from other taxes, if any, levied by the City in accordance with and subject to limitations and restrictions imposed under applicable law or contract, that are not dedicated, restricted or obligated by law or contract to an inconsistent expenditure or use. The owners of the Bonds will not have a lien or security interest on any projects financed or refinanced with the proceeds of the Bonds.

Section 4. Form of Bonds. The Bonds shall be prepared by Bond Counsel in substantially the form approved by an Authorized Representative. The Bonds shall be subject to

authentication, registration, payment, exchange and transfer as provided in the Financing Documents.

Section 5. Tax-Exempt Status and Covenant as to Arbitrage. The City covenants to use the proceeds of the Bonds designated as tax-exempt and the Project financed with the proceeds of the Bonds designated as tax-exempt, and to otherwise comply with the provisions of the Internal Revenue Code of 1986 (the “Code”) so that the interest paid on the Bonds designated as tax-exempt will not be includable in gross income of the owners of such Bonds designated as tax-exempt for federal income tax purposes. The City specifically covenants:

- (1) To comply with “arbitrage” provisions of Section 148 of the Code, and to pay any required rebates and penalties; and
- (2) To use the Project financed with the proceeds of the Bonds designated as tax-exempt so that the Bonds designated as tax-exempt are not “private activity bonds” under Section 141 of the Code; and
- (3) To comply with all reporting requirements.

The Authorized Representative may enter into covenants on behalf of the City to protect the tax-exempt status of the interest paid on any series of the Bonds designated as tax-exempt.

Section 6. Delegation for Establishment of Terms and Sale of the Bonds. Subject to the provisions of this Resolution and pursuant to ORS Section 287A.300, each Authorized Representative, acting singly, is authorized and directed, on behalf of the City without further approval of the Council to:

- (a) Issue and sell the Bonds in one or more series and at the same or different times and establish maturity dates for such series of Bonds;
- (b) Establish the principal and interest payment dates, principal amounts, optional and mandatory redemption provisions, if any, interest amounts, premium and/or discount, if any, denominations and all other terms for the Bonds;
- (c) Make any designations with respect to the federal tax treatment of the Bonds as may be necessary or appropriate upon the advice of Bond Counsel; enter into any covenants with respect to the tax status of the Bonds; and execute and deliver a tax certificate with respect to the tax status of the Bonds designated as tax-exempt;
- (d) At the direction of the Authorized Representative for any series of Bonds, either solicit competitive bids for any series of the Bonds and award the sale to the bidder the Authorized Representative determines offers the most favorable terms to the City, or select one or more underwriters or lenders and negotiate the sale of any series of Bonds to such underwriters or lenders;
- (e) If any series of Bonds are sold through a negotiated sale, negotiate terms with the underwriter under which such series of Bonds shall be sold, and execute and deliver a purchase contract in the form approved by the Authorized Representative for such series of Bonds that incorporates those terms;

- (f) Make any covenants necessary or desirable to obtain favorable financing terms on the Bonds in a manner consistent with and in furtherance of this Resolution;
- (g) Negotiate the terms of, and execute and deliver the Financing Documents;
- (h) Select all or any portion of the Refunded Bonds to be refunded and to call for redemption such Refunded Bonds to be redeemed from the proceeds of the Bonds on the earliest date the Refunded Bonds are subject to redemption and cause notice of defeasance and notice of redemption, as applicable, to be given as required by the terms of the Refunded Bonds;
- (i) Participate in the preparation of and authorize the distribution of preliminary and final official statements (the "Official Statement") relating to any series of Bonds, and "deem final" the preliminary Official Statement;
- (j) Provide for the authentication, registration, payment, exchange and transfer of the Bonds in the Financing Documents;
- (k) Obtain credit ratings on the Bonds if determined by the Authorized Representative to be in the best interest of the City and expend Bond proceeds to pay for the ratings;
- (l) Approve, execute and deliver any documents, agreements or certificates required to prepay the Refunded Bonds according to the terms of the documents authorizing the Refunded Bonds;
- (m) Appoint an escrow deposit agent (the "Escrow Agent") for the Refunded Bonds, if necessary, in connection with any of the Refunded Bonds;
- (n) Approve, execute and deliver an escrow deposit agreement with the Escrow Agent (the "Escrow Deposit Agreement") providing for the prepayment and defeasance of all or a portion of the Refunded Bonds and execute and deliver such other agreements, documents or certificates required to fund one or more irrevocable escrow deposit accounts (collectively, the "EDA Accounts") with cash or other securities as permitted or required by the legal documents related to the Refunded Bonds;
- (o) Approve the form of the Bonds and take actions necessary to qualify the Bonds for the book-entry system of The Depository Trust Company ("DTC"), and provide for the authentication, registration, payment, exchange and transfer of the Bonds;
- (p) Approve, execute and deliver a Continuing Disclosure Certificate pursuant to the Securities and Exchange Commission Rule 15c2-12;
- (q) Approve, execute and deliver closing documents and certificates relating to the sale of the Bonds and the execution and delivery of the Bonds and the Financing Documents;
- (r) Enter into covenants regarding the use of the proceeds of the Bonds received by the City pursuant to the Financing Documents and the use of the Project;
- (s) Evaluate any proposals from providers of Credit Enhancement Devices for the Bonds, obtain a Credit Enhancement Device for the Bonds and execute and deliver agreements

related to such Credit Enhancement Device and/or including representations, agreements and covenants in the Bonds or the Bond Documents with respect to such Credit Enhancement Device, all of which may provide for a Credit Enhancement Device provider to exercise certain rights of the owners of the Bonds, including providing consents and taking such actions as may be otherwise available to owners of the Bonds; and

(t) Execute and deliver a certificate specifying the actions taken pursuant to this Resolution, and any other certificates, documents or agreements that an Authorized Representative determines are desirable to execute and deliver the Financing Documents, the Official Statement, the Escrow Deposit Agreement and all other documents and agreements related to the Bonds and to sell and deliver the Bonds in accordance with this Resolution.

Section 7. Defeasance. The City may defease the Bonds pursuant to the terms of the Financing Documents.

Section 8. Redemption and Prepayment of the Refunded Bonds. Contingent solely on the issuance of the Bonds and subject to the terms of the documents authorizing the Refunded Bonds, the Authorized Representative is authorized to call for redemption or prepayment, as applicable, of all or any portion of the Refunded Bonds, as applicable, with a portion of the proceeds of the Bonds, together with funds on hand from the City, on the earliest dates they are subject to redemption or prepayment, as applicable. The Authorized Representative is further authorized to execute and deliver all agreements, certificates, documents and notices that are necessary and appropriate in connection with the redemption, prepayment and defeasance of all or any portion of the Refunded Bonds consistent with this Resolution and the applicable legal documents for the Refunded Bonds.

Section 9. Process.

(a) None of the Bonds may be sold, and no purchase agreement for the Bonds may be executed, until at least sixty (60) days following publication of the Notice of Full Faith and Credit Bond Authorization, such notice being in substantially the same form attached to this Resolution as Exhibit A (the "Notice").

(b) Pursuant to ORS 287A.150, the Notice will be published in the *Mail Tribune*, a newspaper of general circulation within the boundaries of the City, upon adoption of this Resolution. The Notice shall provide that the estimated combined principal of the Bonds shall not exceed (i) \$60,000,000 for the purpose of financing the Sports and Events Complex and (ii) an amount sufficient for the purpose of refunding the Refunded Bonds.

(c) The Notice shall also specify the last date on which petitions from qualified electors of the City may be submitted.

(d) If petitions for an election, containing valid signatures of not less than five percent (5%) of the City's qualified electors, are received within the time indicated in the Notice, the question of issuing such Bonds shall be placed on the ballot at the next legally available election date. If such petitions are received, no such amount of Bonds may be sold until this Resolution and the question of whether to issue such Bonds is approved by a majority of the electors living within the boundaries of the City who vote on that question. Any such petitions will be subject to ORS 287A.150.

Section 10. Appointment of Bond Counsel and Municipal Advisor. The City hereby appoints Orrick, Herrington & Sutcliffe LLP of Portland, Oregon, as Bond Counsel to the City with respect to the Bonds, and Piper Sandler & Co., as municipal advisor with respect to the Bonds, and agrees to pay their respective fees associated with the issuance of the Bonds.

Section 11. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Bonds by the owners, the provisions of this Resolution shall be part of the contract of the City with the owners and shall be deemed to be and shall constitute a contract between the City and the owners pursuant to ORS 287A.360, or any successor statute. The covenants, pledges and representations contained in this Resolution, or in the closing documents executed in connection with the Bonds, including without limitation the City's covenants and pledges contained in Section 3, Section 5 and Section 6, and the other covenants and agreements to be performed by or on behalf of the City shall be contracts for the equal benefit, protection and security of the owners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Resolution.

Section 12. Effective Date of Resolution. This Resolution shall become effective immediately upon its passage by the Council and approval of the Mayor.

PASSED by the City Council of the City of Medford and signed by me in authentication of its passage this 18th day of June 2020.

ATTEST: _____
City Recorder

Mayor

EXHIBIT A

(FORM OF NOTICE OF FULL FAITH AND CREDIT BOND AUTHORIZATION)

NOTICE IS HEREBY GIVEN that the City Council of the City of Medford, Oregon (the "City"), adopted Resolution No. [_____] (the "Resolution") on June 18, 2020, authorizing the issuance of full faith and credit bonds (the "Bonds"). The bonds will be issued to (i) finance all or a portion of a Sports and Events Complex, (ii) refund all or a portion of the City's Full Faith and Credit Refunding Bond, Series 2017 and (iii) pay certain costs of issuance of the Bonds relating to the financing of the Sports and Events Complex and the refunding of the Refunded Bonds including, without limitation, the funding of any required reserves and payment of costs in connection with obtaining a Credit Enhancement Device for the Bonds, if beneficial to the City (the "Project"), as more fully described in the Resolution.

The City Council has delegated to the City Manager, Chief Financial Officer or Acting Chief Financial Officer or their respective designees the authority to establish the terms, conditions and covenants regarding the Bonds and the revenues which are necessary or desirable to effect the sale of the Bonds.

The City estimates that the Bonds will be issued in a combined principal amount of (i) not to exceed \$60,000,000 for the purpose of financing the Sports and Events Complex and (ii) an amount sufficient for the purpose of refunding the Refunded Bonds. Bond principal and interest are payable from the City's general non-restricted revenues and other funds that are lawfully available for that purpose, including the proceeds of the Bonds and revenues from an ad valorem tax authorized to be levied under the City's permanent rate limit under sections 11 and 11b, Article XI of the Oregon Constitution, and revenues derived from other taxes and fees, if any, levied by the City in accordance with and subject to limitations imposed under applicable law or contract, that are not dedicated or restricted or obligated by law or contract to an inconsistent expenditure or use. The City pledges its full faith and credit and taxing powers as contemplated by ORS 287A.315. The owners of the Bonds will not have a lien or security interest in the Project financed with the proceeds of the Bonds.

If written petitions, signed by not less than five percent (5%) of the City's qualified electors, are filed at the Office of the City Recorder on or before August [___], 2020 (the 61st day after the date of publication of the notice), the question of issuing full faith and credit bonds in a combined estimated principal amount of (i) not to exceed \$60,000,000 for the purpose of financing the Sports and Events Complex and (ii) an amount sufficient for the purpose of refunding the Refunded Bonds shall be placed on the ballot at the next legally available election date. Any such petition shall be subject to ORS 287A.150.

The Office of the City Recorder is located at 411 W. 8th Street, Room 310, Medford, Oregon 97501. Information on procedures for filing petitions may also be obtained at such address or by telephone at (541) 774-2088.

The Resolution is available for inspection at the Office of the City Recorder.

The Bonds will be issued and sold pursuant to Oregon Revised Statutes 287A.150 and ORS 287A.300; this Notice is published pursuant to ORS 287A.150.

BY ORDER OF THE CITY COUNCIL: JUNE 18, 2020.

Published: June [], 2020 in the *Mail Tribune*.



AGENDA ITEM COMMENTARY

DEPARTMENT: Planning

PHONE: (541) 774-2380

STAFF CONTACT: Matt Brinkley, AICP, CFM, Planning Director

AGENDA SECTION: Public Hearings

MEETING DATE: June 18, 2020

COUNCIL BILL 2020-63 – CONTINUED FROM MAY 21, 2020

An ordinance amending sections 10.012, 10.185, 10.421, 10.482, 10.924, and 10.925 of the Medford Municipal Code, and adding section 10.503, pertaining to Shared-Use Paths. DCA-18-112

SUMMARY AND BACKGROUND

Staff requests a continuance of this matter until August 20, 2020. Additional discussions among City departments are needed in order to resolve maintenance issues and other code regulations.

On March 17, 2017, the Planning Commission initiated a code amendment to create new development code language to address shared use paths. The Parks, Recreation and Facilities Department (PRFD) hired a planning firm to work on draft language to accommodate this amendment. Once this draft was complete in April of 2018, Planning and PRFD staff began revising the standards to be consistent with the language of the Code, City policies, and other regulations.

Staff worked closely with the PRFD staff to ensure the amendment properly addresses the necessary requirements for shared-use paths. Multiple meetings were held to revise the draft to its current form. Staff did not consult with the Parks and Recreation Commission as the subject standards typically apply at the time of private development.

The amendment was made available to the public as well as the development community. Members of the Bicycle and Pedestrian Advisory Committee reviewed the proposed amendment at a meeting on March 9, 2020. The group did not have any objections to the proposal. The amendment was placed on the Planning Department's webpage. It was also emailed to a group of interested parties of the development community. A few questions were brought up and answered, but no objections have been made. Most recently, the Planning Commission held a hearing on the amendment on April 23, 2020. The Planning Commission voted 7-1 in favor of the amendment. (File No. DCA-18-112)

PREVIOUS COUNCIL ACTIONS

On February 19 & 20, 2020, the amendment was discussed at G3 meetings with members of the City Council to determine if a study session was necessary. Collectively, the Council concluded this project did not warrant a study session.

On May 21, 2020, the Council considered the proposed amendment. One concern raised was regarding maintenance responsibility. When shared-use paths are built in a corridor outside of the street right-of-way, they would typically be built as a 10-foot wide asphalt path. As long as these paths are built to City standards set forth in this amendment, they would be accepted by the City and maintained by the PRFD. It is only when a sidewalk in the street right-of-way is permitted in lieu of a separate pathway that the maintenance responsibility shifts to the adjoining property owners.



Municipal Code Section 3.010 requires property owners to maintain sidewalks abutting their property in a condition safe for use by the public.

There are instances where the developer has been granted the option of the sidewalk in lieu of a pathway. In southeast Medford in the Summerfield Subdivision (Phases 16-21 and 23-29), the original plan was for a separate corridor pathway but the developer asked and was granted the ability to do a wider sidewalk in the right-of-way instead. Over 50 property owners will ultimately be responsible for the maintenance once it has been built out.

In the case of the Cedar Landing PUD in northeast Medford, a pathway system was approved. Some of the pathway is located in open space areas to be owned by the City. However, much of that pathway system was approved as a 7-foot concrete surface to be built in front of the homes, making it hardly distinguishable from a standard sidewalk. In that instance, approximately 50 homeowners will be responsible for maintenance.

City Council can decide whether or not the maintenance for sidewalks in lieu of a separate pathway should remain the property owners' responsibility. A few options for the Council to consider include:

- 1) Keep the amendment as proposed with the maintenance responsibility on the adjoining property owners when a sidewalk in lieu of pathway is built in the street right-of-way; or
- 2) Change the amendment to indicate the maintenance responsibility is on the City; or
- 3) Change the amendment to place the maintenance responsibility on a homeowners association; or
- 4) Change the amendment to reduce the sidewalk in lieu of a pathway from 10 feet wide to 7 feet wide, making it less maintenance for individual property owners.

ANALYSIS

The new code language includes clear and objective standards for design and construction. It creates a definition of shared-use paths. It also includes design standards that integrate connections between pathways, safety features, maintenance and emergency vehicle access, and designs appropriate for certain geotechnical conditions and terrain. It adds construction specifications that describe required materials and also landscape standards appropriate for different types of pathways. Cross sections have also been added that visually detail riparian and non-riparian (typical) pathways.

Two changes to the current Code are proposed. First, under *General Development Design Standards and Criteria* in Section 10.421, shared-use paths have been added to the list of public improvements and construction drawing requirements have been included. The other change proposed is to *Conditional Uses within Riparian Corridors* in Section 10.925. This section is amended to clarify that shared-use paths within riparian areas do not require a conditional use permit when associated with another land use review.



The City has a system of paths and trails identified in the Comprehensive Plan within the Parks and Recreation Leisure Services Plan and also the Transportation System Plan. As part of development review, staff identifies when those paths align with proposed projects. When they do, the installation of a shared-use path becomes a condition of land use approval. Currently, there are only standards for shared-use paths within the Southeast Area overlay. In situations where the development occurs outside of the Southeast, the PRFD staff have to establish path requirements on a case-by-case basis. The proposed code amendment incorporates standards for paths city-wide, providing clarity and consistency for the development community and staff.

The current proposal categorizes pathways into riparian, non-riparian, and paths in-lieu of sidewalk. Riparian pathways are located within 50-feet of a riparian stream or creek while non-riparian paths are not located within a riparian corridor and may not be adjacent to a surface body of water associated with a protected riparian area. The third type, paths in-lieu of sidewalk, would be located in the street right-of-way like sidewalks when a pathway cannot be located within a separate off-road corridor due to topography or other constraints. In addition, there may be instances where the Leisure Services Plan shows a shared-use path parallel to a public street. This is another example of when a sidewalk in the street right-of-way may replace construction of a sidewalk and a separate pathway. On arterial streets, the cross sections in the Transportation System Plan will be applied as they accommodate separated bicycle lane and pedestrian facilities. The future extensions of South Stage Road and improvement of Foothill Road are examples.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

There is no new financial consideration in regards to this amendment. Once the paths are built, the Parks, Recreation and Facilities Department will take over maintenance responsibility. There is \$50,000 in a recurring Capital Improvement Plan for pathway repairs. If the path is built in the street right-of-way as a sidewalk, it is the maintenance responsibility of the adjoining property owner.

TIMING ISSUES

None.

COUNCIL OPTIONS

Approve the request for continuance.

Modify the request as presented.

Decline to approve the request as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff requests a continuance of this matter until August 20, 2020.

SUGGESTED MOTION

I move to continue the hearing until August 20, 2020.

EXHIBITS

Ordinance

ORDINANCE NO. 2020-63

AN ORDINANCE amending sections 10.012, 10.185, 10.421, 10.482, 10.924, and 10.925 of the Medford Municipal Code, and adding section 10.503, pertaining to Shared-Use Paths. (DCA-18-112)

WHEREAS, the City has identified a system of paths and trails in the Parks Leisure Services Plan and the Transportation System Plan, but there are no city-wide standards for shared-use paths, which results in inconsistent standards being applied on a case-by-case basis; and

WHEREAS, on March 17, 2017 the Planning Commission initiated a code amendment to create new development code language to address the development and construction of shared use paths and a consulting firm was hired to assist the City in developing the standards; and

WHEREAS, the proposed code amendment includes clear and objective standards for design and construction of shared paths and it incorporates city-wide standards that will provide clarity and consistency for staff and the development community; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Section 1. Section 10.012 of the Medford Municipal Code is amended to read follows:

ARTICLE I - GENERAL PROVISIONS

10.012 Definitions, Specific.

Shared-Use Path. A facility designed for travel and recreation by non-motorized users that is improved with a hard surface and separated from motor vehicle traffic.

Section 2. Section 10.185 of the Medford Municipal Code is amended to read follows:

ARTICLE II – PROCEDURAL REQUIREMENTS

10.185 Park Development Review.

In order to ensure a harmonious transition between parkland and surrounding uses, a Park Development Review is required for new and expanded parks, trails, and paths within the Public Parks zone. All park facilities, including paths and trails within the Public Parks zone, previously approved under a Conditional Use Permit, are subject to the Park Development Review process as described in this section.

The following uses are subject to a Conditional Use Permit:

1. ~~New or expanded parks, trails, and paths outside of the Public Parks zone~~
2. ~~New or expanded trails and paths within a riparian corridor~~

Outside of the Public Parks Zone, the following is required:

- (1) New or expanded parks outside of the Public Parks zone require a Conditional Use Permit.**
- (2) New or expanded trails or shared-use paths outside of the Public Parks zone may be reviewed in conjunction with another land use review, such as a Land Division, Site Plan & Architectural Commission Review, Transportation Facility, or Planned Unit Development. If the trail or path is a standalone project, outside of the Public Park zone, a Conditional Use Permit is required.**

Section 3. Section 10.421 of the Medford Municipal Code is amended to read follows:

ARTICLE IV -- PUBLIC IMPROVEMENT STANDARDS AND CRITERIA

10.421 General Development Design Standards and Criteria.

The developer shall design and improve all required public right-of-way elements, including streets, bicycle ~~facilities lanes~~, sidewalks, planter strips, street lights, alleys, storm drains, sanitary sewers, waterlines, accessways, **shared-use paths**, and public easements which are a part of the development ~~and t~~. Those off-site public improvements necessary to serve the development consistent with the Comprehensive Plan or any specific plan thereof, and such other public improvements as required by this chapter in accordance with the standards and criteria set forth herein ~~and~~ shall thereafter warrant the materials and workmanship of said improvements for a period of one (1) year from the date of completion. Such improvements as set forth herein shall be considered necessary for the general use of the property owner(s) of the development, the local neighborhood and the city's traffic and drainage needs including without limitation grading and surfacing of streets and accessways, installation of facilities to supply domestic water, construction of storm and sanitary drainage and treatment facilities, all other improvement work as hereafter set forth. All improvement work shall be at the sole cost and expense of the developer unless otherwise specifically provided herein.

Section 4. Section 10.482 of the Medford Municipal Code is amended to read follows:

10.482 Public Improvement Plan Requirements.

D. Public improvement plans and specifications shall contain performance data reviewed by the developer's engineer demonstrating compliance with all design requirements of this Code. City and Water Commission personnel who check and/or approve public

improvement plans and specifications are authorized to accept such performance data at face value without independently verifying the accuracy thereof.

E. Public improvement plans and specifications for shared-use paths shall also include the location of the centerline of the path on the final construction drawings that is substantially consistent with the location approved in the land use review. A landscape and irrigation plan, if applicable, shall be prepared by an Oregon licensed landscape architect and submitted with the final construction drawings. In the case of a City-initiated shared-use path, the landscape plan may be prepared by Parks Recreation and Facilities Department staff.

Section 5. Section 10.503 of the Medford Municipal Code is added to read follows:

10.503 Shared-Use Paths

Shared-Use Paths shall be required of new developments located on sites that are identified for a planned path within the City's Comprehensive Plan including, but not limited to, the Parks and Recreation Leisure Services Plan, Transportation System Plan, Neighborhood Plan or other adopted special area plan. Where there is a difference between standards, the requirements in an adopted special area plan shall apply.

Land intended for shared-use paths shall be dedicated for public use and/or ownership following the installation of the required improvements. However, the City, at its sole discretion, may permit the dedication of easements in lieu of fee-simple land dedication.

(A) Shared-Use Path Design Standards

Shared-use paths shall:

- (1) Integrate connections with existing and planned path and trail networks and accessways;**
- (2) Incorporate safety features at street intersections and at mid-block pathway crossings;**
- (3) Maintain grades at no more than five percent and cross slopes at no more than two percent unless otherwise approved by the Parks Recreation and Facilities Director or designee;**
- (4) Maintain a minimum vertical clearance of 10 feet;**
- (5) Allow for maintenance and emergency vehicles, including turning radiuses;**
- (6) Provide a design in accordance with the latest addition of the American Association of State Highway and Transportation Officials (AASHTO) Guide for the Development of Bicycle Facilities with an appropriate design speed for the terrain; and**
- (7) Provide a paved width of at least 10 feet with 2 foot shoulders, unless otherwise recommended by the Parks Recreation and Facilities Director (wider paths may be needed where higher volume use is anticipated).**

(B) Shared-Use Path Construction Specifications, Non-Street Right-of-Way.

Shared-use paths shall be constructed in accordance with the following specifications.

(1) Materials: Shared-Use pathways shall be constructed with asphalt concrete according to the Parks Recreation and Facilities Department standard specification. Other surfaces, including concrete, bricks, flagstones, or compacted aggregate may be approved by the Parks Recreation and Facilities Director.

(2) Construction Details: The asphalt concrete surface shall be a minimum of 2 ½ inches thick, placed upon a 12 inch layer of compacted ¾ inch minus base with geotechnical fabric. If constructed in concrete or other materials, the structural section must provide compression strength equal to or better than standard sidewalks.

(3) Location: Shared-use paths shall be sited to provide non-motorized connectivity as shown in the Comprehensive Plan. The approving authority may approve paths to deviate from such locations if the new location will provide the equivalent connectivity and functionality. The following typologies apply to shared-use pathways.

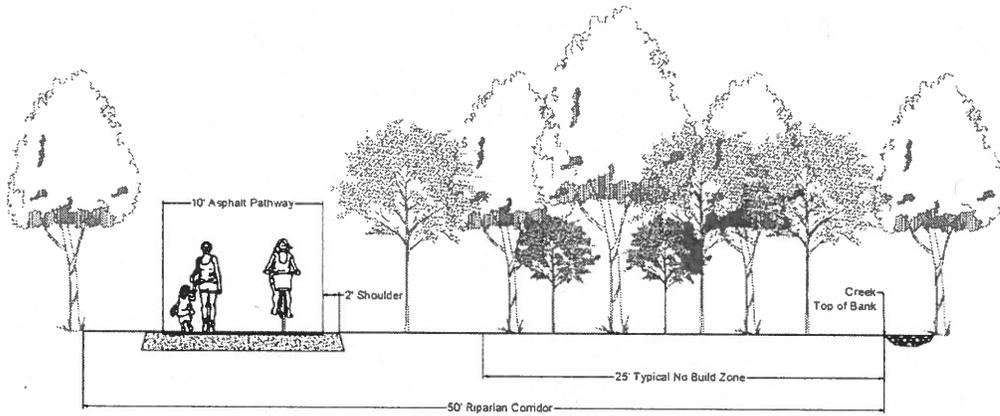
(a) Pathways within a riparian corridor: Shared-Use pathways shall be constructed a minimum of 25 feet from top of bank as per section 10.503C(1). The approving authority may approve an alternate location based upon site conditions.

(b) Pathways, other: Shared-Use pathway corridors outside a riparian area, shall be a minimum of 20 feet in width as per section 10.503C(2).

(c) Special Circumstances: Where Shared-Use pathways provide access to storm drainage facilities or other public facilities, additional conditions may be required by the utility provider.

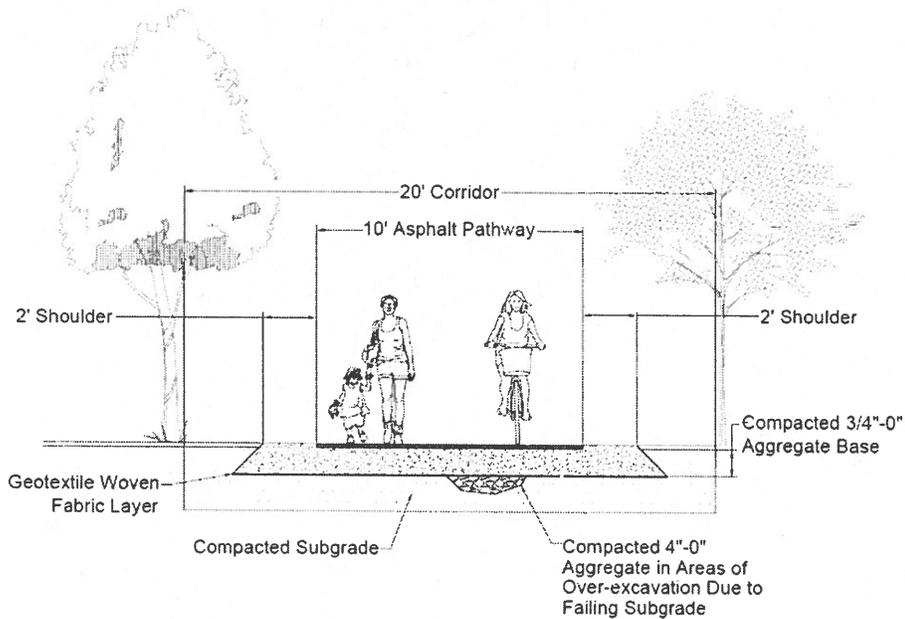
(C) Shared-Use Path Cross Sections, Non-Street Right-of-Way

(1) Typical Section, Riparian Shared-Use Path



TYPICAL SECTION
RIPARIAN CORRIDOR PATHWAY

(2) Typical Section, Other Shared-Use Path



TYPICAL SECTION
SHARED USE PATH

(D) Sidewalks, in lieu of pathways, within Street Right-of-Way

Where it is not feasible to designate a dedicated corridor due to topography or other constraints, sidewalks may be installed within the public right-of-way, in lieu of a standard pathway, if approved by the Parks Recreation and Facilities Department and the Public Works Department. Sidewalks in lieu of pathways shall also be

considered where an adopted City plan shows a path parallel to a public street. They shall not be used where there are frequent driveway crossings.

Sidewalks, in lieu of pathways, shall be built as per the Public Works Department specifications and require signage and/or striping to be installed indicating the shared-use function by both bicycles and pedestrians.

Shared-use paths on arterial streets shall follow the cross-sections with separated bicycle facilities in section 10.428(1), unless modified by the approving authority. On all other streets, the planter strip may be reduced on one or both sides of the street in order to accommodate a 10-foot wide sidewalk, if approved by the approving authority.

(E) Shared-Use Path Installation and Timing

Shared-use paths shall be installed in accordance with the approved plan prior to final plat for land division approvals, prior to issuance of the certificate of occupancy for building permits for Site Plan & Architectural Commission approvals, and prior to certificate of occupancy for building permits or the commencement of use for Conditional Use Permits and Park Development Reviews unless otherwise approved by the approving authority.

The City will accept the dedication and maintenance of the shared-use path upon the satisfactory completion of the installation of the path and required landscaping per the approved construction drawings and landscape plan.

(F) Shared-Use Path Landscaping Design and Improvement

(1) Landscaping requirements for shared-use paths shall be in accordance with the following requirements.

(a) Riparian Greenways: A plan shall be submitted demonstrating protection of native vegetation, along with restoration and enhancement plantings. Such plan shall be submitted to the Oregon Department of Fish & Wildlife for review and approval. Landscaping and irrigation shall be required along both sides of a shared-use path unless the approving authority determines it is not necessary due to topography, existing vegetation, or other existing conditions.

(b) Shared-use pathway, other: Trees offset at 50-foot intervals shall be required on both sides of the shared-use path to provide adequate shading. Enhanced landscaping is not required but may be approved if a maintenance agreement is accepted by the Parks Recreation and Facilities Director. Landscaping and irrigation shall be required along both sides of a shared-use path unless the approving authority determines it is not necessary due to topography, existing vegetation, or other existing conditions.

(c) Sidewalk in lieu of pathway: Trees and irrigation shall be required within the adjacent planter strip next to the sidewalk. For residential zoning districts,

trees shall be installed to provide not less than 100 percent canopy cover over the sidewalk at the time of tree maturity. Street trees within all the other zoning districts shall be installed to provide not less than 70 percent canopy cover over the sidewalk at tree maturity. Canopy cover shall be based upon tree maturity and growth habit data provided in the *Official List of City of Medford Approved Street Trees*, a copy of which is on file in the City of Medford Parks Department. Street trees shall not be located within 50 feet of the corner of an intersection of two streets measured at the curb line.

(2) Landscape Installation and Timing

(a) Landscaping shall be installed in accordance with the approved landscape plan prior to final plat for land division approvals, prior to issuance of the certificate of occupancy for building permits for Site Plan & Architectural Commission approvals, and prior to certificate of occupancy for building permits or the commencement of use for Conditional Use Permits and Park Development Reviews. The developer shall record a maintenance agreement, reviewed and approved by the City Parks Recreation and Facilities Department, ensuring an 85 percent survival of all new landscaping within a two year period after the installation of landscaping.

(G) Shared-Use Path, Short Segments

Where a section of a planned shared-use path is 300 feet or less through a development, the City may delay the installation of the path. Dedication of the land for the shared-use path shall be shown on the final plat or recorded separately as part of another land use review application. In those cases, the City shall require security for future construction of the shared-use path and associated landscaping. The security may be in the form of a bond or other method acceptable to the City. The amount of the security shall be 125 percent of the engineer's cost estimate of the shared-use path construction and 125 percent of a landscape architect's cost estimate for landscape installation, including irrigation. The 300-foot length for implementation of this section shall not apply to individual phases of a larger development.

Section 6. Section 10.924 of the Medford Municipal Code is amended to read follows:

10.924 Permitted Activities within Riparian Corridors.

B. The following activities, and maintenance thereof, are permitted within a riparian corridor, subject to obtaining applicable permits, if any, from the Oregon Department of State Lands and the U.S. Army Corps of Engineers. All plans for development and/or improvements within a riparian corridor shall be submitted to the Oregon Department of Fish and Wildlife for a habitat

mitigation recommendation pursuant to O.A.R. 635-415 "Fish and Wildlife Habitat Mitigation Policy."

(9) Shared-use pathways or greenways, accessways, trails, picnic areas, interpretive and educational displays and overlooks, including benches and outdoor furniture, may be permitted when reviewed in conjunction with a land use review, such as a Park Development Review, Land Division, Site Plan & Architectural Commission review, Traffic Facility, or Planned Unit Development.

Section 7. Section 10.925 of the Medford Municipal Code is amended to read as follows:

10.925 Conditional Uses within Riparian Corridors.

The following activities, and maintenance thereof, are allowed within a riparian corridor if compatible with section 10.920, "Riparian Corridors, Purposes," and if designed to minimize intrusion. Such activities shall be subject to approval of a Conditional Use Permit which may be considered separately or in conjunction with another land use review. The approving authority must determine that the proposal complies with at least one of the Conditional Use Permit criteria. Applicable permits, if any, from the Oregon Department of State Lands and the U.S. Army Corps of Engineers shall subsequently be obtained. All development and improvement plans shall be submitted to the Oregon Department of Fish and Wildlife for a habitat mitigation recommendation pursuant to O.A.R. 635-415 "Fish and Wildlife Habitat Mitigation Policy."

(4) ~~Multi-use paths~~ Shared-use paths, accessways, trails, picnic areas, or interpretive and educational displays and overlooks, including benches and outdoor furniture. A conditional use permit shall not be required for these items when reviewed in conjunction with a land use review, such as a Park Development Review, Land Division, Site Plan & Architectural Commission Review, Transportation Facility, or Planned Unit Development.

NOTE: Matter in bold font is new. Matter in ~~strikethrough font~~ is existing law to be repealed. Three asterisks (* * *) indicate existing law which remains unchanged by this ordinance but was omitted for the sake of brevity.

PASSED by the Council and signed by me in authentication of its passage this _____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____ 2020.

Mayor



DEPARTMENT: Planning

AGENDA SECTION: Public Hearings

PHONE: (541) 774-2380

MEETING DATE: June 18, 2020

STAFF CONTACT: Matt Brinkley, AICP CFM, Planning Director

COUNCIL BILL 2020-82

An ordinance amending sections 9.560, 9.561, 10.732, and 10.839 of the Medford Municipal Code pertaining to electrified fences. DCA-19-010

SUMMARY AND BACKGROUND

Council is requested to consider a legislative code amendment to modify the electric fence regulations found in Sections 9.560, 9.561, 10.732, and 10.839 of the Municipal Code. The proposal seeks to expand the allowances for electric fences into the Community Commercial (C-C) zoning district and update the regulations to reflect changes in building and fire code regulations.

The topic was discussed by City Council during the April 30, 2020, study session. The Planning Commission voted 7-1 in favor of the amendment during the May 14, 2020, public hearing. (File No. DCA-19-010)

PREVIOUS COUNCIL ACTIONS

On September 3, 2015, Council Bill 2015-88 was approved expanding the regulations for electric fences.

On April 30, 2020, the City Council held a study session to discuss the proposed amendment. The proposed amendment is consistent with Council direction regarding its preference for "Option 3."

ANALYSIS

The Planning Department has been working with the applicant (Amarok Ultimate Perimeter Security) and agent (Greg Lemhouse) on this proposal since last fall. The topic to modify the existing electric fence provisions was discussed with the Planning Commission during the August 26, 2019, study session and the amendment was initiated by the Commission at the request of the applicant on September 12, 2019.

The applicant seeks to simplify the permitted use regulations for electric fences and to expand the use of electric fences into the Community Commercial zoning district. Currently, electric fences are permitted around outdoor storage areas including vehicle storage areas in the Heavy Commercial zone, and all three of the industrial zoning districts. Some companies located in the Community Commercial zoning district were seeking help from Amarok to install an electric fence security system, but were not permitted to do so because of the restriction in that zone. Those inquiries led to proposed changes to the regulations.

Planning and Fire-Rescue staff began drafting new regulations in spring 2020. The draft resulted in the creation of several options. For the permitted use section, planning staff suggested expanding



the number and types of uses for which electric fences can be permitted. The other option was to remove the list of uses and simply identify which zoning districts permit electric fences. The first option included restricting electric fences in a number of zones like the Central Business overlay, as well as prohibiting them in residential and park zones and when adjacent to those zones. The second option was to simply prohibit electric fences in the Central Business overlay only. The final option was very similar to the first, however the adjacency restriction was removed. The option favored most by both the Planning Commission and City Council during the study sessions was Option 3.

The proposed regulations will allow for electric fences in the following zoning districts: Community Commercial, Heavy Commercial, General Industrial, Light Industrial, and Heavy Industrial. The prohibited locations include the Central Business overlay, Liberty Park Plan Area, Southeast Plan Areas, and in the Neighborhood Commercial, Service-Commercial/Professional, Single Family, Multi-Family, and Public Parks zoning districts. The new provisions add an inspection from the Fire Department to ensure compliance before energizing the fence and adding the site to a Fire Department registration list. The fence details outline the location and height requirements for both the electrified and non-electrified fences. Warning signs continue to be required and additional details on placement, spacing and appearance of signage are included. Emergency site access provisions have been updated. New sections including Hours of Operation and Surveillance have been added. In Chapter 10, two sections that reference the Chapter 9 provisions have been revised.

The amendment is supported by the Police Chief and has been reviewed and updated based on feedback from Fire-Rescue, Building Safety, and Legal staff.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The allowance of electric security systems in additional zoning districts provides the opportunity for businesses to individually protect their properties from potential theft and burglary, which may reduce the number of emergency calls received by the Medford Police Department.

TIMING ISSUES

None.

COUNCIL OPTIONS

- Approve the ordinance as presented.
- Modify the ordinance as presented.
- Decline to approve the ordinance and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance modifying the electric fence provisions found in Chapters 9 and 10 of the Municipal Code.

SUGGESTED MOTION

I move to approve the ordinance modifying the electric fence provisions found in Chapters 9 and 10 of the Municipal Code.



EXHIBITS

Ordinance

DCA-19-010 Council Report, including Exhibits A-E

DCA-19-010 PowerPoint, April 30, 2020 City Council Study Session (Exhibit E)

ORDINANCE NO. 2020-82

AN ORDINANCE amending sections 9.560, 9.561, 10.732, and 10.839 of the Medford Municipal Code (MMC) pertaining to electrified fences. (DCA-19-010)

WHEREAS, on September 3, 2015, Council Bill 2015-88 was approved expanding the regulations then in existence for electric fences; and

WHEREAS, the Planning Department has been working on proposed Code changes that would simplify the permitted use regulations for electric fences and expand the use of electric fences into the Community Commercial zoning district; and

WHEREAS, the proposed amendments will a) expand the allowances for electric fences into the Community Commercial (C-C) zoning district; b) update the regulations to reflect changes in building and fire code regulations; and c) prohibit Electrified Fences in the Central Business overlay, Liberty Park and Southeast Plan Areas, and in the Neighborhood Commercial, Service-Commercial/Professional, Single Family, Multi-Family, and Public Parks zoning districts; and

WHEREAS, the allowance of electrified security systems in additional zoning districts provides the opportunity for businesses to individually protect their properties from potential theft and burglary, which may reduce the number of emergency calls received by the Medford Police Department; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

SECTION 1. Section 9.560 of the MMC is amended to read as follows:

9.560 Fences and Walls.

Pursuant to and in conjunction with Medford Code Sections 10.731 – 10.733, the following shall be prohibited.

1) ~~Electric~~ **Electrified** fencing, except as regulated by Section 9.561;

SECTION 2. Section 9.561 of the MMC is amended to read as follows:

9.561 ~~Electric~~ **Electrified** Fences.

It shall be unlawful for any person to install, maintain or operate an ~~electric~~ **electrified** fence in violation of this section. The construction and use of ~~electric~~ **electrified** fences shall be allowed in the city only as provided in this section, and sections 10.731 through 10.735, subject to the following standards.

Definition:

Electrified Fence – Any fence, barrier or enclosure partially or totally enclosing a building, field or yard, carrying any electrical pulse or charge through any part, section or element thereof.

- (1) **Permitted.** ~~Electric~~ **Electrified** fences shall ~~only~~ be permitted around ~~outdoor storage areas including vehicle storage areas~~ in the following zones: C-C, C-H, I-L, I-G, and I-H or where needed to control livestock.
- (2) **Prohibited.** **Electrified fences are prohibited in the following locations:**
- a. **Central Business overlay district;**
 - b. **Liberty Park Plan Area;**
 - c. **Southeast (S-E) Plan Area;**
 - d. **The Neighborhood Commercial (C-N) and Service-Commercial/Professional (C-S/P) zoning districts;**
 - e. **All of the Single Family and Multi-Family zones (SFR-00 through SFR-10, MFR-15, MFR-20, and MFR-30); and**
 - f. **In the Public Parks (P-1) zoning district.**
- (32) **Permits Required.** ~~Electric~~-**Electrified** fences shall only be installed under a permit issued by the Building Safety Department, and if an alarm is included, shall also have a Burglar Alarm permit issued under Medford Municipal Code 8.605 through 8.695. **Prior to initially energizing an electrified fence, the property owner or owner's agent shall contact the Fire Department to ensure fire officials inspect the premise for compliance and the location is added to the Fire Department's electrified fence registration list.**
- (43) **Electrification.** The electric charge produced by the fence upon contact shall be non-lethal, and shall not exceed the energizer characteristics set forth in the International Electro-technical Commission (IEC) Standard No. 60335-2-76, ~~2002~~ **2018** edition. All electrical components shall bear the label of a testing agency recognized by the State of Oregon Department of Consumer and Business Services, Building Codes Division. **The electrified fence shall be installed and used in accordance with the Oregon Electrical Specialty Code and Oregon Structural Specialty Code, the listing, and the manufacturer's installation instructions.**
- (43.1) The energizer for ~~electric~~ **electrified** fences ~~must~~ shall be driven by a commercial storage battery or batteries not to exceed 12 volts DC. The storage battery or batteries may be charged either by a solar panel, or a commercial trickle charger, or a combination of both. **AC current shall not be used to energize any electrified fence.**
- (54) **Fence Details.** **Electrified fences shall be constructed in the following manner:**
- (5.1) **Maximum Height.** **Electrified fences shall not exceed 10 feet in height.**
 - (5.2) **Perimeter Fence.** **No electrified fence shall be installed or used unless it is completely surrounded by a non-electrified perimeter fence in order to separate the electrified fence from the abutting property line and right-of-way. The non-electrified perimeter fence shall be installed under the regulations and height limitations in Medford Municipal Code 10.731 through 10.735. The minimum height of the non-electrified perimeter fence shall be six feet. The electrified and non-electrified perimeter fence shall be separated by no more than 12 inches.**

(5.3) Setbacks. Electrified fences shall not be located in the front yard setback, required landscaping areas, or required bufferyard areas as set forth in Chapter 10. No electrified fence shall be installed within 12 inches of a property line.

(5.4) Fence Standards in conjunction with a Bufferyard. When a bufferyard exists, the applicant shall provide photographs of the existing fence or wall and vegetation. When a bufferyard does not exist, the non-electrified fence or wall shall be of solid construction (e.g. wood, concrete, masonry block) and the minimum height shall be eight feet. In either case, the installation of the non-electrified perimeter fence and electrified fence shall be outside of the bufferyard and built in accordance with Section 5.2.

~~No electric fence shall be installed or used unless it is separated from the abutting property or right of way by a non electric fence or wall. When abutting a residential property, the non electric fence or wall shall be of solid construction.~~

~~(4.1) The non electric fence shall be installed under the regulations and height limitations in Medford Municipal Code 10.731 through 10.735.~~

~~(4.2) The non electric fence shall be a height equal to, or greater than the highest level of electrification, but in no case less than 6 feet in height. Electric fences shall not exceed the height of the legally permitted non electric surrounding fence. Electric fences shall not be located in the front yard setback.~~

~~(4.3) A separation shall be maintained between the electric fence and a surrounding non electric fence or wall, adequate to allow maintenance of landscaping, but no less than 12 inches, and no electric fence shall be installed within 24 inches of a property line.~~

~~(4.4) When an electric fence is installed within a required buffer yard as defined in Medford Municipal Code 10.790, the non electric fence shall be shall be constructed of a material and design that is sight obstructing, and compatible with adjacent uses, per the standards of that section. The installation of the electric fence shall not interfere with or cause the removal of the required buffer yard plantings.~~

(65) Warning Signs. Electric Electrified fences shall be clearly identified with warning signs in English and in Spanish that read: "Warning-Electric Fence" or an equivalent, together with a pictorial warning, and include the international symbol for an electrical hazard at intervals of not to exceed forty three feet. **The warning signs shall be mounted on both sides of the electrified fence. The signs shall be reflective with a minimum two-inch letter height, minimum stroke of one-half inch and with a contrasting background.**

(76) Emergency Access. Fire Department access shall be provided in accordance with the Fire Code and the Oregon Structural Specialty Code. When a vehicle gate opens automatically, it shall open using a sensing device approved by the Fire Department. The vehicle gate shall provide a means for the Fire Department to egress through the gate. Power to the electrified fence, excluding gate opening controls, shall be deactivated upon automatic Fire Department access through the gate. In addition, an approved Knox key box or approved equivalent shall be provided at an exterior location for any keyed locks or keyed gates for immediate emergency access necessary for life-saving or fire-fighting purposes. An approved method to

manually disconnect electrical power to all portions of the fence and gates, **such as a “Knox Remote Shunt Control Station,”** shall be provided at an exterior location. The method and location of **both the key box** and the electrical disconnect shall be approved by the Medford Fire Marshal-Fire Ceode Oëfficial.

(8) Hours of Operation. An electrified fence shall only be energized during the hours when the general public does not have legal access to the protected property, unless when used to control livestock.

(9) Surveillance. Electrified fences shall be part of a functioning security system and monitored 24 hours a day.

(107) Compliance. Failure to maintain an ~~electric~~ electrified fence in conformance with the standards set forth in this section shall result in the fence being declared a public nuisance subject to abatement under Medford Municipal Code 5.530.

SECTION 3. Section 10.732 of the MMC is amended to read as follows;

10.732 Fencing of Lots.

(4) All fencing shall comply with Sections 9.560 (**Fences and Walls**) and 9.561 (**Electrified Fences**) ~~Hazardous Fences Prohibited~~, of the City Code.

SECTION 4. Section 10.839 of the MMC is amended to read as follows:

10.839 Marijuana-Related Businesses.

(4) The ~~hazardous fence and wall~~ provisions in Sections 9.560 (**Fences and Walls**) and 9.561 (**Electrified Fences**) apply.

NOTE: Matter in **bold font** is new. Matter in ~~strike through font~~ is existing law to be repealed. Three asterisks (* * *) indicate existing law which remains unchanged by this ordinance but was omitted for the sake of brevity.

PASSED by the Council and signed by me in authentication of its passage this _____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor

The applicant’s request was forwarded to the Planning Commission for formal discussion and initiation at their September 12, 2019 public hearing. The Commissioners voted 6-1 in favor of initiating the amendment. The amendment was added to the Long Range Division’s 2020 work tasks.

Planning and Fire-Rescue staff began drafting changes to Chapter 9, where the bulk of the regulations are housed, in March and April 2020. The majority of the changes proposed were agreed upon by staff and the applicant. The remaining topic of where to permit and prohibit electric fences became the focus of the discussion and proposed changes. Planning staff drafted three options for consideration by the Planning Commission and City Council. Study sessions were held by both the Planning Commission and City Council on April 27th and April 30th (**Exhibit E, CC Minutes and Powerpoint**). Of the three Options, Options #1 and #3 provided for the most discussion and analysis. A breakdown of these two options is below.

Option #1		Option #3	
Permitted uses		Permitted uses	
Identified 7 distinct uses that would permit electric fences	Heavy Construction	Allow in 5 zoning districts regardless of the use on the property	Community Commercial
	Equipment Rental and Leasing		Heavy Commercial
	Auto Dismantlers & Metal Recyclers		Light Industrial
	Trucking Establishments		General Industrial
	Towing Companies		Heavy Industrial
	Outdoor Storage areas		
	Auto repair, Services, and Garages		
	Control of livestock		
Prohibited Areas		Prohibited Areas	
Listed distinct areas and zoning districts, <i>plus when adjacent to residential zones,</i>	Central Business overlay	Same list as Option #1 <i>minus the adjacency requirements</i>	Central Business Overlay
	Liberty Park Plan Area		Liberty Park Plan Area
	Southeast Plan Area		Southeast Plan Area

<i>residential uses in commercial zones, and Public Parks zone</i>	<p>When adjacent to residential dwelling units built in any commercial zoning district</p> <p>Neighborhood Commercial and Service Commercial/Professional</p> <p>Single-family and Multi-family zones or when adjacent to these zones</p> <p>In the Public Parks zoning district or when adjacent to this zone</p>	<p>Neighborhood Commercial and Service-Commercial/Professional</p> <p>Single-family and Multi-family zones</p> <p>Public Parks zone</p>
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Based on discussions with both the Planning Commission and City Council, Option #3 was identified as the preferred option.

PC Recommendation

On May 14, 2020, the Planning Commission voted 7-1 (with Commissioner McKechnie dissenting) to forward a favorable recommendation on the proposal (**Exhibit D**). A friendly amendment was made to the original motion, requesting to remove the Community Commercial zoning district from the proposal. The motion failed 4-4.

The applicant and agent were in attendance of the Zoom hearing that evening and overall in support of the draft language. The applicant raised several questions related to electric permits needed, clarification of language under Sections 5.2 and 5.3 regarding the separation distance between electrified and non-electrified fences and the distance of the electrified fence from property lines, as well as buffer standards. The language in Sections 5.2, 5.3, and 5.4 have been modified to address these concerns.

Authority

This proposed plan authorization is a legislative amendment of Chapters 9 and 10 of the Municipal Code. The Planning Commission is authorized to recommend, and the City Council to approve, amendments to Chapter 10 under Medford Municipal Code Sections 10.214 and 10.218.

ANALYSIS

Prior to 2015, electric fences were prohibited unless used for the control of livestock and when located inside of an existing fence. Therefore, the current regulations adopted five years ago are relatively new and are limited in scope. Available data from the City on the location and number of permits issued since 2015 is sparse, potentially meaning the City does not have a large number of these types of fences installed to date. Amarok, the applicant for this code amendment, reviewed their database and provided the location of five electric fence installations within the City (one of the locations is not permitted because of the zoning).

Amarok has been an electric fence security system provider since the 1990s and provides this type of fencing to businesses across the country. The request to review and modify the current regulations stems from interested customers within Medford unable to have this type of system because of limitations on where these types of fences can be located.

Overall a review and update to the electric fence requirements is positive because it provides an opportunity to revise standards that are identified in building codes, clarify fence details, update emergency access provisions, and incorporate new language that was not previously addressed such as hours of operation and surveillance.

Specifically, the main topic of discussion for this amendment focuses on where electric fences should be permitted and where they should be prohibited. As noted previously, the allowance of electric fences in a broader context (in more zoning districts) has only occurred over the last five years. The current amendment as proposed opens up that allowance even further causing concern for possible aesthetic and compatibility issues with residential uses and commercial centers. To address concerns about compatibility and aesthetic impacts, the amendment identifies specific plan areas and zoning districts where electric fences will continue to be prohibited.

The finer point of this issue is in locations where commercial or industrial uses are adjacent to residential zones, residential uses, or commercial centers. These specific circumstances are unique land use situations where a residential home may share a property line with a commercial or industrial use, and which property owner's rights for safety, security, and livability carry more weight? The residential property owner does not have the right to install an electric fence whereas the commercial/industrial property owner does. This potential conflict can be addressed through adherence of the bufferyard standards already available in Chapter 10 of the development code. Protections are in place for these very scenarios and if they are installed will help reduce the visual impact of an electric fence through use of fences or walls along property lines, landscaping, and setbacks. The proposal seeks to use these existing buffer standards to help reduce the potential visual conflicts for the residential owner while still allowing for a business owner to install an electric fence security system.

Electric fence security systems, such as those provided by Amarak, provide business owners with a multi-layer protection barrier (fencing, warning signs, non-lethal shock, and alarms) that would cause a potential trespasser to rethink invading the premises. The proposal allows business owners within the five zoning districts outlined to determine if this type of protection is necessary for their property and the requirements that must be followed in order to install an electric fence. The amendment also tries to be mindful of areas like the downtown core and residential and neighborhood-scale commercial zoning districts by prohibiting electric fences in these locations. The proposal seeks to balance competing interests.

FINDINGS AND CONCLUSIONS

The criteria that apply to code amendments are found in Medford Municipal Code §10.218. The criteria are rendered in italics; findings and conclusions in roman type.

Land Development Code Amendment. The Planning Commission shall base its recommendation and the City Council its decision on the following criteria:

10.184 (2) (a). Explanation of the public benefit of the amendment.

Findings

Satisfied. The use of an electric fence security system is voluntary and provides a business owner the ability to choose a heightened defense system to protect their goods and property from theft and crime. At a high level, such protection and monitoring may benefit the City's law enforcement by reducing the number of calls made to the police department and allowing for officers to focus on more serious types of crimes. Properties that were once targets may no longer be, and criminal activity in a particular location may be reduced or stop because of these systems.

Generally, the proposal provides an opportunity to update standards, add provisions, and clarify regulations that are out of date, no longer apply, or are relevant to enhance the topic being evaluated. In this case, Planning and Fire-Rescue staff coordinated to amend the electric fence language to better align with building and fire code provisions, emergency access needs, and simplify text to make the rules more understandable.

Conclusions

The provisions provide another means for business and property owners to protect their sites. Additional protections to properties may assist in reducing the City's case load of theft-related crimes. The regulations are updated to ensure access by emergency personnel is safe and efficient. Overall, the amendment reflects needed changes to better understand and enforce the code related to electric fences. This criterion is satisfied.

10.184 (2) (b). The justification for the amendment with respect to the following factors:

1. *Conformity with goals and policies of the Comprehensive Plan considered relevant to the decision.*

Findings

Satisfied. The amendments to the electric fence regulations most closely align with the goals and policies found in the Fire Emergency Services and Law Enforcement provisions of the Comprehensive Plan. Specifically the following statements:

Fire Emergency Services Policy 3-C: The City of Medford Fire Department shall provide staff to adequately review development proposals for compliance with the Uniform Fire Code.

Implementation 3-C(1): Review development proposals to assure adequate and timely access for all necessary fire apparatus.

Staff from Fire-Rescue were co-writers of the electric fence amendment. Their involvement provided changes to ensure the safety of emergency personnel and vehicles accessing properties with an electric fence security system and important updates related to fire and building codes, warning signs, and permit and inspection requirements.

Law Enforcement Goal 1: To provide a safe and secure environment for people and property in the City of Medford.

Policy 1-A: The City of Medford Police Department shall strive to provide rapid and timely response to all emergencies.

Theft and burglary are a problem in the City of Medford as noted in the e-mail from Police Chief Clauson. Electric fence security systems provide business owners with another tool they can use to defend against crime occurring on their properties.

Conclusions

The City's first responders are an important consideration in the proposal to ensure they can safely and easily gain access to properties armed with an electric fence security system in the event of an emergency. In addition, Fire and Police staff are in support of the provisions to help mitigate impacts of crime on business owners. The Comprehensive Plan broadly relates to the proposal. This criterion is satisfied.

2. *Comments from applicable referral agencies regarding applicable statutes or regulations.*

Findings

Satisfied. The proposal was drafted by both Planning and Fire-Rescue staff and reviewed and coordinated closely with Building Safety and Legal staff. The proposal was distributed to internal and external referral agencies for review and comments. A Land Development committee meeting was held on April 29, 2020, to discuss the proposal. The following partners provided emails or memorandums with official no comments on the subject: Oregon Department of Aviation, Public Works-Engineering, Medford Water Commission, and Fire-Rescue.

Following the City Council study session, Police Chief Scott Clauson was e-mailed the draft proposal to gain insights from the law enforcement perspective on the need for these types of fences. The e-mail from Chief Clauson is attached to the record. **(See Exhibit B)**

Conclusions

The proposal was coordinated with internal city agencies to capture applicable Building and Fire Code requirements and updates. The amendment was discussed with Police Chief Clauson in order to better understand the issues businesses are facing with theft and burglary and the impact additional protection of an electric fence could provide. Referral agencies were provided the opportunity to review the amendment and provide comments. This criterion is satisfied.

3. *Public comments.*

Findings

Satisfied. The proposal has been discussed during three public study sessions. To date, only one public comment via e-mail has been received on the topic from Robert Shand. **(See Exhibit C)** The proposal is posted on the City's website for review by the public and has been provided to the Planning Departments' interested parties list for code amendments.

The proposal will be discussed and deliberated on at two scheduled public hearings on May 14th and June 18th providing opportunities for additional public input and testimony.

Conclusions

The development and review of code amendments is conducted in a public setting providing opportunities for citizens to engage and provide input throughout the process. The upcoming public hearings are additional avenues for residents to participate in the legislative code amendment process. This criterion is satisfied.

4. *Applicable governmental agreements.*

Findings

Not Applicable. There are no established governmental agreements between the City and another jurisdiction associated with electric fence provisions.

Conclusions

This criterion is found to be not applicable to this proposal.

RECOMMENDED ACTION

The Planning Commission recommends approving the electric fence amendment based on the analysis, findings and conclusions included in the Council Report dated June 11, 2020, including Exhibits A through E.

EXHIBITS

- A Proposed amendment
- B E-mail dated May 1, 2020 from Chief Scott Clauson
- C E-mail dated April 30, 2020 from Robert Shand
- D Planning Commission Hearing Minutes, May 14, 2020 (Excerpt)
- E City Council Study Session Minutes, April 30, 2020 and Power Point

CITY COUNCIL AGENDA: JUNE 18, 2020

(Deleted language is ~~struck through~~ and new language is red underlined)

9.560 Fences and Walls

Pursuant to and in conjunction with Medford Code Sections 10.731 – 10.733, the following shall be prohibited.

- (1) ~~Electric-Electrified~~ fencing, except as regulated by Section 9.561;

.....

9.561 ~~Electric~~ Electrified Fences

It shall be unlawful for any person to install, maintain or operate an ~~electric~~ electric fence in violation of this section. The construction and use of ~~electric~~ electric fences shall be allowed in the city only as provided in this section, and sections 10.731 through 10.735, subject to the following standards.

Definition:

Electrified Fence – Any fence, barrier or enclosure partially or totally enclosing a building, field or yard, carrying any electrical pulse or charge through any part, section or element thereof.

- (1) Permitted. Electric fences shall ~~only~~ be permitted ~~around outdoor storage areas including vehicle storage areas~~ in the following zones: C-C, C-H, I-L, I-G, and I-H or where needed to control livestock.

- (2) Prohibited. Electrified fences are prohibited in the following locations:

- a. Central Business overlay district;
- b. Liberty Park Plan Area;
- c. S-E Plan Area;
- d. The Neighborhood Commercial (C-N) and Service-Commercial/Professional (C-S/P) zoning districts;
- e. All of the Single Family and Multi-Family zones (SFR-00 through SFR-10, MFR-15, MFR-20, and MFR-30);
- f. In the Public Parks (P-1) zoning district

- (3) Permits Required. ~~Electric-Electrified~~ fences shall only be installed under a permit issued by the Building Safety Department, and if an alarm is included, shall also have a Burglar Alarm permit issued under Medford Municipal Code 8.605 through 8.695. Prior to initially energizing an electrified fence, the property owner or owner's agent shall contact the Fire Department to ensure fire officials inspect the premise for compliance and the location is added to the Fire Department's electrified fence registration list.

(43) Electrification. The electric charge produced by the fence upon contact shall be non-lethal, and shall not exceed the energizer characteristics set forth in the International Electro technical Commission (IEC) Standard No. 60335-2-76, ~~2002-2018~~ edition. All electrical components shall bear the label of a testing agency recognized by the State of Oregon Department of Consumer and Business Services, Building Codes Division. The electrified fence shall be installed and used in accordance with the Oregon Electrical Specialty Code and Oregon Structural Specialty Code, the listing, and the manufacturer's installation instructions.

(43.1) The energizer for ~~electric-electrified~~ fences ~~must-shall~~ be driven by a commercial storage battery ~~or batteries~~ not to exceed 12 volts DC. The storage battery~~(ies)~~ may be charged either by a solar panel, or a commercial trickle charger, or a combination of both. AC current shall not be used to energize any electrified fence.

(54) Fence Details. Electrified fences shall be constructed in the following manner:

(5.1) Maximum Height. Electrified fences shall not exceed 10 feet in height.

(5.2) Perimeter Fence. No electrified fence shall be installed or used unless it is completely surrounded by a non-electrified perimeter fence in order to separate the electrified fence from the abutting property line and right-of-way. The non-electrified perimeter fence shall be installed under the regulations and height limitations in Medford Municipal Code 10.731 through 10.735. The minimum height of the non-electrified perimeter fence shall be six feet. The electrified and non-electrified perimeter fence shall be separated by no more than 12 inches.

(5.3) Setbacks. Electrified fences shall not be located in the front yard setback, required landscaping, or bufferyard requirements as set forth in Chapter 10. No electrified fence shall be installed within 12 inches of a property line.

(5.4) Fence Standards in conjunction with a Bufferyard. When a bufferyard exists, the applicant shall provide photographs of the existing fence or wall and vegetation. When a bufferyard does not exist, the non-electrified fence or wall shall be of solid construction (e.g. wood, concrete, masonry block) and the minimum height shall be eight feet. In either case, the installation of the non-electrified perimeter fence and electrified fence shall be outside of the bufferyard and built in accordance with Section 5.2.

~~No electric fence shall be installed or used unless it is separated from the abutting property or right-of-way by a non-electric fence or wall. When abutting a residential property, the non-electric fence or wall shall be of solid construction.~~

~~(4.1) The non-electric fence shall be installed under the regulations and height limitations in Medford Municipal Code 10.731 through 10.735.~~

~~(4.2) The non-electric fence shall be a height equal to, or greater than the highest level of electrification, but in no case less than 6 feet in height. Electric fences shall not exceed the height of the legally permitted non-electric surrounding fence. Electric fences shall not be located in the front yard setback.~~

~~(4.3) A separation shall be maintained between the electric fence and a surrounding non-electric fence or wall, adequate to allow maintenance of landscaping, but no less than 12 inches, and no electric fence shall be installed within 24 inches of a property line.~~

~~(4.4) When an electric fence is installed within a required buffer yard as defined in Medford Municipal Code 10.790, the non-electric fence shall be shall be constructed of a material and design that is sight-obstructing, and compatible with adjacent uses, per the standards of that section. The installation of the electric fence shall not interfere with or cause the removal of the required buffer yard plantings.~~

~~(65) Warning Signs. Electric Electrified fences shall be clearly identified with warning signs in English and in Spanish that read: "Warning-Electric Fence" or an equivalent, together with a pictorial warning, and include the international symbol for an electrical hazard at intervals of not to exceed forty thirty feet. The warning signs shall be mounted on both sides of the electrified fence. The signs shall be reflective with a minimum two-inch letter height, minimum stroke of one-half inch and with a contrasting background.~~

~~(76) Emergency Access. Fire Department access shall be provided in accordance with the Fire Code and the Oregon Structural Specialty Code. When a vehicle gate opens automatically, it shall open using a sensing device approved by the Fire Department. The vehicle gate shall provide a means for the Fire Department to egress through the gate. Power to the electrified fence, excluding gate opening controls, shall be deactivated upon automatic Fire Department access through the gate. In addition, an approved Knox key box or approved equivalent shall be provided at an exterior location for any keyed locks or keyed gates for immediate emergency access necessary for life-saving or fire-fighting purposes. An approved method to manually disconnect electrical power to all portions of the fence and gates, such as a "Knox Remote Shunt Control Station", shall be provided at an exterior location. The method and location of both the key box and the electrical disconnect shall be approved by the Medford Fire Marshal Fire Code Official.~~

~~(8) Hours of Operation. An electrified fence shall only be energized during the hours when the general public does not have legal access to the protected property, unless when used to control livestock.~~

(9) Surveillance. Electrified fences shall be part of a functioning security system and monitored 24 hours a day.

(107) Compliance. Failure to maintain an ~~electric~~ electrified fence in conformance with the standards set forth in this section shall result in the fence being declared a public nuisance subject to abatement under Medford Municipal Code 5.530.

[Added, Sec. 2, Ord. No. 2015-88, Sept. 3, 2015.]

Chapter 10 Adjustments

10.732 Fencing of Lots.

(4) All fencing shall comply with Sections 9.560 (Fences and Walls) and 9.561 (Electrified Fences), ~~Hazardous Fences Prohibited~~, of the City Code.

10.839 Marijuana-Related Businesses

(4) The ~~hazardous fence and wall~~ provisions in Sections 9.560 (Fences and Walls) and 9.561 (Electrified Fences) apply.

Friday 5/1/2020 11:39 a.m
E-mail from Scott A. Clauson
Re: Electric Fences

Hi Carla,

Thank for soliciting my feedback. I have been very interested in this project since the first time you mentioned it several months ago.

Business owners, in particular, are very frustrated about the chronic theft that occurs at their sites regularly. We recommend good lighting, fencing, cameras, cars that get locked up and heavy duty locks on storage units. Despite these recommendations, thieves continue to break in and generally cause thousands of dollars' worth of damage for mere pennies. Unfortunately, Southern Oregon is afflicted with rampant substance abuse and lack of jail space which fuels theft from businesses. So needless to say, I am very supportive of an additional measure that business owners can take to protect their property.

I have a different perspective on 9.561 (2d) (2f). I believe the fences should be allowed. These commercial locations remain vulnerable next to residential areas. A recent example, from two weeks ago was the Medford School District yard that was getting hit almost nightly by thieves. This fenced area is adjacent to a residential area. This theft was very difficult to stop even with cameras and lighting, which resulted in thousands of dollars' worth of tools being taken. We hid some police cameras and finally obtained some footage that lead to an arrest. This is just one example of how difficult it is for property owners to protect their valuables. This type of theft occurs nightly in Medford.

I would argue that they should be allowed on (2g) as well, but I would like to get your input. I am sure there is good reason for prohibiting this.

I hope that helps. I would gladly come to the next meeting and offer my insight if needed.

Scott Clauson | *Chief of Police*
City of Medford, Oregon | Police Department
219 S. Ivy Street, Medford, Oregon 97501
Ph: 541.774.2209 | Fax: 541.774.2570
[Website](#) | [Facebook](#) | [Twitter](#)



From: Robert Jr. Shand [<mailto:robertcshand@gmail.com>]

Sent: Wednesday, April 29, 2020 7:28 AM

To: Kay E. Brooks <Kay.Brooks@cityofmedford.org>; Mayor and Council <mayor@cityofmedford.org>

Subject: Thank you for your representation and a suggestion on electric fences

Hi Kay, Thank you for sharing my concerns re: the MURA/Maslow camp ground on Central Ave. at this past council meeting. The single agenda item for tomorrows 4/30/2020 study session with regards to electric fencing and if and how it may be incorporated in areas of commercial/residential proximities. Bartlett St. Between the Starr shop and The Bartlett St. Apts. would be a good example. Initially there is/was a chain link fence. Then, an electrified fence was placed behind it complete with warning signs. The aesthetics were that of Stalag 13. the view was improved some what by the installation of privacy slats. I personally would take it a step further and add some living greenery. My suggestion would be: At locations of commercial/residential or downtown ,that there would be an aesthetically appropriate fence or barrier in front of an electrified fence thus softening the appearance of the electric/security fence. This would also help with the safety issue of accidental contact by children, pets or others. Thank you again for your representation of Ward 3. Kindest regards. Bob Shand



New Business

50.3 DCA-19-010 A legislative code amendment to modify the electric fence regulations found in Sections 9.560-9.561 and Sections 10.732 and 10.839(4) of the Municipal Code. Applicant, Michael Pate; Agent, Greg Lemhouse; Planner, Carla Paladino.

Chair McKechnie inquired whether any Commissioners have a conflict of interest or ex-parte communication they would like to disclose. Commissioner Culbertson disclosed he had a conversation on the phone with Greg Lemhouse regarding this application amongst other things. It was general and nothing specific. Commissioner Jordan disclosed that he serves on a non-profit board that Greg Lemhouse has provided services to that board. He feels he does not have a conflict and can vote in an impartial way.

Chair McKechnie inquired whether anyone in attendance wishes to question the Commission as to conflicts of interest or ex-parte contacts. None were disclosed.

Carla Paladino, Principal Planner reported that the Development Code Amendment approval criteria can be found in the Medford Land Development Code Sections 10.214 and 10.218. Ms. Paladino gave a staff report.

Commissioner Pulver asked, is the requirement of the double fence and 10 inch separation for safety purposes? Ms. Paladino replied yes.

Commissioner Pulver asked, on an older property that a buffer does not exist would there be a non-electrified fence or wall at the property line then the electric fence 10 inches from that fence? Ms. Paladino reported no, the applicant would have to stay out of the buffer yard. The perimeter fence would be 8 feet of solid construction and act as the buffer wall (but would not be on the property line).



Vice Chair Foley asked, what is the restriction in the Liberty Park Overlay with Star Auto Body and their electric fence? Ms. Paladino reported an electric fence was installed and because it is zoned Community Commercial the property owner was told by a building inspector they could not have the fence. The fence is not activated and they do not have a permit to have it. Also, since they are in the Liberty Park Neighborhood they would not be able to apply for a new one.

The public hearing was opened.

a. Greg Lemhouse, United Strategies, 2305 Ashland St., Ste. C PMB 265, Ashland, Oregon, 97520. Mr. Lemhouse reported that they agree with the staff report that seems to be in line with Option 3 which they supported and it seems like the Planning Commission supported at their study session. It is important to note that they think the perimeter security systems enhance livability. When backed up against residential it increases safety.

Mr. Lemhouse reserved rebuttal time.

b. Michael Pate, Amarok (Electric Guard Dog), 550 Assembly Street, Columbia, SC 29201, Mr. Pate thinks there is a conflict regarding the maximum of a 10 inch separation from the perimeter fence to the actual fence then in the next breath it talks about a minimum of 24 inches from the property line. He does not know why electrical permits would be required. They run off a 12 volt battery. They will comply if need be. Regarding the buffer yard it seems to him with a buffer yard there will be two barriers.

Chair McKechnie stepped in for Ms. Paladino on the buffer yard. His understanding is that it does not apply to all properties depending on the zoning. Buffer yards are only between a commercial property and a residential property.

Ms. Paladino reported under permits required the language states requiring a permit for the electrified fence from the Building and Safety Department including an alarm permit. There is language that the Fire Department does an inspection.

The 24 inches is noted on page 113 of the agenda packet Section 5.3 that no electrified fence shall be installed within 24 inches of a property line. They can review and make sure it is not conflicting with the other separation wall.

In terms of the buffer yard there is a chart of what zones buffer yards are required.

Mr. Pate asked, is the buffer yard requirement in the code? Ms. Paladino responded yes. It is a land use requirement.

Mr. Pate asked, is the requirement for the second fence also in the code? Ms. Paladino replied no.

The public hearing was closed

Main Motion: The Planning Commission, based on the findings and conclusions that all of the applicable criteria are either satisfied or not applicable, forwards a favorable recommendation for approval of DCA-19-010 to the City Council based on the staff report dated May 7, 2020, including Exhibits A through D.

Moved by: Vice Chair Foley

Seconded by: Commissioner McFadden

Commissioner Pulver thinks this is a big step. He agrees with the applicant that the more secure and safe the community the more deterrent it is to crime. He looked at properties that have the electrified fences. He does not know if aesthetically it is good or bad. It sends a different message.

Amended motion: Removing Community Commercial from allowed zones for this use.

Moved by: Commissioner Pulver

Seconded by: Commissioner McFadden

Roll Call Vote for Amended Motion: Motion failed, 4-4-0, with Commissioner Culbertson, Commissioner Mansfield, Commissioner McFadden and Vice Chair Foley voting no.

Roll Call for Main Motion: Motion passed, 7-1-0, with Chair McKechnie voting no.

60. Reports

60.1 Site Plan and Architectural Commission.

Commissioner Culbertson reported that the Site Plan and Architectural Commission met on Friday, May 1, 2019. They approved an eight unit, residential Cottage Cluster Development located at 1132 and 1146 Woodrow Lane.

60.2 Transportation Commission.

Commissioner Pulver reported that the Transportation Commission has not met but will meet later this month.

60.3 Planning Department

Kelly Evans, Assistant Planning Director reported the Governor approved Phase 1 for Jackson County. At least through the first Planning Commission meeting of June 11, 2020 will be in this format.

Monday, May 25, 2020 is Memorial Day. The City offices will be closed.

CITY COUNCIL STUDY SESSION MINUTES



MEDFORD
OREGON

April 30, 2020
6:00 P.M.
Virtual Meeting

A virtual City Council Study Session was called to order at 6:00 p.m. on the above date with the following members and staff present:

Mayor Gary Wheeler; Councilmembers Clay Bearnson, Kay Brooks, Tim D'Alessandro, Dick Gordon, Alex Poythress (left at 6:34 p.m.), Eric Stark (left at 6:34 p.m.), Kevin Stine (left at 6:34 p.m.), Michael Zarosinski; City Manager Brian Sjothun, Deputy City Manager Kelly Madding, City Attorney Rick Whitlock, Deputy City Attorney Eric Mitton, Deputy City Recorder Winnie Shepard

Electric Fence Ordinance

Principal Planner Carla Paladino presented a PowerPoint regarding a proposed Code amendment for electric fences. (PowerPoint attached.)

Proposed changes include:

- Name change from "electric fence" to "electrified fence."
- Adding a definition.
- Permits will be required through the building department. The fire department will conduct an inspection and retain the address and contact information on file.
- Electrified fences shall have a non-lethal charge, comply with building code requirements, follow all Code and manufacturer instructions and be battery powered.

Fence specifics:

- Maximum height of 10 feet.
- A six foot perimeter fence must surround the electrified fence.
- Property must comply with landscaping requirements and fencing standards.
- Warning signage posted in both English and Spanish.
- Property owner/manager must provide access emergency personnel.
- Cannot be active when the building is accessible to the public, must be part of a surveillance system and monitored 24 hours a day.

Ms. Paladino reviewed the current Code language and outlined the requests from the applicants.

Councilmember Gordon requested input from the Police Department regarding the need of electrified fences within city limits.

Applicant Greg Lemhouse had requested the fence as a security measure to prevent crime. Creating a barrier will make it more difficult to access a property.

Applicant Michael Pate advised that the system runs on a 12 volt battery. The signage and shock are both crime deterrents. The surveillance system can determine the breach within a 10-foot radius. The system is considered a verified alarm, preventing unnecessary police dispatch for non-criminal activity and would be installed in high-crime areas. He outlined the aesthetics of the fences, noting they are not overly obvious, the signage is clear and electrified fences are required to have an audible sound. He requested Council approve option 3.

The distance between the perimeter fence and the electrified fence is typically 4 or 5 inches. The perimeter fence may have 4-5 strands on top to prevent a person from climbing over. A person is criminally trespassing if they are able to touch the electrified fence. A person cannot inadvertently make contact.

At Council's request, staff will provide specifics of a "solid fence" in the proposed Code.

* Councilmembers Poythress, Stine and Stark left the meeting.

Mayor clarified that Council preferred option 3. There were no objections.

The meeting adjourned at 6:40 p.m.



Winnie Shepard, CMC
Deputy City Recorder



Electric Fence Amendment (DCA-19-010)

City Council Study Session
April 29, 2020
Carla Angel Paladino



Direction

- Are there any recommended changes to the draft text overall?
- What is the preferred option for where electric fences are permitted and/or prohibited?



Presentation Outline

- Background
- Proposal Summarized
- Options Reviewed
- PC Recommendations
- Council Direction/Discussion




Background



Amendment Request

- Citizen initiated amendment
- Amarak (Electric Guard Dog) seeking code changes
- PC discussed last August & initiated the amendment in September
- PC discussed the proposal on Monday



Proposal Summarized



Code Changes Proposed

- Modify Title
- Definition Added
- Permits Required
- Electrification



Code Changes Proposed

- Fence Details
- Location of Fences
- Fencing standard when adjacent to residential zone or use
- Text Correction




Code Changes Proposed

- Warning Signs Required
- Emergency Access
- Hours of Operation
- Surveillance





Existing Regulations

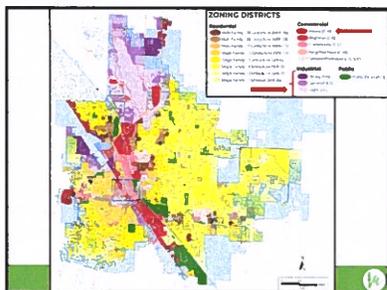


Existing Regulations

Fences are permitted around outdoor storage areas, including vehicle storage in:

- Heavy Commercial (C-H)
- Light Industrial (I-L)
- General Industrial (I-G), and
- Heavy Industrial (I-H) zones

And where needed to control livestock

Permitted Options



OPTIONS 1 & 2 Permitted Uses Expanded

Existing Uses Retained	New Uses Added
Outdoor Storage areas	Heavy Construction Equip. Rental & Leasing
Control of Livestock	Auto Dismantlers and Metal Recyclers
	Trucking Establishments
	Towing Companies
	Auto Repair, Services, and Garages



OPTION 3 Zones Expanded

- Simplify language
- Allow fencing in the following zones:
 - Community Commercial (C-C)
 - Heavy Commercial (C-H)
 - 3 Industrial Zones (I-L, I-G, and I-H)
 - And where needed to control livestock
- Allow businesses to decide on fencing regardless of use

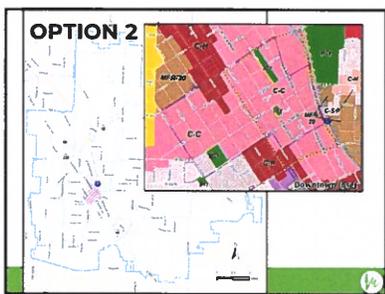
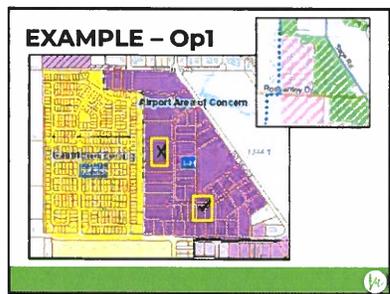



Prohibited Options



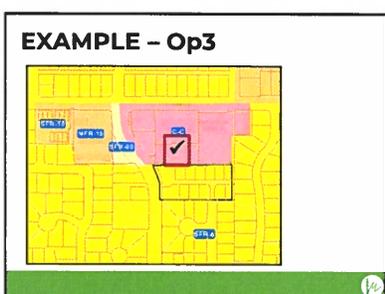
OPTION 1

- Central Business overlay district
- Liberty Park Plan Area
- Southeast Plan Area
- **When adjacent** to residential in Commercial zones
- Neighborhood Commercial & Service-Commercial Professional
- SFR and MFR zones and **when adjacent**
- Public Parks zone or **when adjacent**



OPTION 3

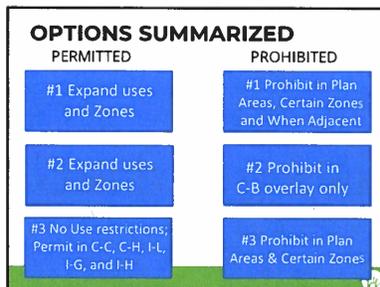
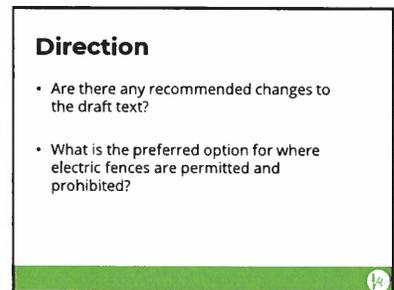
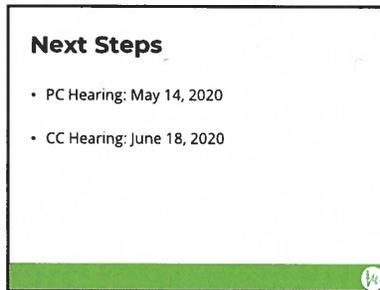
- Central Business overlay district
- Liberty Park Plan Area
- Southeast Plan Area
- ~~When adjacent to residential in Commercial zones~~
- Neighborhood Commercial & Service-Commercial Professional
- SFR and MFR zones **and when adjacent**
- Public Parks zone **or when adjacent**



Planning Commission Recommendations

PC COMMENTS

- 4 in favor of Option #3
- 1 in favor of Option #2
- 2 not in support of expanding into C-C zone





DEPARTMENT: Planning
PHONE: (541) 774-2390
STAFF CONTACT: Angela Durant, Principal Planner

AGENDA SECTION: Public Hearings
MEETING DATE: June 18, 2020

COUNCIL BILL 2020-83

A resolution authorizing the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan to use Community Development Block Grant (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus pandemic.

SUMMARY AND BACKGROUND

Council is requested to consider approval of the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan to use Community Development Block Grant (CDBG) funds to prevent, prepare for, and respond to the Coronavirus. These funds are referred to as CDBG-CV funds. The City has received guidance from the U.S. Department of Housing and Urban Development (HUD) on planning and submission requirements for proper distribution of these funds. Staff updated Council on the preferred method of applying for CDBG-CV using HUD's regulatory guidance and provisions. Flexible CARES Act provisions allow for an expedited, 5-day public comment period and an exemption to the 15% cap on allocations to public service programs. The City is using both of these provisions through a HUD waiver approved on April 20, 2020.

Council held a study session on May 14, 2020, to provide staff with direction on funding priorities including legal services, emergency rent payments, and child care scholarships. These priorities are categorized as critical housing stabilization activities, with the primary focus on eviction prevention pending the expiration of Governor Brown's Eviction Moratorium on July 6, 2020. Council also directed staff to expedite distribution of these funds using a direct solicitation of qualified organizations for legal services and rental assistance, and a simplified application process for child care scholarships.

PREVIOUS COUNCIL ACTIONS

On May 7, 2015, Council approved Council Bill 2015-46 adopting the 2015-2019 Consolidated Plan for Housing and Community Development. This Amendment is associated with the 2015-2019 Consolidated Plan.

On June 6, 2019, Council approved Council Bill 2019-41 adopting the Action Plan for the use of the City's CDBG funds for fiscal year 2019/20.

On June 6, 2019, Council approved Council Bill 2019-45 adopting the City of Medford 2019-2021 Biennial Budget.

On May 21, 2020, Council directed staff to proceed with the allocation of CDBG-CV funds, as presented herein, during the City Council meeting.



ANALYSIS

Council-directed administration of CDBG-CV funds is in compliance with current HUD provisions and allows for streamlined distribution of funds to support legal services and emergency rent payments. City staff will work with the Community Development Grants Commission (CDGC), and in collaboration with Southern Oregon Early Learning Services (SOELS), to develop and implement a simplified application process to select eligible providers that are licensed, offer an acceptable SPARK rating (a State quality and consistency rating), and have the capacity to administer federally funded child care scholarships. The CDGC's recommendations will be brought before Council for approval, prior to distribution.

As directed by HUD (under the CARES Act), a mandatory 5-day public comment period to solicit citizen input regarding this Amendment will open on Tuesday, June 9, 2020, and close on Tuesday, June 16, 2020. The HUD-mandated public hearing on June 18, 2020, will provide additional opportunity for citizens to offer public comment. All comments received will included in the final submission to HUD.

The table below provides a summary of the activities proposed for funding.

Category	Agency Name	Program Description	Estimated Outcomes	Funding Amount
Legal Services	Center for NonProfit Legal Services	Provide legal services to help prevent eviction and aid in other areas impacted by COVID-19, including accessing government benefits, bankruptcy, domestic violence protection, family disputes, and immigration.	94 persons/ households <i>(based on an average maximum cost per case of \$1,000)</i>	\$ 94,000
Emergency Rent Payments	St. Vincent de Paul	Provide up to three consecutive months of emergency rent payments to households earning between 51% - 80% AMI. All payments will be based on need with provisions in place to prevent duplication of funding from other rental assistance programs.	84 households <i>(based on an average 3-month grant @ \$988/month)</i>	248,691
Emergency Rent Payments	Community Works	Provide up to three consecutive months of emergency rent payments to persons fleeing from domestic violence. All payments will be based on need with provisions in place to prevent duplication of funding from other rental assistance programs.	13 households <i>(based on an average 3-month grant @ \$988/month)</i>	40,000



AGENDA ITEM COMMENTARY

Child Care Scholarships	City of Medford	The City of Medford will offer child care scholarships through eligible providers using a simplified application process. Providers will offer scholarship funds to families earning up to 80% AMI. Provisions will be implemented to prevent duplication of funding from other child care scholarship programs.	19 families <i>(based on an average 3-month scholarship @ \$855/month)</i>	50,000
Total				\$432,691

The draft City of Medford CARES Act Amendment to the Program Year 2019 Action Plan is on file with the City Recorder’s Office and also available on the City’s website ([click here](#) to access the electronic version.)

The draft amended Action Plan also includes reference to an increase in program income received during the 2019 program year from an anticipated \$100,000 to \$183,537.51, as described under AP-15 Expected Resources.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Total CDBG-CV available resources is \$432,691 and additional program income is \$83,537.51; both of which will be budgeted in Community Promotions 7316110 and adjusted through a supplemental budget.

TIMING ISSUES

City Council’s approval is requested on June 18, 2020, in order to expedite distribution of funds.

COUNCIL OPTIONS

- Approve the resolution as presented.
- Modify the resolution as presented.
- Deny the resolution and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan.

SUGGESTED MOTION

I move to approve the resolution to adopt the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan.

EXHIBITS

- Resolution
- Exhibit A-B – CARES Act-Memorandums
- Draft Amendment on file with the City Recorder’s Office

RESOLUTION NO. 2020-83

A RESOLUTION authorizing the City of Medford CARES Act Amendment to the Program Year 2019 Action Plan to use Community Development Block Grant (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus pandemic.

WHEREAS, the City has received guidance from the U.S. Department of Housing and Urban Development (HUD) on planning and submission requirements for proper distribution of Community Development Block Grant (CDBG) funds to prevent, prepare for, and respond to the Coronavirus pandemic, which are referred to as the CDBG-CV Funds; and

WHEREAS, the Flexible CARES Act provisions allow for an expedited, 5-day public comment period and an exemption to the 15% cap on allocations to public service programs. The City is using the expedited public comment period and the exemption through a HUD waiver approved on April 20, 2020; and

WHEREAS, Council held G3 meetings on April 15-17, 2020 to discuss funding priorities and an expedited allocation process for the administration of CDBG-CV funds. Council also held a study session on May 14, 2020 to provide staff with direction on funding priorities including legal services, emergency rent payments, and child care scholarships. The Council-designated priorities are categorized as critical housing stabilization activities, with a primary focus on eviction prevention pending the expiration of Governor Brown's Eviction Moratorium on July 6, 2020; and

WHEREAS, THE City Council held a duly noticed public hearing on June 18, 2020 to receive comments on the proposed uses of the CDBB-CV Funds; and

WHEREAS, Council-directed administration of CDBG-CV funds is in compliance with current HUD provisions and allows for streamlined distribution of funds to support legal services and emergency rent payments; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON

The City of Medford's CARES Act Amendment to the Program Year 2019 Action Plan to use Community Development Block Grants (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus, is hereby adopted. The Plan is on file in the City Recorder's office.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor



MEMORANDUM

To: Mayor and Council
From: Angela Durant, Principal Planner
Study Session Date: May 14, 2020
Subject: CARES Act - Community Development Block Grant Funds

COUNCIL DIRECTION

Staff is seeking direction from Mayor and Council on three specific questions relating to the administration of supplemental Community Development Block Grant funds available under the CARES Act, referred to as CDBG-CV funds:

- 1) Preferred method of applying for CDBG-CV funds?
- 2) Funding priorities based on proposed critical need categories and/or others?
- 3) Expedited allocation process using alternative subrecipient selection process?

PRESENTATION OUTLINE

- Presentation overview and recommendations - Angela Durant
- Direction and discussion - Mayor and Council

PREVIOUS STUDY SESSIONS AND G-3 MEETINGS ON THE TOPIC

On April 15–17, 2020, Council held G3 meetings to discuss establishing funding priorities and an expedited allocation process to administer supplemental CDBG funds under the CARES Act.

BACKGROUND

The City of Medford will receive a supplemental CDBG allocation of \$432,691 from the U.S. Department of Housing and Urban Development (HUD) to prevent, prepare for, and respond to COVID-19. Although HUD is allowing flexible provisions to streamline these funds, HUD has not provided official guidance on the allocation process and is recommending jurisdictions wait for detailed instructions before finalizing any determinations. Furthermore, HUD is recommending that jurisdictions develop a plan for applying for funds; establishing funding priorities; and streamlining the allocation process in the interim. The following information may assist Council in providing staff direction in these three planning areas:

1. Applying for Funds. Early on in this process, staff received guidance from HUD on the most efficient option to applying for CDBG-CV funds, which is to submit a substantial amendment to the 2019 Action Plan as soon as HUD issues final guidance. This option is considered most strategic given the City is in the process of submitting the 2020-2024 Consolidated Plan and 2020 Action Plan, which will be in a pending approval status through July 1, 2020. Amending the 2019 Action Plan will allow the City to expedite allocations under HUD's flexible provisions. Amending the 2019 Action Plan is also the recommended process for additional CDBG-CV funds (in excess of the \$432,691) that may become available prior to HUD's approval of the City's 2020 Action Plan.

2. Establish Funding Priorities. HUD recommends jurisdictions collaborate with other local and regional funding organizations and providers to develop a strategy to fill funding gaps where the need is the greatest and to prevent duplication of funding. This has been challenging during these uncertain and rapidly-changing times. Exhibit A outlines current information available from other organizations supporting critical need categories discussed during G3 meetings including housing stabilization, eviction prevention, child care, small business relief, nonprofit emergency operating relief, and homelessness. Collection of this information was directed by Council to assist in establishing funding priorities.

3. Streamlining the Allocation Process. Council has the option of using one or a combination of five models for selecting subrecipients including: 1) formal request for application; 2) simplified application; 3) direct solicitation of qualified organizations; 4) response to unsolicited applications; and/or 5) review of existing subrecipients' performance before renewing participation. Depending upon Council's direction on funding priorities, staff may recommend a combination of methods for the allocation of CDBG-CV funds. For programs with a limited number of qualified organizations to administer the activity, such as small business relief, staff would recommend direct solicitation. On the other hand, if the priority was nonprofit operational support, a simplified application process would make more sense. A third consideration, assuming housing stabilization, might include a combination of direct solicitation for those activities with limited qualified organizations, such as legal services; and simplified application for those with many potential subrecipients such as rental assistance or child care. Staff recommends bypassing the formal request for application process through the Community Development Grants Commission (CDGC). In addition, staff has received an informal recommendation from the CDGC to consider establishing a small subcommittee, comprised of commissioners that pose no potential and/or perceived conflict of interest, to provide Council advisory support during the administration of CDBG-CV funds.

EXHIBITS

Exhibit A – SUMMARY OF POTENTIAL CRITICAL NEED CATEGORIES



MEMORANDUM

To: Brian Sjothun, City Manager and Kelly Madding, Deputy City Manager
From: Angela Durant, Principal Planner
Date: May 19, 2020
Subject: Expedited Allocation of CARES Act - CDBG Funds

BACKGROUND

As directed by Council on May 14, 2020, CARES Act Community Development Block Grant (CDBG-CV) funds in the amount of \$432,691 are to be allocated to eligible housing stabilization activities including legal services, emergency rent relief, and child care. Center for Nonprofit Legal Services is to receive \$94,000, or 21.72% of the total funds, to provide legal services and representation to help prevent eviction and aid in other areas impacted by COVID-19, including accessing government benefits; bankruptcy; domestic violence protection; family disputes; and immigration.

Council also directed staff to bring back recommendations on the expeditious allocation of the remaining \$338,691 to emergency rent relief and child care, with the option to request advisory guidance from the Community Development Grants Commission (CDGC), as needed. Since the May 14 study session, staff has received regulatory guidance from the U.S. Department of Housing and Urban Development (HUD) and conducted additional consultations with Oregon Housing and Community Services (OHCS), St. Vincent de Paul, ACCESS, Community Works, Maslow Project, Community Alliance of Tenants, Rogue Valley Council of Governments (RVCOG), Southern Oregon Early Learning Services (SOELS), and the Child Care Resource Network.

HUD GUIDANCE

HUD has provided sufficient guidance for the City to proceed with the process of requesting CDBG-CV funds through **one or more** substantial amendments to the 2019 Action Plan. HUD has not yet distributed regulatory guidance specific to monitoring and reporting requirements, but this does not impact requesting funds or selecting subrecipients. Furthermore, HUD has estimated funds would most likely be released to the City within a few weeks of receipt of the City's request for funding (subject to change, as notified by HUD).

STAFF RECOMMENDATION – EMERGENCY RENT RELIEF

The consultation group seems to be in strong support of the greatest immediate need being emergency rental assistance, pending expiration of the Governor's Eviction Moratorium on July 6, 2020. Staff is recommending an allocation of \$288,691, or 66.72% of the total funds, to provide rental assistance to Medford residents earning 51% - 80% of the Area Median Income (AMI).

RE: CARES Act - CDBG Funds

Further consultation with HUD and stakeholders support the recommendation to use St. Vincent de Paul as the primary subrecipient to administer the City's COVID-19 Emergency Rent Relief program. Staff is recommending a direct allocation of \$248,691 to St. Vincent de Paul to provide up to 3 consecutive months of rental assistance to eligible residents, paid directly to landlords or property management companies. St. Vincent de Paul offers the experience and capacity to administer the program with no need for administrative funds, and would be willing to implement all necessary HUD regulatory requirements. ACCESS is receiving \$459,585 in state COVID-19 Rent Relief funds to go to residents earning up to 50% AMI. ACCESS expressed support for working with St. Vincent de Paul to administer the City's rent relief funds, but later expressed interest in a potential allocation to serve the higher AMI population.

During consultations, staff learned of potential concerns prompting consideration of an allocation of rent relief funds to agencies that work closely with special needs populations including victims of domestic violence, at-risk youth, seniors and persons with disabilities, and non-English speaking community members. A significant conclusion was made that victims of domestic violence would be better served directly through Community Works, given heightened concerns of the eviction of vulnerable victims that were in the process of stabilizing permanent housing before the coronavirus hit. Staff is recommending a direct allocation of \$40,000 to Community Works. Other referenced subpopulations will be served through referrals to ACCESS and St. Vincent de Paul. The City will collaborate with associated agencies to help enhance this referral process.

STAFF RECOMMENDATION – CHILD CARE

Based on the complexity of the funding platform supporting child care, and consultations with the Southern Oregon Early Learning Services (SOELS) and the Child Care Resource Network, staff recommends allocating \$50,000, or 11.56% of total funds to child care scholarships. A simplified application process would be used to collect applications and the Child Care Resource Network would collaborate with the CDGC to ensure subrecipients are licensed, offer an acceptable SPARK rating (a State quality and consistency rating), and the capacity to administer federal funds. In addition, the SOELS' Early Care and Education Workforce Committee is willing to serve on a subcommittee to expedite the review process with the CDGC.

Summary of recommended allocations

Funding Category	Agency Name	Funding Amount
Rental Assistance	St. Vincent de Paul	\$248,691
	Community Works	\$ 40,000
Eviction Prevention	Center for Non-Profit Legal Services	\$ 94,000
Childcare	To be determined	\$ 50,000
Total		\$432,691

TIMELINE

Staff is proposing the following timeline to allocate \$382,691 to legal services and emergency rent relief:

Date	Required Action
May 21, 2020	Receive Council direction to proceed with recommendations
June 1 - 5, 2020	Five-day public comment period
June 11 or June 18, 2020	Council public hearing #1
June 26 or July 3, 2020	Receive HUD release to use funds (estimated)
July 6, 2020	Issue subrecipients Notice to Proceed

Please see the table below for a proposed timeline to administer \$50,000 in child care scholarships, taking into consideration the additional steps necessary to select subrecipients using a simplified application process in collaboration with the CDGC and SOELS:

Date	Required Action
May 21, 2020	Receive Council direction to proceed with recommendations
June 3, 2020	CDGC meeting to approve application
June 5 - 12, 2020	Short application cycle
June 17, 2020	CDGC develops funding recommendation
June 22 - 26, 2020	Five-day public comment period
July 2, 2020	Council public hearing #2
July 20, 2020	Receive HUD release to use funds (estimated)
July 21, 2020	Issue subrecipients Notice to Proceed



DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

AGENDA SECTION: Public Hearings

MEETING DATE: June 18, 2020

COUNCIL BILL 2020-84

A resolution adopting the sixth Supplemental Budget for the 2019-21 biennium resulting in a \$4,092,364 increase in appropriations for the 2019-21 biennium.

SUMMARY AND BACKGROUND

Council is requested to consider a sixth supplemental budget for the 2019-21 biennium which will affect nine departments and sixteen funds. The total impact is a \$4,092,364 increase in appropriations for the 2019-21 biennium. ORS 294.471 provides for a Supplemental Budget process.

PREVIOUS COUNCIL ACTIONS

On June 6, 2019, City Council approved Resolution 2019-45 adopting the 2019-21 Biennium Budget.

On August 1, 2019, City Council approved Resolution 2019-78 adopting the first Supplemental Budget for the 2019-21 Biennium.

On September 19, 2019, City Council approved Resolution 2019-105 adopting the second Supplemental Budget for the 2019-21 Biennium.

On December 19, 2019, City Council approved Resolution 2019-132 adopting the third Supplemental Budget for the 2019-21 Biennium.

On March 19, 2020, City Council approved Resolution 2020-33 adopting the fourth Supplemental Budget for the 2019-21 Biennium.

On April 16, 2020 Council approved Resolution 2020-49 authorizing the issuance, sale, execution and delivery of bonds in an aggregate principal amount to not exceed \$3,900,000 for the LED Lighting Project.

On May 21, 2020, City Council approved Resolution 2020-64 adopting the fifth Supplemental Budget for the 2019-21 Biennium.

ANALYSIS

Mayor and Council

Appropriations Transfer

Staff requests an appropriations transfer of all contingency into social grants. This would allow Council to spend funds on an emergency basis during these challenging economic times without having to wait for a Supplemental Budget. This appropriations transfer does not change the approval process for spending Council Vision Funds.



Financial Impact to Budget:

\$696,392 increase to Council Vision Social Grants (Fund 420)

\$696,392 decrease to Council Vision Contingency (Fund 420)

Parks, Recreation and Facilities

Appropriations Transfer

Parks, Recreation and Facilities is requesting an appropriations transfer to move money from the Aquatics Reserve and Parks Utility funds to the Park Improvement Fund to pay for design and consulting expenses for the Sports and Events Complex.

Financial Impact to Budget:

\$1,530,700 increase to the Sports and Events Complex project (Fund 630)

\$ 500,000 decrease to Parks Utility Fund Contingency (Fund 600)

\$1,030,700 decrease to Aquatics Reserve Fund Contingency (Fund 671)

Innovation and Technology

Appropriations Transfer

The Innovation and Technology department is requesting an appropriation transfer from a budgeted capital improvement project that would have replaced the City's phone system to Materials and Services. Rather than replace the phone system, a 5-year maintenance agreement for the current phone system platform will be purchased, which would allow the City to upgrade to the current software release resulting in a \$120,000 cost savings for this biennium.

Financial Impact to Budget:

\$180,000 increase to General Fund Materials and Services (Fund 100)

\$180,000 decrease to General Fund Capital Improvement Projects (Fund 100)

Police

Supplemental Budget

The Police Department is requesting a supplemental budget to recognize and appropriate unanticipated revenue from three items:

- State Forfeiture Revenue in the amount of \$50,000 for the purchase of a replacement K9 vehicle. This replaces a vehicle with electrical issues that is out of warranty and requires constant operation to keep the interior temperature comfortable for the two k9 service animals. Constant operation of this vehicle with faulty wiring will cause the interior of the vehicle to overheat, endangering the lives of the two K9 dogs.
- Confiscated funds in the amount of \$9,895 from three cases where the owners of the property are unknown (Cases 17-80, 16-31188 and 14-22829). These funds may be used to extend the asphalt to include the recently expanded fenced area of the Property and Evidence facility.



- Proceeds in the amount of \$14,267.25 from the sale of two motorcycles may be used to partially fund the purchase of a replacement Community Service Officer (CSO) pickup. The CSO vehicles are aging and are past the eight-year mark for vehicle replacement.

Financial Impact to Budget:

- \$24,162.25 increase to General Fund Revenue (Fund 100)
- \$50,000.00 increase to State Forfeiture Revenue (Fund 202)
- \$14,267.25 increase to General Fund Capital Outlay-Motive (Fund 100)
- \$ 9,895.00 increase to General Fund Contract Services (Fund 100)
- \$50,000.00 increase to State Forfeiture Fund Capital Outlay-Motive (Fund 202)

Planning

Supplemental Budget

The Planning Department is requesting a supplemental budget to recognize and appropriate unanticipated revenue from various sources as follows.

- A 2020 Certified Local Government Grant from the Oregon Parks and Recreation Department Heritage Programs in the amount of \$12,000 for a reconnaissance level survey of 227 tax lots located within the downtown area to create an addendum to the context statement of the existing Downtown Medford Survey of Historic and Cultural Resources.
- A grant from Providence in the amount of \$50,000 to support the Chronically Homeless Outreach Partnership, which is one of the implemented actions of the Medford Homeless System Action Plan. This grant provides direct funding to support the lease of an existing property owned by OnTrack located at 1316 W. Main St and ongoing case management provided by Rogue Retreat.
- More than anticipated CDBG funds in the amount of \$113,503.29 that will be used for social service grants.

Financial Impact to Budget:

- \$ 62,000.00 increase to General Fund Grants (Fund 100)
- \$ 34,968.78 increase to Federal CDBG Grant (Fund 731)
- \$ 78,535.51 increase to CDBG Program Revenue (Fund 731)
- \$ 62,000.00 increase to General Fund Job Ledger Projects (Fund 100)
- \$113,503.29 increase to CDBG Job Ledger Projects (Fund 731)

Public Works

Supplemental Budget

The Public Works Department is requesting a supplemental budget to recognize and appropriate revenue from bond proceeds to fund the LED Lighting Project.

Financial Impact to Budget:

- \$3,842,698.10 increase to Gas Tax Revenue (Fund 530)
- \$3,842,698.10 increase to Gas Tax Capital Improvement Projects (Fund 530)



Appropriations Transfer

The Public Works Department is requesting an appropriations transfer to move money from Contingency to fund Storm Drain SDC Credit Payments in the amount of \$67,300 for the Springbrook Phase 1 & 2 project, and a transfer of \$680,000 from Sewage Treatment Utility Fund Contingency to pay for litigation related expenses for the Regional Wastewater Treatment Plant. Additionally, the first bond payment for the LED Lighting project will be due in April 2021 and funds are transferred from electricity savings from the General, Gas Tax and Parking Funds to the Revenue Bond Fund.

Financial Impact to Budget:

\$ 67,300 increase to Storm Drain Capital Improvement Projects (Fund 522)
\$680,000 increase to Sewage Treatment Utility Contract Services (Fund 503)
\$263,354.68 increase to Revenue Bond Fund (Fund 161)
\$ 67,300 decrease to Storm Drain Contingency (Fund 522)
\$680,000 decrease to Sewage Treatment Utility Contingency (Fund 503)
\$239,999.17 decrease to Gas Tax Electric Utility Expense (Fund 530)
\$16,091.95 decrease to Parks Electric Utility Expense (Fund 100)
\$1,518.10 decrease to Facilities Electric Utility Expense (Fund 100)
\$5,745.46 decrease to Parking Electric Utility Expense (Fund 701)

City Attorney

Appropriations Transfer

The City Attorney Department is requesting an appropriations transfer from Contingency of \$1,250,000 to fund litigation claims expenses in case types outside of budgeted actuary-planned self-insured primary liability.

Financial Impact to Budget:

\$1,250,000 increase to Risk Management Claims Liability (Fund 700)
\$1,250,000 decrease to Risk Management Contingency (Fund 700)

Finance

Appropriations Transfer

The Finance Department is requesting an appropriations transfer of \$100,000 from Contingency to fund credit card fees from utility billing customers at greater than anticipated levels.

Financial Impact to Budget:

\$100,000 increase to General Fund Credit Card Fee Expense (Fund 100)
\$34,000 decrease to Street Utility Contingency (Fund 500)
\$33,000 decrease to Storm Drain Utility Contingency (Fund 501)
\$33,000 decrease to Sewer Collection Utility Contingency (Fund 502)



FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The proposed resolution will increase appropriations. Transfers between funds are as follows:

Fund	Existing Appropriations	New Appropriations
100	\$297,610	\$86,162
161	\$263,355	
202		\$50,000
420	\$696,392	
500	\$34,000	
501	\$33,000	
502	\$33,000	
503	\$680,000	
522	\$67,300	
530	\$239,999	\$3,842,698
600	\$500,000	
630	\$1,530,700	
671	\$1,030,700	
700	\$1,250,000	
701	\$5,745	
731		\$113,503

TIMING ISSUES

None.

COUNCIL OPTIONS

Approve the resolution as presented.

Modify the resolution as presented.

Deny the resolution as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the resolution.

SUGGESTED MOTION

I move to approve the resolution (as outlined in the attached exhibit).

EXHIBITS

Resolution

Supplemental Budget Request

RESOLUTION NO. 2020-84

A RESOLUTION adopting the sixth Supplemental Budget for the 2019-21 biennium resulting in a \$4,092,364 increase in appropriations for the 2019-21 biennium.

WHEREAS, on June 6, 2019, City Council approved Resolution 2019-45 adopting the 2019-2021 Biennium Budget; and

WHEREAS, City Council has previously approved supplemental budgets on August 1, 2019, (Resolution 2019-78); September 19, 2019 (Resolution 2019-105); December 19, 2019 (Resolution 2019-132); March 19, 2020 (Resolution 2020-33); and on May 21, 2020 (Resolution 2020-64); and

WHEREAS, a supplemental budget is required to change appropriations in certain circumstances under ORS 294.471; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDFORD, OREGON:

SECTION 1. The City Council hereby adopts the sixth Supplemental Budget for the 2019-21 biennium.

SECTION 2. The City Council hereby makes the new appropriations and transfers of appropriations for the 2019-2021 biennium in the amounts and for the purposes shown on the Supplemental Budget Adjustment form, which is attached hereto as Exhibit A and incorporated herein by reference.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

CITY OF MEDFORD

SUPPLEMENTAL BUDGET REQUEST PER ORS 294.471

Requesting Department: Finance

Biennium **BN2019-21**

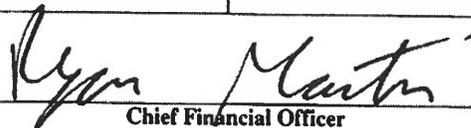
Date of Proposed Council Action:

Date **June 18, 2020**

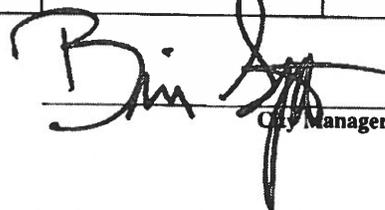
Explanation of Requested Transfer: See AIC

Account Number	Description	Project Number	Debit	Credit
4206110-6302701	Social Grants		696,392.00	
4201590-6909099	Contingency			696,392.00
6711521-6707630	Transfer to Park Improvement Fund		1,030,700.00	
6711590-6909099	Contingency			1,030,700.00
6001521-6707630	Transfer to Park Improvement Fund		500,000.00	
6001590-6909099	Contingency			500,000.00
6300000-4716600	Transfer from Park Utility Fund			500,000.00
6300000-4716671	Transfer from Aquatic Reserve Fund			1,030,700.00
6305100-6505100	CIP-Sport Event Center		1,530,700.00	
1001710-6302101	Contract Services		17,776.00	
1001710-6302434	Communication Equipment		20,824.00	
1001710-6302502	Computer Software Maint		141,400.00	
1001780-6505100	CIP-Phone System			180,000.00
1002110-6404004	PD Admin/Motive Equipment		14,267.25	
1000000-4710202	Revenue-Property Sales			14,267.25
2022122-6404100	PD MADGE/Motive Equip		50,000.00	
2020000-4710108	State Forfeiture Misc Revenue			50,000.00
1002111-6302101	PD Admin/Contract Svcs		9,895.00	
1000000-4710108	Miscellaneous Revenue			9,895.00
1001810-6302214	Job Ledger Project	DPL0045100	12,000.00	
1000000-4310202	Historic Preservation Grant			12,000.00
1001810-6302101	Contract Services		50,000.00	
1000000-4310301	Private Agency Grant			50,000.00
7316110-6302704	Job Ledger Project	GAD1007731	9,286.00	
7316110-6302704	Job Ledger Project	GAD1008731	1,250.00	
7316110-6302704	Job Ledger Project	GSS1021731	24,429.78	
7316110-6302704	Job Ledger Project	GAD1002731	68,537.51	
7316110-6302704	Job Ledger Project	GAD1006731	10,000.00	
7310000-4310101	Federal CDBG Grant			34,965.78
7310000-4310108	CDBG Program			78,537.51
5223380-6505100	SDC Credit Payments		67,300.00	
5221590-6909099	Contingency			67,300.00

Account Number	Description	Project Number	Debit	Credit
5033210-6302101	Contract Services		680,000.00	
5031590-6909099	Contingency			680,000.00
5300000-4710101	Bond Proceeds			3,842,698.10
5303380-6505100	CIP-LED Lighting		3,842,698.10	
1610000-4716530	Transfer From Gas Tax			239,999.17
1610000-4716100	Transfer From General Fund			17,610.05
1610000-4716701	Transfer From Parking Fund			5,745.46
1611522-6606001	Principal Expense		209,941.18	
1611522-6606002	Interest Expense		53,413.50	
5301521-6707160	Transfer to Revenue Bond		239,999.17	
1001521-6707160	Transfer to Revenue Bond		17,610.05	
7011521-6707160	Transfer to Revenue Bond		5,745.46	
5303121-6302471	Electric Utility			239,999.17
1005130-6302471	Electric Utility			16,091.95
1001910-6302471	Electric Utility			1,518.10
7011910-6302471	Electric Utility			5,745.46
7001320-6302204	Claims Liability		1,250,000.00	
7001590-6909099	Contingency			1,250,000.00
1001530-6302107	Credit Card Fees		100,000.00	
5001590-6909099	Contingency			34,000.00
5011590-6909099	Contingency			33,000.00
5021590-6909099	Contingency			33,000.00
5001521-6707100	Transfer to General Fund		34,000.00	
5011521-670100	Transfer to General Fund		33,000.00	
5021521-670100	Transfer To General Fund		33,000.00	
1000000-4716500	Transfer from Street Utility Fund			34,000.00
1000000-4716501	Transfer from Storm Drain Utility Fund			33,000.00
1000000-4716502	Transfer from Sewer Collection Utility Fund			33,000.00
TOTALS			10,754,165.00	10,754,165.00


 Chief Financial Officer

Approved by


 City Manager



DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

AGENDA SECTION: Public Hearings

MEETING DATE: June 18, 2020

COUNCIL BILL 2020-85

An ordinance amending sections 4.718, 4.1001, 4.1009, 4.1011 and 4.1019 of the Medford Municipal Code related to Storm Drain and Parks utility fees.

SUMMARY AND BACKGROUND

Council is requested to consider an ordinance amending sections 4.718, 4.1001, 4.1009, 4.1011, and 4.1019 of the Medford Municipal Code (MMC) related to utility fee changes to finance the Medford Sports and Events Complex.

PREVIOUS COUNCIL ACTIONS

March 4, 2010, Council directed Staff to review the City's street utility fee methodology. The FCS Group was engaged to perform a rate design study of all Public Work's utility fees, including stormwater.

December 20, 2012 Council approved Ordinance 2012-195 revising the definition of an ERU from 3,000 square feet of impervious area to 3,730. The revision was the result of a rate design study by the FCS Group which evaluated rate structure changes against equity, simplicity and understandability for ratepayers.

November 9, 2017 study session, FCS Group presented results of an updated study of revenue levels needed to meet utility financial obligations which included suggested rate changes for the next ten years (through 2028).

January 31, 2019 study session, Council directed staff to research indoor recreation facility development options that best address community deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center.

September 12, 2019 study session, Council directed staff to proceed forward with the funding options presented by staff.

October 2019 G-3 meetings, Council discussed the funding mechanisms, outreach, and advocacy for the Sports & Events Complex.

February 13, 2020 study session, Council discussed funding mechanisms for the Sports & Events Complex.

May 28, 2020 study session, a majority of Council decided to proceed with staff presenting funding mechanisms at the June 18, 2020 Council meeting for a formal vote.

ANALYSIS

On May 19, 2020, voters approved ballot measure 15-188 allowing Council to increase the Transient Lodging Tax from 9% to 11% by ordinance. This was the first step in funding the Medford Sports and Events Complex. The remaining funding will come from an expansion of the car rental tax and an



increase of the Parks utility fee. This AIC addresses changes to the Storm Drain and Parks utility fee sections of Medford’s Municipal Code.

The Parks utility fee will increase \$2.40 per unit for a total of \$5.35 per unit. To help mitigate the impacts to utility customers, the Storm Drain utility fee will be reduced by \$2.40 per Equivalent Residential Unit (ERU) for residential customers; there is no proposed reduction for non-residential customers. This will result in no changes to the amount of a Single Family residential customer’s utility bill; multi-family and non-residential customers will see a small increase in their utility bill, depending upon the amount of impervious area and number of units. Sample customer impacts are shown below.

	Units	Impervious Area	Current Charges	Proposed Charges	Difference
SFR	1	3,730	\$ 13.20	\$ 13.20	\$ 0
Multi-Family	7	10,921	\$ 50.66	\$ 60.43	\$ 9.77
Large Retail	1	705,322	\$1,941.17	\$1,943.57	\$ 2.40
Fast Food Restaurant	1	80,800	\$ 224.99	\$ 227.39	\$ 2.40
Hospital	1	725,038	\$1,995.35	\$1,997.75	\$ 2.40
Office Building	8	19,164	\$ 76.26	\$ 95.46	\$19.20
Supermarket	1	205,400	\$ 567.39	\$ 569.79	\$ 2.40

Section 4.718 is revised to reduce the fee paid by residential customers effective July 15, 2020; there is no change to the fee currently paid by non-residential customers. Language was also added to clarify that this is a monthly fee. The Storm Drain utility fee will be reviewed and analyzed as part of the next biennial budget process to determine if any further reductions can be made.

Sections 4.1001, 4.1009 and 4.1019 are revised to allow the fund to include construction costs.

Section 4.1011 is revised to increase the rate per unit or tenant space to \$5.35 for all customers effective July 15, 2020.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Storm Drain Utility, Fund 501 is expected to decrease \$752,400 per year.

Parks Utility, Fund 600 is expected to increase \$1,135,000 per year.

TIMING ISSUES

Rate changes will be effective July 15, 2020.

COUNCIL OPTIONS

Approve the ordinance as presented.

Modify the ordinance as presented.



Deny the ordinance as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve an ordinance amending sections 4.718, 4.1001, 4.1009, 4.1011, and 4.1019 of the Medford Municipal Code (MMC) related to utility fee changes to finance the Medford Sports and Events Complex.

EXHIBITS

Ordinance

ORDINANCE NO. 2020-85

AN ORDINANCE amending sections 4.718, 4.1001, 4.1009, 4.1011 and 4.1019 of the Medford Municipal Code (MMC) related to Storm Drain and Parks utility fees.

WHEREAS, in January of 2019 the City Council directed staff to research indoor recreation facility development options that would best address community, recreational deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center; and

WHEREAS, in May of 2019 the Mayor and Council adopted 2019-21 biennial goals that included determining the feasibility of an aquatic/event center within the Public Infrastructure initiative of proactively planning for and responding to identified infrastructure needs essential for citizens to live, work and play in Medford and the Rogue Valley; and

WHEREAS, the vision of the Mayor and Council is to construct an indoor Sports and Events Complex at the Howard Memorial Sports Park. The proposed complex will contain indoor recreational and competitive pools and a multi-purpose events center, and by combining aquatics and the events center into a single facility, the City reduces both development and operational costs through the sharing of spaces; and

WHEREAS, Mayor and Council directed City staff to bring forward a package of funding mechanisms for financing construction and operation of the proposed Medford Sports and Events Complex; and

WHEREAS, the recommended package of funding mechanisms does not involve increasing property taxes and includes the following revenue generators: a two percent increase to the Transient Lodging Tax (also known as the hotel-motel tax); expanding the current airport Rental Car Tax to apply to commercial locations citywide and vehicles for moving; increasing the Park Utility Fee by \$2.40/month, which will be offset by a commensurate reduction in the residential Storm Drain Utility Fee; and early repayment of a U.S. Cellular Community Park debt service bond to free up approximately \$1.6 million per year in existing City financing; and

WHEREAS, on May 19, 2020 City of Medford voters approved ballot measure 15-188 increasing the Transient Lodging Tax from 9% to 11% and ballot measure 15-187 requiring “transient lodging intermediaries” to collect the Transient Lodging Tax; and

WHEREAS, the City Council has determined it is appropriate to modify Sections 4.718, 4.1001, 4.1009, 4.1011 and 4.1019 of the Medford Municipal Code to increase the Park Utility Fee by \$2.40/month and decrease the residential Storm Drain Utility Fee by that same amount; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Section 1. Section 4.718 of the MMC is amended to read as follows:

STORM DRAIN

4.718 Basis for Determining Storm Drain Fee.

(1) The basis for determining the monthly Storm Drain fee is as follows:

- (a) Single family residential properties will be charged 1 ERU per month.
- (b) Mobile Home Parks will be charged 6 ERUs per acre per month.
- (c) The number of ERUs to be charged for all other properties not included in (a) or (b) above will be determined by measurement of the impervious area divided by 3,730. Area measurements may be determined from City building permit applications or aerial mapping records.

(2) Effective July 15 of each year below, the **monthly** rate per ERU for **residential** accounts with no runoff control measures shall be as follows:

<u>2013</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$7.71	\$8.87	\$9.49	\$10.15	\$10.25	\$10.25	\$10.25 -\$7.85

(3) **Effective July 15 of each year below, the monthly rate per ERU for non-residential accounts with no runoff control measures shall be as follows:**

<u>2013</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$7.71	\$8.87	\$9.49	\$10.15	\$10.25	\$10.25	\$10.25

(3-4) Effective July 15 of each year below, the **monthly** rate per ERU for **residential** accounts with runoff control measures shall be as follows:

<u>2013</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$5.41	\$6.22	\$6.66	\$7.12	\$7.19	\$7.19	\$7.19 -\$5.51

(5) **Effective July 15 of each year below, the monthly rate per ERU for non-residential accounts with runoff control measures shall be as follows:**

<u>2013</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$5.41	\$6.22	\$6.66	\$7.12	\$7.19	\$7.19	\$7.19

Section 2. Section 4.1001 of the MMC is amended to read as follows:

PARK UTILITY

4.1001 Creation of Utility; Purpose.

There is hereby created a Park Utility Fund ("the Fund") for the purpose of providing for the **construction**, operation and maintenance of parks, facilities, beautification and right-of-way areas.

Ordinance No. 2020-85

The beautification and right-of-way areas are part of the City maintenance responsibilities for arterial and collector streets as defined within the Medford Municipal Code. The Council hereby finds, determines and declares **a) the necessity of providing construction, operation and maintenance of the City's parks, facilities, beautification and right-of-way areas as a comprehensive Park Utility; and b) with such construction, operation and maintenance pursuits to must include such activities as are necessary in order that the parks, facilities, beautification and right-of-way areas and related facilities may be properly operated and maintained and that the health, safety and welfare of the City and its inhabitants may be safeguarded.**

Section 3. Section 4.1009 of the MMC is amended to read as follows:

4.1009 Establishment and Revision of Park Utility Fee.

The City Council hereby establishes a Park Utility Fee to be paid by the responsible party for each developed property within the corporate limits of the City. Such fee shall not be imposed in amounts greater than that which is necessary, in the judgment of the City Council, to provide sufficient funds to **construct facilities and to properly operate and maintain** parks, facilities, beautification and right-of-way areas. Collection of the fee for each property shall be made by a monthly charge which shall commence on the first day of August, 2005. The City Council may, from time to time, by ordinance, change the fee based upon revised estimates of the cost of **constructing, operating and properly maintaining** parks, facilities, beautification and right-of-way areas, or other factors identified in the ordinance.

Section 4. Section 4.1011 of the MMC is amended to read as follows:

4.1011 Imposition of Utility Fee.

There is hereby imposed upon the responsible party for each developed parcel in the City, ~~an initial a~~ **monthly Parks Utility Fee of \$2.95** for each residential dwelling unit, business unit or tenant space existing on that parcel. This fee is deemed reasonable and is necessary to pay for the **construction, operation and maintenance of parks, facilities, beautification and right-of-ways** within the City. ~~The effective starting date of this fee will be July 1, 2007, and will appear on utility bills delivered in August 2007.~~

Effective July 15 of each year below, the monthly rate per unit or tenant space shall be:

<u>2007 to 2019**</u>	<u>2020</u>
\$2.95	\$5.35

****This fee was effective July 1, 2007.**

Section 5. Section 4.1019 of the MMC is amended to read as follows:

4.1019 Moneys to be Paid in Park Utility Fund.

All fees collected by the City shall be paid into the Park Utility Fund. Such revenues shall be used

for the purposes of the **construction**, operation and maintenance of the parks, facilities, beautification and right-of-way areas of the City. It shall not be necessary that the **construction**, operations and maintenance expenditures from the Fund specifically relate to any particular property from which the fees for said purposes were collected. To the extent that the fees collected are insufficient to properly **construct**, operate and maintain parks, facilities, beautification and right-of-way areas, the cost of the same may be paid from such other City funds as may be determined by the City Council, but the City Council may order the reimbursement to such fund if additional fees are thereafter collected. All amounts on hand in the Park Utility Fund shall be invested by the Chief Financial Officer in investments proper for City funds. The fees paid and collected by virtue of this ordinance shall not be used for general or other governmental or proprietary purposes of the City, except to pay for the equitable share of the cost of accounting, management and government which is attributable to the Fund, which shall not exceed 5% of the gross revenues of the Fund during any fiscal year. Other than as described above, the fees and charges shall be used solely to pay for the cost of **construction**, operation, administration, maintenance, repair, improvement, renewal, replacement and reconstruction of the parks, facilities, beautification and right-of-way areas of the City and costs incidental thereto.

NOTE: Matter in **bold font** is new. Matter in ~~strikethrough font~~ is existing law to be repealed. Three asterisks (* * *) indicate existing law which remains unchanged by this ordinance but was omitted for the sake of brevity.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor



AGENDA ITEM COMMENTARY

DEPARTMENT: Finance

PHONE: (541) 774-2030

STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

AGENDA SECTION: Public Hearings

MEETING DATE: June 18, 2020

COUNCIL BILL 2020-86

An ordinance amending sections 8.751, 8.752, and 8.755 of the Medford Municipal Code related to car rental taxes.

SUMMARY AND BACKGROUND

Council is requested to consider an ordinance amending sections 8.751, 8.752, and 8.755, of the Medford Municipal Code (MMC) related to car rental taxes to finance the Medford Sports and Events Complex.

PREVIOUS COUNCIL ACTIONS

On June 16, 2005, Council adopted ordinance 2005-119 establishing a car rental tax for capital construction projects related to the Leisure Services Plan.

January 31, 2019 study session, Council directed staff to research indoor recreation facility development options that best address community deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center.

September 12, 2019 study session, Council directed staff to proceed forward with the funding options presented by staff.

October 2019 G-3 meetings, Council discussed the funding mechanisms, outreach, and advocacy for the Sports & Events Complex.

February 13, 2020 study session, Council discussed funding mechanisms for the Sports & Events Complex.

May 28, 2020 study session, a majority of Council decided to proceed with staff presenting funding mechanisms at the June 18, 2020 Council meeting for a formal vote.

ANALYSIS

On May 19, 2020, voters approved ballot measure 15-188 allowing Council to increase the Transient Lodging Tax from 9% to 11% by ordinance. This was the first step in funding the Medford Sports and Events Complex. The remaining funding will come from an expansion of the car rental tax and increase of the Parks utility fee. This AIC addresses changes to the Car Rental Tax sections of Medford's Municipal Code. The car rental tax is used to fund capital construction projects related to the Leisure Services Plan, which included the expansion for Phase IV of USCCP.

The car rental tax is being expanded to include rentals from any location within the City and includes vehicles designed and used primarily for the transportation of property. Currently the car rental tax is only applicable to passenger vehicles rented at the Rogue Valley International Medford Airport.



AGENDA ITEM COMMENTARY

Section 8.751, Definitions, is revised to clarify that the tax applies to all cars and vehicles used to transport property rented anywhere in the city. Additionally, subsection (7) is revised to clarify the definition of rent.

Section 8.752, Tax Imposed, is revised to update the effective date.

Sections 8.753, Collection of Tax by Operations; Rules for Collection and 8.756, Registration of Operators.... are revised to add "vehicles designed and used primarily for the transportation of property".

Section 8.755, Exemptions, is revised to remove the exemption for vehicles designed and used primarily for the transportation of property.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Revenue in the Park Improvement Fund is expected to increase \$250,000 per year.

TIMING ISSUES

Code changes are effective July 1, 2020.

COUNCIL OPTIONS

Approve the ordinance as presented.

Modify the ordinance as presented.

Deny the ordinance as presented and provide direction to staff.

STAFF RECOMMENDATION

Staff recommends approval of the ordinance.

SUGGESTED MOTION

I move to approve an ordinance amending sections 8.751, 8.752, and 8.755, of the Medford Municipal Code (MMC) related to car rental taxes to finance the Medford Sports and Events Complex.

EXHIBITS

Ordinance

ORDINANCE NO. 2020-86

An ORDINANCE amending sections 8.751, 8.752, and 8.755 of the Medford Municipal Code (MMC) related to car rental taxes.

WHEREAS, in January of 2019 the City Council directed staff to research indoor recreation facility development options that would best address community, recreational deficiencies and future needs, with emphasis on aquatics, but also recognizing interest in a multi-purpose event center; and

WHEREAS, in May of 2019 the Mayor and Council adopted 2019-21 biennial goals that included determining the feasibility of an aquatic/event center within the Public Infrastructure initiative of proactively planning for and responding to identified infrastructure needs essential for citizens to live, work and play in Medford and the Rogue Valley; and

WHEREAS, the vision of the Mayor and Council is to construct an indoor Sports and Events Complex at the Howard Memorial Sports Park. The proposed complex will contain indoor recreational and competitive pools and a multi-purpose events center, and by combining aquatics and the events center into a single facility, the City reduces both development and operational costs through the sharing of spaces; and

WHEREAS, Mayor and Council directed City staff to bring forward a package of funding mechanisms for financing construction and operation of the proposed Medford Sports and Events Complex; and

WHEREAS, the recommended package of funding mechanisms does not involve increasing property taxes and includes the following revenue generators: a two percent increase to the Transient Lodging Tax (also known as the hotel-motel tax); expanding the current airport Rental Car Tax to apply to commercial locations citywide and vehicles for moving; increasing the Park Utility Fee by \$2.40/month, which will be offset by a commensurate reduction in the residential Storm Drain Utility Fee; and early repayment of a U.S. Cellular Community Park debt service bond to free up approximately \$1.6 million per year in existing City financing; and

WHEREAS, on May 19, 2020 City of Medford voters approved ballot measure 15-188 increasing the Transient Lodging Tax from 9% to 11% and ballot measure 15-187 requiring “transient lodging intermediaries” to collect the Transient Lodging Tax; and

WHEREAS, the City Council has determined it is appropriate to modify Sections 8.751, 8.752, and 8.755 of the Medford Municipal Code to expand the current airport Rental Car Tax to apply citywide and to include trucks, vans and other motor vehicles designed and used primarily for the transportation of property; now, therefore,

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

Section 1. Section 8.751 of the MMC is amended to read as follows:

8.751 Definitions.

Except where the context otherwise requires, the following definitions govern the construction of **the City of Medford Rental Car Tax** ~~this ordinance~~.

- (1) "Rental Car" includes, without limitation, all automobiles; pickups; **trucks, vans and other motor vehicles designed and used primarily for the transportation of property**; and any motorized passenger vehicles which are capable of being used on the highways of Oregon, offered by an operator under this code. ~~Excluded are vehicles designed and used primarily for the transportation of property.~~
- (2) "City Council" means the City Council of the City of Medford, Oregon.
- (3) "Commercial Establishment" means any person or other entity who generates gross revenues by providing rental cars for a rental fee at ~~the Rogue Valley International Medford Airport~~ **any location within the corporate limits of the City**.
- (4) "Operator" means any person operating a commercial establishment
- (5) "Renter" means a natural person, sole proprietorship, partnership, joint venture, association, corporation estate, trust or any other entity in the name of which a motor vehicle is rented under this subchapter.
- (6) "Rental or Renting" means obtaining ~~at the Rogue Valley International Medford Airport~~ the use of a rental car from a commercial establishment ~~at the Rogue Valley International Medford Airport~~ **any location within the City** for a rental fee. Excluded are leases or other transactions where title of a motor vehicle is permanently or temporarily transferred from the commercial establishment to any other person or entity, fees or charges for fueling, car seats, GPS devices, satellite radio, and similar devices, supplies, and commodities. If the rental originates at ~~the Rogue Valley International Medford Airport~~ **any location within the City**, but the rental fee is collected at some other location outside the City of Medford, the operators who provided the rental car ~~at the Rogue Valley International Medford Airport~~ **within the City** shall be responsible for remittance of the tax, based on the total rental fee, wherever collected.
- (7) "Rental Fee, **Rent or Gross rent**" means the gross fee, whatever the basis of its calculation, paid to a commercial establishment by any person for the rental of a ~~motor vehicle~~ **Rental Car**.
- (8) "Tax" means either the tax payable or due by the person, operators or commercial establishment during the reporting period.
- (9) "Transacting Business" means a commercial establishment's solicitations to rent rental cars via the printed or telecommunications media, or arrangements for or obligation of payment for rental of a rental car.

Section 2. Section 8.752 of the MMC is amended to read as follows:

8.752. Tax Imposed.

For the privilege of renting a rental car, on and after **July 1, 2020**~~November 1, 2013~~, each renter shall pay a tax in the amount of twelve and one-half percent (12.5%) of the gross rent charged by the operators. The tax constitutes a debt owed by the renter to the city which is extinguished only by payment to the operators or to the city. The renter shall pay the tax to the operators at the time the rent is paid. The operators shall enter the tax on its records when rent is collected if the operators keeps records on the cash accounting basis; and when earned if the operators keeps records on the accrual accounting basis. If the rent is paid in installments, a proportionate share of the tax shall be paid by the renter to the operators with each installment. If for any reason the tax due is not paid to the operators of the commercial agency, the Chief Financial Officer may require that such tax shall be paid directly to the city. In all cases, the rent paid or charged for rental shall exclude the sale of any goods, services and commodities other than the furnishing of rental cars.

Section 3. Section 8.755 of the MMC is amended to read as follows:

8.755 Exemptions.

No tax imposed under this ordinance shall be imposed upon:

- (1) A rental fee which Oregon or Federal law exempts from the tax.
- (2) A travel trailer, camper or motor home, as defined in ORS 366.512, whose registration fee is allocated to counties pursuant to ORS 390.134(4).
- ~~(3) Excluded are vehicles designed and used primarily for the transportation of property.~~

NOTE: Matter in **bold font** is new. Matter in ~~strikethrough font~~ is existing law to be repealed. Three asterisks (* * *) indicate existing law which remains unchanged by this ordinance but was omitted for the sake of brevity.

PASSED by the Council and signed by me in authentication of its passage this ____ day of June, 2020.

ATTEST: _____
City Recorder

Mayor

APPROVED _____, 2020

Mayor