CITY COUNCIL AGENDA

MEDFORD OREGON

January 2, 2020
6:00 P.M.
Medford City Hall, Medford Room
411 W. 8th Street, Medford, Oregon

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10. Roll Call

20. Recognitions, Community Group Reports

20.1 Retirement of Fire Chief Brian Fish

20.2 Introduction of Fire Chief Eric Thompson

30. Oral Requests and Communication 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 December 19, 2019 Regular Meeting

50. Consent Calendar

50.1 COUNCIL BILL 2020-01

An ordinance authorizing execution of an Employment Agreement between the City of Medford and William P. Haberlach, to provide municipal judge services through January 31, 2023.

50.2 COUNCIL BILL 2020-02

A resolution submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of payor of the City of Medford's transient lodging tax (TLT), changing from "owners or operators" to "owners, operators, or transient lodging intermediaries."

50.3 COUNCIL BILL 2020-03

A resolution submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of raising the maximum rate of the City of Medford's transient lodging tax (TLT), from 9% to 11%.

50.4 COUNCIL BILL 2020-04

An ordinance awarding a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and Medford Urban Renewal Agency, with two, three-year renewal options.

60. Items Removed from Consent Calendar

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.

70. Ordinances and Resolutions

80. Public Hearings

90. Council Business
    90.1 Proclamations issued: None

    90.2 Committee Reports and Communications
        a. Council Officers Update

        b. Election of Council Officers/Presentation of Council Officers Plaques

        c. Boards and Commission Appointments

100. City Manager and Staff Reports
    100.1 Childcare Reimbursements

110. Adjournment

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Item No: 50.1

AGENDA ITEM COMMENTARY

DEPARTMENT: Mayor & Council
PHONE: (541) 774-2000
STAFF CONTACT: Donna Holtz, Chief Administrative Officer

AGENDA SECTION: Consent Calendar
MEETING DATE: January 2, 2020

COUNCIL BILL 2020-01

An ordinance authorizing execution of an Employment Agreement between the City of Medford and William P. Haberlach, to provide municipal judge services through January 31, 2023.

SUMMARY AND BACKGROUND

Council is requested to consider an Employment Agreement authorizing the Mayor to reappoint Judge William Haberlach to a three (3) year term as the City of Medford's Municipal Court Judicial Officer beginning February 1, 2020 through January 31, 2023.

PREVIOUS COUNCIL ACTIONS

On January 19, 2017 Council adopted Ordinance 2017-07, authorizing an employment agreement with Judge William Haberlach to provide municipal judge services through January 31, 2020.

ANALYSIS

The City Charter, Section 20 states the judge shall be admitted to practice law by the Oregon Supreme Court. The Judge shall be appointed by the Mayor, with the approval of the Council for a term of three years, subject to being removed by a two-thirds vote of the whole council for cause as defined by ordinance in effect prior to the occurrence of the grounds for cause. Council has consistently approved the Mayor to reappoint Judge William Haberlach to three (3) year terms as Municipal Court Judge since 1978.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Annual salary: $84,444.54; $150 of salary contribution to HRA VEBA per pay period; and $501.11 per pay period paid as a deferred compensation contribution in lieu of PERS. Municipal Court will include year two and three funding in their proposed 2021-23 biennial budget.

TIMING ISSUES

The current employment agreement with Judge Haberlach expires on January 31, 2020. The need is for Council to approve the agreement in order to continue service starting February 1, 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 to reappoint Municipal Court Judge William Haberlach to be effective February 1, 2020 through January 31, 2023.

SUGGESTED MOTION

I move to approve the ordinance authorizing the execution of an Employment Agreement with William Haberlach to reappoint him to a three (3) year term as the Municipal Court Judge.

EXHIBITS

Ordinance

Employment Agreement on file with the City Recorder's office

ORDINANCE NO. 2020-01

AN ORDINANCE authorizing execution of an Employment Agreement between the City of Medford and William P. Haberlach, to provide municipal judge services through January 31, 2023.

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

That execution of an Employment Agreement between the City of Medford and Municipal Court Judge, William P. Haberlach, to provide municipal judge services through January 31, 2023, which agreement 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 January, 2020.

ATTEST: _____ _____

City Recorder Mayor

APPROVED _____, 2020. _____

Mayor

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Item No: 50.2

AGENDA ITEM COMMENTARY

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

AGENDA SECTION: Consent Calendar
MEETING DATE: January 2, 2020

COUNCIL BILL 2020-02

A resolution submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of payor of the City of Medford's transient lodging tax (TLT), changing from "owners or operators" to "owners, operators, or transient lodging intermediaries."

SUMMARY AND BACKGROUND

A resolution approving referral to the electors of the City of Medford the question of payor of the City of Medford's transient lodging tax (hereinafter "TLT"), as set forth in the Medford Charter of 1998 (hereinafter "the Charter"), from "owners or operators" to "owners, operators, or transient lodging intermediaries."

PREVIOUS COUNCIL ACTIONS

On August 5, 1975, the section of the Charter providing for a transient lodging tax was added. The initial rate was 6%. The designated payor of transient lodging tax was "owner or operator."

In 2000, that rate was amended to 9% by a vote of the people. The designated payor of transient lodging tax was not amended at that time.

ANALYSIS

Companies such as AirBNB and VRBO are classified as "transient lodging intermediaries." The term is defined in state law as "a person other than a transient lodging provider that facilitates the retail sale of transient lodging and charges for occupancy of the transient lodging." Amending the charter to specify transient lodging intermediaries will facilitate collection of TLT from companies such as AirBNB and VRBO.

Adoption of this resolution is a necessary step for the potential Charter amendment to be included on the May 19, 2020 ballot. In addition, staff has attached a copy of the statutorily-required Explanatory Statement as an accompanying exhibit for the Council's review.

If the Council adopts this resolution, the City Attorney will deliver the Ballot Title to the City Recorder, who will then take all action necessary to comply with state law, including filing a Notice of Measure Election form.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The City estimates a net increase in transient lodging tax collection of $300,000 per year.

TIMING ISSUES

In order to meet procedural deadlines for the May election, this matter would need to be approved at latest by the February 6, 2020 Council meeting.

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 motion and the accompanying exhibits.

SUGGESTED MOTION

I move to approve the resolution approving referral to the electors of the City of Medford the question of payor of the City of Medford's transient lodging tax (hereinafter "TLT"), as set forth in the Medford Charter of 1998 (hereinafter "the Charter"), from "owners or operators" to "owners, operators, or transient lodging intermediaries," and direct the City Recorder to act on behalf of the City and take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

EXHIBITS

Resolution

RESOLUTION NO. 2020-02

A RESOLUTION submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of payor of the City of Medford's transient lodging tax (TLT), changing from "owners or operators" to "owners, operators, or transient lodging intermediaries."

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

Section 1. Date of Election. The measure set forth in Section 2 of this resolution shall be submitted in the manner prescribed by law to the electors of the City of Medford, Oregon, at the Primary Election to be held on Tuesday, May 19, 2020.

Section 2. The Measure. Upon approval by the electors of the City of Medford as provided in Article XI, Section 2 of the Constitution of Oregon,

BE IT ENACTED by the people of the City of Medford, Oregon, fourth sentence of Section 67-C ("Transient Lodging Tax") of the Medford Charter, adopted August 5, 1975 is amended to read as follows:

> The tax imposed shall be collected by the owner, operator, or transient lodging intermediary of the rental space in addition to the rental charged, as provided by ordinance.

Section 3. Ballot Title. The ballot title for the measure set forth in Section 2 of this resolution shall be as follows:

CAPTION: AMENDS CHARTER; TRANSIENT LODGING INTERMEDIARIES MAY PAY TRANSIENT LODGING TAX.

QUESTION: Should the City of Medford collect transient lodging tax from transient lodging intermediaries in addition to owners or operators?

SUMMARY: 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.

Section 4. Election Conducted by Mail. The measure election shall be held in the City of Medford on May 19, 2020. As required by ORS 254.465, the measure election shall be conducted by mail by the County Clerk of Jackson County, according to the procedures adopted by the Oregon Secretary of State.

Section 5. Delegation. The City of Medford authorizes the City Manager, or the City Manager's designee, to act on behalf of the City of Medford and to take such further action as is

necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

Section 6. Notice of Ballot Title and Right to Appeal. Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of Primary circulation in the City of Medford a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

Section 7. Explanatory Statement. The explanatory statement for the measure, which is attached hereto as "Exhibit 1," and incorporated herein by reference, is hereby approved.

Section 8. Filing with County Elections Office. The City Recorder shall deliver the Notice of Measure Election to the County Clerk for Jackson County for inclusion on the ballot for the May 19, 2020 election.

Section 9. Effective Date. This resolution is effective upon adoption.

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

ATTEST: _____ _____

City Recorder Mayor

Exhibit 1

EXPLANATORY STATEMENT

Approval of this measure would clarify that the City of Medford's transient lodging tax can be collected from transient lodging intermediaries in addition to owners or operators. This would not create a double payment of the transient lodging tax but would clarify that transient lodging intermediaries could be the point of collection of the City of Medford's transient lodging tax. A transient lodging intermediary is a person (including a company) that facilitates the retail sale of transient lodging. Transient lodging intermediaries include both traditional brick-and-mortar businesses and also online-based and app-based companies.

The City's transient lodging tax is a tax that the City imposes on the rental of hotels, inns, motels, apartments, boarding houses, and the like for a period of twenty-seven days or less. Transient lodging tax does not apply to hospitals, nursing home, public institutions, or permanent occupancy.

EXHIBIT 1

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Item No: 50.3

AGENDA ITEM COMMENTARY

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

AGENDA SECTION: Consent Calendar
MEETING DATE: January 2, 2020

COUNCIL BILL 2020-03

A resolution submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of raising the maximum rate of the City of Medford's transient lodging tax (TLT) from 9% to 11%.

SUMMARY AND BACKGROUND

A resolution approving referral to the electors of the City of Medford the question of raising the maximum rate of the City of Medford's transient lodging tax (hereinafter "TLT"), as set forth in the Medford Charter of 1998 (hereinafter "the Charter"), from 9% to 11%.

PREVIOUS COUNCIL ACTIONS

On August 5, 1975, the section of the Charter providing for a transient lodging tax was added. The initial rate was 6%.

In 2000, that rate was amended to 9% by a vote of the people.

ANALYSIS

Adoption of this resolution is a necessary step for the potential Charter amendment to be included on the May 19, 2020 ballot. In addition, staff has attached a copy of the statutorily-required Explanatory Statement as an accompanying exhibit for the Council's review.

If the Council adopts this resolution, the City Attorney will deliver the Ballot Title to the City Recorder, who will then take all action necessary to comply with state law, including filing a Notice of Measure Election form.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

For this biennium, the City has budgeted a total of $8,898,000 (or $4,449,000 per year). Given that total, increasing the transient lodging tax rate from 9% to 11% would result in a gain of $988,567 per year. By contract, 25% of that amount would go to Travel Medford, which would result in a net gain for the City of $751,426 per year.

TIMING ISSUES

In order to meet procedural deadlines for the May election, this matter would need to be approved at latest by the February 6, 2020 Council meeting.

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 motion and the accompanying exhibits.

SUGGESTED MOTION

I move to approve the resolution approving referral to the electors of the City of Medford the question of amending the Medford Charter to increase the maximum rate of transient lodging tax from 9% to 11%, and direct the City Recorder to act on behalf of the City and take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

EXHIBITS

Resolution

RESOLUTION NO. 2020-03

A RESOLUTION submitting to the electors of the City of Medford at the May 19, 2020 Primary Election the question of raising the maximum rate of the City of Medford's transient lodging tax (TLT), from 9% to 11%.

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

Section 1. Date of Election. The measure set forth in Section 2 of this resolution shall be submitted in the manner prescribed by law to the electors of the City of Medford, Oregon, at the primary election to be held on Tuesday, May 19, 2020.

Section 2. The Measure. Upon approval by the electors of the City of Medford as provided in Article XI, Section 2 of the Constitution of Oregon,

BE IT ENACTED by the people of the City of Medford, Oregon, that the first sentence of Section 67-C of the Medford Charter, adopted August 5, 1975 is amended to read as follows:

> Transient Lodging Tax. The council may by ordinance impose and levy a tax not exceeding 11% on gross receipts for the privilege of occupying room or space in any hotel, inn, motel, apartment or boarding house, mobile home or trailer park or court, or any other place in the City of Medford where space designed or intended for lodging-occupancy is rented by any person or persons, for a period of twenty-seven days or less.

Section 3. Ballot Title. The ballot title for the measure set forth in Section 2 of this resolution shall be as follows:

CAPTION: AMENDS CHARTER; CHANGES TRANSIENT LODGING TAX FROM 9% TO 11%.

QUESTION: Should Medford City Council by ordinance impose and levy a transient lodging tax not exceeding 11% on gross room receipts?

SUMMARY: 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.

Section 4. Election Conducted by Mail. The measure election shall be held in the City of Medford on May 19, 2020. As required by ORS 254.465, the measure election shall be conducted by

mail by the County Clerk of Jackson County, according to the procedures adopted by the Oregon Secretary of State.

Section 5. Delegation. The City of Medford authorizes the City Manager, or the City Manager's designee, to act on behalf of the City of Medford and to take such further action as is necessary to carry out the intent and purposes set forth herein, in compliance with the applicable provisions of law.

Section 6. Notice of Ballot Title and Right to Appeal. Upon receiving the ballot title for this measure, the City Recorder shall publish in the next available edition of a newspaper of primary circulation in the City of Medford a notice of receipt of the ballot title, including notice that an elector may file a petition for review of the ballot title.

Section 7. Explanatory Statement. The explanatory statement for the measure, which is attached hereto as "Exhibit 1," and incorporated herein by reference, is hereby approved.

Section 8. Filing with County Elections Office. The City Recorder shall deliver the Notice of Measure Election to the County Clerk for Jackson County for inclusion on the ballot for the May 19, 2020 election.

Section 9. Effective Date. This resolution is effective upon adoption.

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

ATTEST: _____ _____

City Recorder Mayor

Exhibit 1

EXPLANATORY STATEMENT

Approval of this measure would raise the maximum rate permissible for transient lodging taxes imposed by the City of Medford from 9% to 11%. The City's transient lodging tax is a tax that the City imposes on the rental of hotels, inns, motels, apartments, boarding houses, and the like for a period of twenty-seven days or less. Transient lodging tax does not apply to hospitals, nursing home, public institutions, or permanent occupancy.

The City of Medford first imposed a transient lodging tax via the City's Charter in 1975 with a maximum amount of 6%. In 2000, that maximum rate was amended to 9% by a vote of the people.

EXHIBIT 1

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Item No: 50.4

AGENDA ITEM COMMENTARY

DEPARTMENT: Finance
PHONE: (541) 774-2030
STAFF CONTACT: Ryan Martin, CFO/Deputy City Manager

AGENDA SECTION: Consent Calendar
MEETING DATE: January 2, 2020

COUNCIL BILL 2020-04

An ordinance awarding a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and Medford Urban Renewal Agency (MURA), with two, three-year renewal options.

SUMMARY AND BACKGROUND

The City Council is requested to consider awarding a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and MURA, with two, three-year renewal options.

PREVIOUS COUNCIL ACTIONS

On April 15, 2010, Ordinance No. 2010-78 was approved awarding a banking services contract to Umpqua Bank.

ANALYSIS

The City of Medford issued a banking services RFP. The RFP committee received four proposals in response to the RFP, which closed on October 21, 2019. The RFP was for a banking services contract through December 31, 2023 with two, three-year renewal options to perform banking services for the City of Medford and MURA. The proposers were: Banner Bank, J. P. Morgan Chase, Umpqua Bank and U.S. Bank. The committee, comprised of the Chief Financial Officer/Deputy City Manager, Controller, Accounting Supervisor, Accountant, Public Works Business Manager and one City Councilor, reviewed the proposals and unanimously selected Umpqua Bank.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

Based on anticipated volumes, the projected monthly service fees would be approximately $1,200; however, these fees are offset by an earnings credit.

TIMING ISSUES

The term of the current agreement with Umpqua Bank expires December 31, 2019; the bank has agreed to honor the RFP pricing through January 2, 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 that the City award a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and MURA with two, three-year renewal options.

SUGGESTED MOTION

I move to authorize the City Manager to award a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and MURA with two, three-year renewal options.

EXHIBITS

Ordinance
Contract on file in the City Recorder's Office.

ORDINANCE NO. 2020-04

AN ORDINANCE awarding a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and MURA, with two, three-year renewal options.

THE CITY OF MEDFORD ORDAINS AS FOLLOWS:

That a banking services contract to Umpqua Bank to perform banking services through December 31, 2023 for the City of Medford and MURA, with two, three-year renewal options, which is on file in the City Recorder's office, is hereby awarded.

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

ATTEST: _____ _____

City Recorder Mayor

APPROVED _____, 2020. _____

Mayor