

REVISED CITY COUNCIL STUDY SESSION AGENDA

May 14, 2020
6:00 P.M.
Virtual Meeting

Office of the Governor Executive Order No. 20-16 requires that the governing body of a public body (as defined by ORS 192.610(3) and (4)) shall hold public meetings and hearings by telephone, video, or through some other electronic or virtual means whenever possible. To attend virtually click [HERE](#).

1. Sidewalk Maintenance/Repairs
2. Council Vision Fund Review
2. CDBG CARES Funding



MEMORANDUM

To: Mayor and Council
From: Cory Crebbin, Public Works Director
Study Session Date: May 14, 2020
Subject: Sidewalk Repair Program

COUNCIL DIRECTION

Staff is seeking Mayor and Council direction on continuing the Sidewalk Repair Program as-is or modifying the program in part or in its entirety.

PRESENTATION OUTLINE

- Property Owner Sidewalk Repair Overview – Nepheli Sparks, Business Manager
- History – Nepheli Sparks, Business Manager
- Statistics and Analysis – Nepheli Sparks, Business Manager

PREVIOUS STUDY SESSIONS AND G-3 MEETINGS ON THE TOPIC

- On April 18, 2019, Council approved Medford Municipal Code (MMC) changes to extend the time to complete sidewalk repairs from 30 days to 60 days and allow for an additional 90-day extension of time to make repairs under specific circumstances.

BACKGROUND

Council requested a Study Session to review funding and implementation of the sidewalk repair program. Currently abutting property owners are responsible for sidewalk repairs. Staff believes this has been the case for the entire time that Medford has been incorporated.

MMC 3.010 establishes that property owners are responsible for maintaining public sidewalks abutting their property. Any injuries sustained by the public as a result of a sidewalk's defective condition are the liability of the property owner.

A property owner receiving a Sidewalk Notification Letter has three options.

- 1) Obtain a Sidewalk Repair Permit for the property owner or hire a qualified contractor to perform the work (MMC 3.020).

RE: Sidewalk Repair Program
Study Session Date: May 14, 2020

- A permit to work in the public right-of-way costs \$48.00 and is required prior to performing any work.
 - The permit must be issued within 60 days from the date of the notification letter and work must be completed on or before 60 days. (Note that staff has been flexible on the deadline if the permit has been issued and work started.)
- 2) Request a one-time 90-day extension from the Public Works Director (MMC 3.023).
- Sidewalk repairs must be permitted and completed by the expiration of the extension date.
 - A second 90-day extension may be granted depending on specific circumstances.
- 3) Submit an Appeal to City Council (MMC 3.025) within 10 days of the date of the notification letter.

At the conclusion of 60 days, if none of the above options are exercised, the City hires a contractor to perform the sidewalk repair work. At that time, all costs related to work performed are assessed to the property owner. The property owner is also informed that they may qualify for a payment plan and/or a reduced interest rate pursuant to MMC 3.470 (2).

Public Works provides information to property owners of organizations that may be able to provide financial assistance to Medford citizens (attached for reference).

Statistics

From July 1, 2018, through June 30, 2019 (FY19 data), Public Works sent 187 initial Sidewalk Notification Letters in response to reports of defective sidewalks. Of the 187 letters sent, 143 property owners took appropriate action to repair sidewalks following the MMC requirements. Four property owners repaired sidewalks without a permit. The total number of sidewalks repaired by property owners was 147. The City paid for and repaired 22 property sidewalks.

The total cost for the City to make necessary sidewalk repairs in FY19 was \$ 27,550 (costs include sidewalk repairs initiated in FY18 that were completed in FY19). Using FY19 statistics, the average cost to a property owner where the City made sidewalk repairs was \$1,252.27 (from \$250 to \$3,000 per property).

The cost to a property owner for the City to make sidewalk repairs is larger due to administrative costs assessed per the MMC.

Based on the data for the most recent fiscal year, the cost for the City to complete all of the reported sidewalk defects would have been approximately \$235,000.

ANALYSIS

Sidewalk repairs are based on complaints received. Complaints are likely underreported because property owners reporting defective sidewalks abutting their property usually withdraw the complaint when informed that they are responsible for repairs. Also there are a significant number of property owners, typically commercial properties, which repair defective sidewalks in the absence of a complaint. Staff does not have data on the frequency of these events. Changes to the current sidewalk repair program should consider the impacts of these undocumented occurrences.

Additionally the federal Americans with Disabilities Act (ADA) requirements may increase the costs and volume of sidewalk repairs if the present process is altered. The ADA has criteria, such as a maximum 5% cross-slope, which the inspection process does not currently capture unless it is obvious during the inspection.

Finally, sidewalk repairs in Medford are not permanent due to tree roots and the extreme shrink and swell characteristics of the Rogue Valley's clay soils.

EXHIBITS

- Exhibit A – Initial Sidewalk Notification Letter – sent to property owners
- Exhibit B – Organizations that may be able to help Medford citizens - informational
- Exhibit C – Thank You Letter – sent to property owners that complete sidewalk repairs
- Exhibit D – Sidewalk Flyer

Thank you,

Cory Crebbin
Public Works Director

(Date)

(Owner Name)

(Address)

(City, State, Zip Code)

RE: UNSAFE SIDEWALK AT (ADDRESS & CASE #)

A section of sidewalk adjacent to this property has been identified as unsafe and requires immediate attention. A Public Works Inspector has confirmed that sidewalk repairs are necessary and the property owner must have the sidewalk defects remedied within **60 days** of receipt of this letter per the City of Medford Municipal Code (MMC) Section 3.023.

It is important that sidewalks be kept safe. In the MMC 3.010, property owners are responsible for maintaining all public sidewalks abutting their property. Any injuries sustained by the public as a result of this defective condition are the liability of the property owner. Property owners are identified as the owner of record per the Jackson County Assessor's Office.

CURRENTLY YOU HAVE THE FOLLOWING THREE OPTIONS:

- 1) Obtain a Sidewalk Repair Permit for the homeowner or qualified contractor to perform the work (MMC 3.020).
 - Permit cost is \$48.00 and is required prior to performing any work
 - Permit must be issued on or before day-60 and work must be completed on or before day-60
 - Application can be completed in person or online (see physical address and website information below)
- 2) Request a one-time 90-day extension from the Public Works Director (MMC 3.023).
 - Use email address pworksend@cityofmedford.org or physical address below to submit the request
 - Must be in writing with basis for the request
 - Sidewalk repairs must be permitted and completed by the expiration of the extension date
- 3) Right to Appeal (MMC 3.025).
 - If you disagree with the determination that the sidewalk is unsafe, you may appeal via a public hearing before the City Council. A WRITTEN REQUEST MUST BE MAILED OR DELIVERED IN PERSON to the City Recorder at 411 W. 8th St, Medford, OR 97501 within **ten (10) days** of receipt of this letter.
 - The request needs to include why the repair of the sidewalk is not required and a current contact phone number for appeal date notification.

By **day 60**, if none of the above options have been exercised, the City will initiate hiring a contractor to perform the work. At that time, per the MMC, all costs related to work performed will be assessed to the property owner. Administrative costs of 25% or \$15 whichever is greater will be assessed and include payments to the contractor plus engineering and general administrative costs. Non-payment will result in a lien being placed on the property at 18% interest per year. Please note that once the contractor has been hired, the associated costs are realized and must be paid by the property owner. If you are unable to pay the costs and fees assessed, you may qualify for a payment plan and/or a reduced interest rate pursuant to MMC 3.470 (2). Contact the City Records Office for more information (recorder@cityofmedford.org).

THIS IS THE ONLY NOTICE YOU WILL RECEIVE

Please call 541-774-2100 if you have any questions or would like a City inspector to contact you. If a tree in the public right of way is related to your case, contact the City Arborist at 541-774-2690 to obtain a separate permit (MMC 6.725 & 6.730).

Sincerely,

Nepheli Sparks, Public Works Business Manager



SIDEWALK REPAIR PROGRAM

Organizations that may be able to help Medford Citizens

NON-VETERAN RELATED ORGANIZATIONS

- **Home Repairs – Oregon**

The programs and resources listed below help homeowners with home repairs.

<https://www.hud.gov/states/oregon/homeownership/homerepairs>

- **FHA Section 203K Acquisition & Rehabilitation Mortgage**

The Section 203(k) program is FHA's primary program for the rehabilitation and repair of single family properties. As such, it is an important tool for community and neighborhood revitalization, as well as to expand homeownership opportunities.

https://www.hud.gov/program_offices/housing/sfh/203k

- **Rogue Valley Habitat for Humanity – ReStores**

Learn about both of our Rogue Valley ReStores that offer new and quality used home improvement and building supplies to the public at greatly reduced prices. The ReStores also carry furniture, paint, household items, miscellaneous house decor, office supplies, and Inventory changes daily!

<https://www.roguevalleyhabitat.org/>

- **Salvation Army**

It is our goal to get people back on their feet and into a better life. When times are tough, we are there for children, families, and seniors in Jackson County with necessities such as food, heat, and more. Emergency food bags, Utility assistance, Assistance for seniors 65 and older, Clothing, Furniture, Other services.

922 N. Central Ave, Medford, 541-772-8149

http://www1.usw.salvationarmy.org/usw/www_usw_medford.nsf/vw-text-dynamic-arrays/7419C079378BFCFF88257AAD0056653B?openDocument&charset=utf-8



ORGANIZATIONS SPECIFIC TO THE ELDERLY

- **Reach Community Development**

We are dedicated to helping older adults and people with disabilities age safely in their homes. Free Home Repairs. This is for the City of Portland, but may consider outside applications.
<https://reachcdc.org/our-work/free-home-repairs>

- **Help Now Advocacy Center**

Help Now! is a non-profit *organization* located in southern Oregon providing ... We have a particular focus on and interest in *helping seniors*, the disabled, those in need.
(541) 732-1911
www.helpnowadvocacy.org

- **Home Owner Repair Program**

XXXXXX
Jeff Jackson
email

- ~~**Community Development Block Program**~~

The City of Medford was granted entitlement status under the Community Development Block Grant (CDBG) program by the United States Department of Housing and Urban Development (HUD) in 1989. CDBG funding is used to benefit low- and moderate-income persons, eliminate conditions of slum and blight, or meet an urgent need (as defined by HUD) within the City of Medford. The CDBG program provides the City of Medford with an essential funding source to financially support a variety of programs and projects including but not limited to the following:
[Public Service Programs](#)
[Capital Improvement Projects](#)
[City Capital Projects](#)
[Homeowner Repair Loans](#)

- **Salvation Army**

It is our goal to get people back on their feet and into a better life. When times are tough, we are there for children, families, and seniors in Jackson County with necessities such as food, heat, and more. Emergency food bags, Utility assistance, Clothing, Furniture, Other services.
922 N. Central Ave, Medford, 541-772-8149
http://www1.usw.salvationarmy.org/usw/www_usw_medford.nsf/vw-text-dynamic-arrays/7419C079378BFCFF88257AAD0056653B?openDocument&charset=utf-8



ORGANIZATION SPECIFIC TO VETERANS

- **Veterans Services**

140 S. Holly Street
Medford, Oregon 97501
Phone: (541) 774-8214
Fax: (541) 774-8177
General Information Email: jcvso@jacksoncounty.org

- **Rogue Valley Veterans and Community Outreach**

The RVVCO empowers families and individuals of Jackson and Josephine Counties to attain self-sufficiency with an enduring commitment to treating all people with dignity and respect.
601 N Grape St
Medford, OR 97501
(541) 779-8564
<http://www.rvco.com>

- **Salvation Army**

304 Beatty St
Medford, OR 97501
(541) 773-6965
http://www.salvationarmy.usawest.org/usw20/plugins/gdosCenterSearch?query=97501&mode=query_1

- **Oregon Veterans Home**

The Oregon Veterans' Home provides a residence for veterans who have honorably served our country, or their spouses, who are now in need of skilled nursing and rehabilitative or Alzheimer's care.
700 Veterans Drive, The Dalles, OR 97058
Phone: 800-846-8460
Fax: 541-296-7862
<http://www.oregon.gov/ODVA/Pages/index.aspx>

- **Social Security Wounded Warrior Program**

Military Service Members can receive expedited processing of claims from Social Security. The expedited process is used for military service members who become disabled while on active military service on or after October 1, 2001, regardless of where the disability occurs.
<http://socialsecurity.gov/woundedwarriors>



- **Oregon Dept. of Veterans Affairs**

As a veteran, you have certain benefits you earned as a result of your service to your state and country. Survivors and dependents of veterans may also have benefits available; however, these benefits are there for you only if you apply for them.

Phone: 503-373-2000

Phone: 800-828-8801

700 Summer St. NE

Salem, Oregon 97301-1285

<http://www.odva.state.or.us/>

- **Veterans Affairs Regional Loan Center**

Our mission is to help Veterans and Service members maximize their opportunity to obtain, retain, and adapt homes by providing a viable and fiscally responsible benefit program in recognition of their service to the nation. We administer VA home loan and housing benefits and services.

www.hud.gov

NOTE: These organizations have not been contacted to determine the extent of assistance, if any, that can be provided. This is for informational purposes only as potential areas of outreach.



MEDFORD
PUBLIC WORKS

(DATE)

(NAME)

(ADDRESS)

(CITY, STATE, ZIP CODE)

RE: CASE CLOSED FOR (ADDRESS & CODE CASE #)

Dear (NAME),

On behalf of the Public Works Department, and the City of Medford, we would like to thank you for completing the repairs associated with this sidewalk case. It has been a pleasure working with you to keep our City and community maintained.

Sincerely,

Nepheli Sparks

Public Works Business Manager



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THANK YOU FOR KEEPING MEDFORD'S SIDEWALKS SAFE!

The City of Medford is committed to providing safe sidewalks.

Property owners contribute greatly to our community pride by maintaining sidewalks and landscaping next to their properties as required by the Medford Municipal Code.

Thank you for being part of the solution.



MEDFORD
PUBLIC WORKS

City of Medford | Public Works
200 S. Ivy Street, Medford, OR 97501
541.774.2100 | pworks@CityofMedford.org

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PUBLIC WORKS



SIDEWALKS MAINTENANCE & REPAIRS



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WHAT DOES AN UNSAFE SIDEWALK LOOK LIKE?

There are several criteria that an inspector uses to determine if a sidewalk is in disrepair or is unsafe. These include but are not limited to:

- **Step separation.** A displacement of ¼" or greater at any point on the walkway.
- **Cracked concrete.** Holes and rough spots ranging from hairline cracks to indentations that create gaps or holes in the sidewalk.
- **Settled areas that trap water.** Sidewalk segments with depressions, reverse cross slopes or other indentations that make the sidewalk lower than the curb.
- **Rough surface.** Concrete where the surface is so rough that someone using a walker, wheelchair or crutches would have difficulty passing.
- **Obstructions blocking part of the sidewalk.** This could include trees, hedges, fences, or anything encroaching on the sidewalk.
- **Tree root damage.** Roots from trees resulting in one or more of the above conditions.
- **Debris on the sidewalk.** Anything that makes it unsafe, such as fallen fruit, frozen water creating a sheet of ice, a thick cover of leaves, or damp moss.

WHO IS RESPONSIBLE?

Per the Medford Municipal Code Section 3.010, the property owner whose property abuts, or is adjacent to the sidewalk, is responsible for keeping it in good repair and safe for public use.

SAFE SIDEWALKS PROTECT PROPERTY OWNERS

The property owner whose property abuts, or is adjacent to the sidewalk, may be liable for any injuries sustained by someone who trips or falls as a result of a sidewalk that is in disrepair, unsafe, or defective. By repairing the sidewalk, property owners reduce their liability.

FREQUENTLY ASKED QUESTIONS

How do I get it fixed?

- A permit is required before any work can begin. From there you can repair it yourself (using City construction standards), or hire a contractor. If you choose to hire a contractor, the contractor will need to be pre-qualified by the City to do concrete work.
- A list of qualified contractors can be found on the Public Works website at cityofmedford.org. Click on City Departments and select Public Works.

How do I get a permit?

- Permits can be obtained online through the City's website or at our office. Choose City Departments, then Public Works, then click on Permit Requests. Or call 541-774-2100.

Who decides when a sidewalk is unsafe?

- Acting on behalf of the City Engineer, an inspector will assess whether the sidewalk is defective. The inspector will also validate that the repair work was performed to standards.

Do I have a right to appeal?

- If a sidewalk is found to be unsafe or in disrepair, a letter is sent to the property owner and the property owner has 60-days to repair it.
- A 90-day extension can be requested as needed.
- If a property owner disagrees with the City Engineer's determination, they may request an appeal within 10-days and present to the City Council.

The initial letter will have all the details, and you can contact us anytime at 541-774-2100.



MEMORANDUM

To: Mayor and Council

From: Brian Sjothun, City Manager
Kelly Madding, Deputy City Manager

Study Session Date: May 14, 2020

Subject: Council Vision Fund

COUNCIL DIRECTION

Staff is seeking Mayor and Council direction on the allocation of Council Vision Funds from the five applications received.

PRESENTATION OUTLINE

- Review of Funding Requests and Resources Available – Kelly Madding
- Discussion and direction – Mayor and Council

PREVIOUS STUDY SESSIONS AND G-3 MEETINGS ON THE TOPIC

On December 5, 2019 Council Bill 2019-128 was approved. This resolution outlined the process for assigning funding to projects, programs, and activities from the Council Vision Fund.

BACKGROUND

Vision Fund Balance	\$851,758	(12/31/19)
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Vision Funds Approved

- | | | |
|------------------------------------|------------------|------------------|
| • Livability Team | \$300,000 | (8/1/19) |
| • Social Service Grants (COVID-19) | \$100,000 | (3/19/20) |
| • Small Business Grants (COVID-19) | <u>\$125,000</u> | (5/7/20) |
| o Total | \$525,000 | |
| o Total Available | \$326,758 | (5/14/20) |

Vision Fund Requests Received

1. Downtown Medford Association	\$100,000
2. St. Vincent de Paul	\$ 7,500
3. Private Property Abatement	\$100,000
4. Small Business Bridge Grant	\$125,000
5. Preschool Scholarship Fund	<u>\$100,000</u>
Total Requests	\$432,500

Requests Summary

Downtown Medford Association (DMA) – Funding is requested for calendar years 2020 and 2021. The intents of this funding is pursuant to DMA’s request for retaining a dedicated DMA manager.

St. Vincent de Paul – Funding would be used to provide necessary bags, supplies and gift cards to clients who collect trash along the Bear Creek Greenway.

Private Property Abatement – The establishment of an incentive fund to encourage and assist private property owners along the Bear Creek Greenway to remove vegetation and debris. Reimbursement of up to 25% (\$10,000 limit per property) of the total costs to remove and dispose of vegetation and debris.

Small Business Bridge Grant – Council approved 50% of the total request at your May 7 meeting. The remaining \$125,000 would be considered during this study session.

Preschool Scholarship Fund – This proposal would establish the Medford Preschool Scholarship Fund for low income families in Medford. Funding would be provided to Kid Time, who is also partnering with the Medford School District to expand sites and opportunities.

Additional Funding Options

There is currently a deficit of \$105,242 if the Council wishes to fully fund all of the requests. Staff has developed the following options for consideration:

- Partial Funding
 - DMA request is for two calendar years. If the Council chooses to fund 2020 and defer consideration for 2021 until the next Vision Fund cycle, this would reduce the deficit by \$50,000.

RE: Council Vision Fund

Study Session Date: May 14, 2020

- Vision Funds Collected – January 2020 to March 2020
 - The City has collected \$242,680 in marijuana taxes for this time period. In accordance with the procedure established by Council, these funds would be combined with the taxes collected through June and allocated in December. Due to the unprecedented needs created by COVID-19, Council might consider using a portion of these funds for allocation during this current process.

EXHIBITS

- Council Vision Fund Requests

Thank you,

Brian Sjothun – City Manager

Kelly Madding – Deputy City Manager



MEDFORD FINANCE

Council Vision Fund Request

Name Eric Stark

Date of Request 2-6-2020

Sponsored By: Councilmember 1: Eric Stark

Councilmember 2: Tim D'Alessandro

Description of Request (amount, purpose, timeline, etc.):

Fund \$50,000 to Downtown Medford Association ("DMA") for 2020 calendar year.

Fund \$50,000 to DMA for 2021calendar year.

The intent of this funding is pursuant to DMA's 2019 bi-annual budget request of \$100,000 for retaining a dedicated DMA manager.

The timeline of funding is the sponsor's intent to emphasize the need for DMA to participate and contribute to their administrative needs and direction that DMA needs to continue to fundraise and become operationally self-sufficient.

Which Council Goals are met by this request?

Assisting the DMA to move downtown Medford forward as an integral financial, social, educational, and arts hub of the Medford community. To promote the downtown core becoming a destination area. Assisting MURA goals by providing a economic and housing connection between downtown and the Liberty Park area.

To Be Filled Out By Staff

Monies Available for Request?

Meets Council Goal(s)? Yes

Date Council Meeting Scheduled:

AIC Assigned To:



MEDFORD FINANCE

Council Vision Fund Request

Name St. Vincent de Paul

Date of Request March 30, 2020

Sponsored By: Councilmember 1: Dick Gordon

Councilmember 2: Kevin Stine

Description of Request (amount, purpose, timeline, etc.):

Amount: \$7,500 Timeline: 12 months Purpose: Improve Greenway Livability
TRASH MASTERS

St. Vincent de Paul is concerned with so much trash collecting along the Greenway and other parts of town. At one point we considered "adopting" a section of the Greenway to clean. With the advanced age of our volunteers, this we not practical. In the fall of 2019 we introduced an experimental program to encourage the homeless to pick up and return trash. We provided them with bags and rewarded them with bus passes worth six rides when they returned a full bag. It worked! In four months we gave out 300 bags and they were returned with 4,780 pounds of trash.

We are proposing an annual budget of \$7,500. This would include \$2,000 for 5,000 bags, labels, etc. When the bags are returned, we propose offering the client a \$10 Fred-Meyer gift card or a bus pass. That might cost \$5,000. The remaining \$500 would be for miscellaneous costs.



Which Council Goals are met by this request?

Address livability issues along the Bear Creek Greenway

To Be Filled Out By Staff

Monies Available for Request?

Meets Council Goal(s)? Yes

Date Council Meeting Scheduled:

AIC Assigned To:



MEDFORD

FINANCE

Council Vision Fund Request

Name Private Property Abatement

Date of Request 4-2-2020

Sponsored By: Councilmember 1: Eric Stark

Councilmember 2: Clay Bearnson

Description of Request (amount, purpose, timeline, etc.):

The establishment of an incentive fund to encourage and assist private property owners along the Bear Creek Greenway with the cost of vegetation removal and debris clean-up. The fund's primary purpose is to provide a reimbursement of up to 25 percent of the one-time service costs (up to \$10,000 per property) associated with clearing of overgrown vegetation, blackberries, and other noxious weeds from their land in order to prevent unlawful camping, to reduce fire danger, and to enhance Greenway safety and aesthetics. The program can be administered by the Parks and Recreation Department, with assistance from Police and Fire, as part of a broader code-enforcement outreach program; applications would be reviewed and recommended for Council approval by the Department. Total request is for \$100,000.

Which Council Goals are met by this request?

- Public Infrastructure – Bear Creek Master Plan
- Public Health and Safety
- Community Engagement
- Government Partnership Engagement
- Public-Private Partnerships



To Be Filled Out By Staff

Monies Available for Request?

Meets Council Goal(s)? Yes

Date Council Meeting Scheduled:

AIC Assigned To:



MEDFORD FINANCE

Council Vision Fund Request

Name Tim D'Alessandro

Date of Request 4-20-2020

Sponsored By: Councilmember 1: Alex Poythress Councilmember 2:

Description of Request (amount, purpose, timeline, etc.):

Fund \$250,000 to a small business bridge grant program.

I am sure all of you are aware of the economic impact COVID-19 has had to small businesses in our city. With the majority of the PPP being swallowed up by larger, well connected businesses with over 500 employees. These small businesses are suffering and are the backbone of our local economy. These businesses pay fees and taxes that make our city whole.

At least one of our County Commissioners is interested in the County matching this request and working jointly with the City to administer these funds. They will be meeting later this week to discuss this proposal. But regardless of whether or not the County ops in to this plan, I believe that the City should throw this lifeline ASAP.

The intent of this request is to provide small businesses with a "Bridge Grant" to assist them with surviving this pandemic and hold them over until the Federal government gets a second round of assistance authorized.

I believe that for this program to be successful, this request needs to be treated with the same priority that Council gave to the Social Service Grant request approved 03-19-2020.

The details of who would be eligible and the amount per business request could be sorted out by a small committee in a very short time frame. Some suggestions would be, applicant must have a Medford business license. Have less than 50 employees. May not be a subsidiary of a publicly traded corporation, etc. The idea is to sincerely focus on our "small" business community.

Which Council Goals are met by this request?

Housing Strategies - Keeping businesses viable will keep people in their homes.

Emergency Management - Providing funding to small businesses in the form of a bridge grant in matters as they relate to the COVID-19 (Coronavirus) national emergency.

Economic Development - Funding small business through a structured bridge grant program during this pandemic will strengthen our economy.

Downtown and Redevelopment - There are a lot of small businesses in the downtown area that may not survive this pandemic if the City does step up and do our part to help them bridge this gap.

To Be Filled Out By Staff

Monies Available for Request?

Meets Council Goal(s)? COVID-19

Date Council Meeting Scheduled:

AIC Assigned To:



MEDFORD FINANCE

Council Vision Fund Request

Name Medford Preschool Scholarship Fund

Date of Request 5/8/20

Sponsored By: Councilmember 1: Kay Brooks

Councilmember 2: Eric Stark and Clay Beamson

KEVIN STARK

Description of Request (amount, purpose, timeline, etc.):

Establishment of Medford Preschool Scholarship Fund for low income families in Medford.

Kid Time is partnering with the Medford School District to expand the number of locations available f open 2-3 satellite locations in addition to 5 classrooms in the Carnegie Building. All of their classroom in elementary schools, are located in Medford's highest risk neighborhoods where children have the l and parents have the least financial resources.

Vision Fund request is for \$100,000, to be administered immediately to provide childcare opportuniti work post-COVID 19.

Which Council Goals are met by this request?

Health and Safety: The City will develop and implement programs that address safety and livability issues that impacts residents' and visitors' lives.

Downtown & Redevelopment: The City will seek opportunities to assist with the development and redevelopment opportunities within the downtown core area.

Public Infrastructure: Proactively plan for and respond to identified infrastructure needs by providing facilities essential for citizens and visitors to live, work and play.

To Be Filled Out By Staff

Monies Available for Request?

Meets Council Goal(s)?

Date Council Meeting Scheduled:

AIC Assigned To:



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

EXHIBIT A

SUMMARY OF POTENTIAL CRITICAL NEED CATEGORIES

Critical Need	Primary Consultations	Other <u>Potential</u> Funding Sources	Summary of Findings
<p>Housing Stabilization - Rental Assistance</p>	<ul style="list-style-type: none"> • League of Oregon Cities (LOC) • Oregon Housing & Community Services (OHCS) • ACCESS • St. Vincent de Paul • CPM Real Estate Services (CPM) • Housing Authority of Jackson County (HAJC) 	<ul style="list-style-type: none"> • Emergency Solutions Grant (ESG) • Emergency Housing Assistance (EHA) • State Homeless Assistance Program (SHAP) • State Non-Entitlement CDBG 	<p>Multifamily NW, representing Oregon property managers and owners of over 200,000 units located in Southern Washington down to Medford, reported 12% of Class A and B tenants (higher rental amounts) and 18% of Class C (tenants who may be working multiple jobs, etc.) did not pay rents in April. The organization originally forecasted a 40% non-payment rate, which would have resulted in a \$350M funding need.</p> <p>CPM reported an estimated 10% of Class C tenants were not able to pay rent in April. Although placing a value on this is difficult, CPM categorizes the majority of the tenants having trouble as cost-burdened households earning up to 50% of the Area Median Income (AMI). Using data referenced in the 2020-2024 Consolidated Plan and estimated monthly funding need for this income category alone is roughly \$400K.</p> <p>HAJC, operating 1,500 units for tenants earning 30% to 80% AMI (800 located in Medford), reported close to a \$50k rent revenue loss in April. Both HAJC and CPM have set-up deferment or payment plans with households unable to pay, but have ongoing concerns of revenue loss.</p>

			<p>As reported by OHCS, ESG funds is another potential source to provide rental assistance to households up to 50% AMI. However, this has not been confirmed by ACCESS, the grantee of ESG funds. As with the City, ACCESS is waiting for guidance to administer CARES funding. ACCESS will provide an appropriate update to partner agencies as soon as further direction is available. An example of a funding collaboration with ACCESS could be that the City allocates CDBG-CV rental assistance funds to ACCESS, or another qualified organization, to serve households between 51% to 80% AMI.</p> <p>Staff Analysis: Both LOC and OHCS are urging entitlement jurisdictions to strongly consider allocating CDBG-CV funds to rental assistance in efforts to keep residents housed and prevent homelessness. Both HAJC and CPM agree the need is extremely high. Supporting rental assistance would also help ease revenue losses many landlords may be facing. The recommended model for selecting subrecipients would be through direct solicitation of qualified organizations.</p>
<p>Eviction Prevention and Other Legal Services</p>	<ul style="list-style-type: none"> • Center for Nonprofit Legal Services • League of Oregon Cities (LOC) 	<ul style="list-style-type: none"> • Lawyers' Campaign for Equal Justice (CEJ) • Oregon State Bar Legal Services Program and Oregon Law Foundation • Jackson County 	<p>The need for legal assistance to help prevent eviction is swiftly emerging with the Governor's Eviction Moratorium Order ending July 6, 2020. Many community stakeholders and residents are anxious of the stressful uncertainties that accompany this and are fearful of an increase in homelessness. The Center for Nonprofit Legal Services' (CNPLS) housing-related caseload has doubled since the</p>

	<ul style="list-style-type: none">• Oregon Housing and Community Services (OHCS)	<ul style="list-style-type: none">• United Way of Jackson County• Rogue Valley Council of Governments (RVCOG)	<p>moratorium was executed. The agency anticipates a post-moratorium floodgate of consumer debt collections that will likely lead to evictions. Under SB 608, evictions after the first 12 months of residency will require just cause. Nonpayment of rent may trigger an expedited notice of 72 hours for tenants to pay the full amount of rent owed.</p> <p>The CNPLS is also seeing an increase in the demand for other legal assistance to help with family disputes, domestic violence protection, predatory lending, bankruptcy, immigration, and protecting or accessing government benefits (SNAP, OHP, SSI, etc.). CNPLS has also expressed an increase in requests for guardianship services by family members concerned about their homeless relatives. The average cost of service ranges from \$750 to \$1,000 per client, depending on the level of service needed to address the issue. With eviction prevention, resolution can result from one-on-one consultation, correspondence with a landlord, and/or legal representation in court.</p> <p>Staff Analysis: Per the CNPLS, the ability to sustain legal services in the next fiscal year is at risk. CDBG-CV assistance could help sustain and increase the level of service. Goal 5.2 of the Medford Homeless System Action Plan (HSAP) Implementation Plan, adopted by Council on November 21, 2019, proposes Council prioritize eviction prevention and specifically references CNPLS as the only local agency</p>
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			<p>administering this program. Council identified eviction prevention as a housing stabilization priority under the City's 2019-2021 General Fund Grant program. The agency was recommended to receive \$6,000 in 2020 CDBG funds by the Community Development Grants Commission (CDGC) and recently received \$10,000 from the Council Vision Fund. The agency's funding gap is currently estimated at \$94,000, which could serve approximately 100 residents. If prioritized by Council, staff recommends direct solicitation as a method of selecting a subrecipient, given CNPLS is the only local organization offering eviction prevention services to low-income residents.</p>
<p>Child Care</p>	<ul style="list-style-type: none"> • Southern Oregon Education Services District - Child Care Resource Network • Kid Time • YMCA • SOU Small Business Development Center (SBDC) 	<ul style="list-style-type: none"> • Oregon Early Learning Division Emergency Child Grant program • Child Care and Development Block Grant (CCDBG) • Department of Human Services (DHS) • Oregon Council for Development Disabilities • Refundable Retention Employee Credit • Economic Injury Disaster Loan (EIDL) 	<p>The child care need is growing and uncertain, particularly as people prepare to go back to work. Concerns rest on capacity to reopen the 60% of child care facilities that closed during the COVID pandemic. Closure decisions of many home and smaller providers resulted from personal health and safety concerns and the cost of remaining open under new state regulations requiring smaller group sizes, and costly health and safety measures. The YMCA is one of the few emergency child care (ECC) facilities that remained open and has a plan to transition to drop-in care as parents return to work. However, increased operational costs and limited usage is endangering the ability to respond to the emerging need as agencies like the YMCA await the availability of funding.</p>

		<ul style="list-style-type: none">• Emergency Family and Medical Leave	<p>To magnify the need, the region will be faced with picking up the pieces of a child care desert with pre-COVID slots available to cover 20% of the 0-5 population. If smaller centers are not able to reopen, people may not be able to return to work or may be faced with an increase in cost as larger centers with capacity are forced to charge more. For example, Kid Time is looking at a cost increase in the range of 35-45% depending on the final recommendations and a variety of factors that seem to be changing daily.</p> <p>The Early Learning Division provided OSU with an estimated cost of \$92M to supplement the entire child care infrastructure in the state for the next 2 months. Oregon is expected to receive \$38M in federal aid. Further research and guidance is needed to fully understand how providers will secure and administer funding through the Child Care Development Block Grant (CCDBG). The Emergency Child Grant program is currently offering grants from \$900 to \$18,000 to cover operational costs of licensed ECC facilities or license-exempt providers caring for a child of an essential worker. More information is expected toward the end of May.</p> <p>Staff Analysis: Given the multifaceted need and uncertain funding, stakeholders recommend ongoing consideration of prioritizing funds to fill gaps to help providers reopen, provide operational support to increase capacity where needed, and fund child care scholarships to help low-income</p>
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			<p>families maintain jobs and housing. City CDBG-CV funds could help support one or more of these areas through emergency child care assistance for families under housing stabilization, re-open assistance under small business relief, and operational support under nonprofit emergency relief. If prioritized by Council, staff would recommend direct selection of qualified organizations and/or a simplified application process to select subrecipients.</p>
<p>Small Business Relief - Emergency Small Business and Microenterprise Assistance</p>	<ul style="list-style-type: none"> • SOU Small Business Development Center (SBDC) • Southern Oregon Regional Economic Development, Inc. (SOREDI) • Business Oregon 	<ul style="list-style-type: none"> • State Non-Entitlement CDBG • SOREDI Loan Program • Economic Development Administration (EDA) • Oregon Community Foundation • Paycheck Protection Program (PPP) • U.S. Department of Agriculture (USDA) • Work Share Oregon • U.S. Commerce • Small Business Administration – Oregon SBDC Network • Oregon Business Development Dept. 	<p>Small businesses and sole properties, who were not able to access the Paycheck Protection Program (PPP) or other programs like Work Share through the Oregon Employment Department are facing imminent closure. This is evident in the increase of calls for assistance through SOU's SBDC and SOREDI. Businesses from all sectors are at risk including contractors, sub-contractors, child care providers, restaurants and retail. Agencies like SOREDI are also at risk with a forecasted membership revenue decrease of 30-40% and lost revenue to forgiven and/or deferred loan interest. SOREDI's loan program is seeded with federal funds through USDA, which excludes Medford. Consequently, SOREDI is often strapped to find funds to help Medford businesses.</p> <p>Given pressing demand, SOREDI has had discussions with Business Oregon and non-entitlement jurisdictions to establish a state CDBG-funded emergency small business and microenterprise assistance program designed to help businesses remain solvent through the crisis, and be ready</p>

- Refundable Retention Employee Credit
- Economic Injury Disaster Loan (EIDL)
- Emergency Family and Medical Leave

and able to rebuild or reopen. This type of program could be made available in Medford through CDBG-CV funds. The state program will grant \$2,500 for each moderate-income job created or retained and up to \$10,000 for each microenterprise created. SOREDI has already developed a potential application, identified a business development manager, established a reimbursement framework, and budgeted for a minimal administrative fee of 10%. SOREDI is also eager to form a partnership with the SOU SBDC in that the SBDC would provide technical assistance and budget counseling to business owners prior to receiving grant funds through SOREDI. The SBDC supports this concept and is willing to serve as a partner. The additional workload would be absorbed into the existing adviser group on staff, which if approved by Council is in line to receive a \$25,000 grant through the City's 2020 CDBG funds. The agency also anticipates receiving additional funds through the CARES Act to increase technical assistance, beyond what City CDBG funding would accommodate.

Staff Analysis: Although extremely difficult to place a value on funding gaps on any of the critical need areas, consultations with SOREDI and the SBDC have suggested that a healthy and balanced investment in the small businesses/microenterprise sector could be \$100,000. This investment would provide SOREDI with \$10,000 to administer direct assistance to help retain or create

			approximately 36 moderate-income jobs, up to 9 micro-businesses, or a combination of the two. If this need is prioritized by Council, staff recommends selecting SOREDI as the subrecipient given the qualifications and capacity of the organization.
Public Service Programs – Nonprofit Emergency Operational Support	<ul style="list-style-type: none"> • Maslow Project • Community Works • Rogue Retreat • Hearts with A Mission • Center for Nonprofit Legal Services • Mercy's Gate • ACCESS • Consumer Credit Counseling Services • Community Volunteer Network • St. Vincent de Paul • Kid Time • YMCA • Youth 71Five • La Clinica • Housing Authority 	<ul style="list-style-type: none"> • Funding Raising Events • Business Donations • Private Donations • Foundation Grants • Other local, state, and federal sources including CDBG, ESG, EHA, SHAP, etc. • CARES Act - Housing Voucher Program • Paycheck Protection Program (PPP) 	<p>Operational concerns voiced by nonprofit agencies from all essential service sectors has been significant. Many agencies are dependent upon fund raising events, business and private donations, and foundation grants, all of which are either no longer a viable revenue source or extremely limited. Assessing the greatest emergency need during this pandemic is extremely difficult given all sectors support the sustainability of vulnerable residents ranging from victims of violence, seniors, at-risk youth, families in need of child care, public health and housing services, homeless outreach, etc. Additional concerns fall on the competing demand to fund direct services with no or insufficient administrative support.</p> <p>Staff Analysis: The consensus from community partners and stakeholders is that sustaining nonprofit operations is a critically high need that should be considered when establishing CDBG-CV funding priorities. HUD's removal of the 15% public service cap serves as federal validation. The challenge will be to prevent duplication of funding, which could be mitigated through a subcommittee of the Community Development Grants Commission and an informal application process for selecting subrecipients.</p>

	<ul style="list-style-type: none"> • ACCESS • SOU Small Business Development Center (SBDC) • Rogue Valley Council of Governments (RCVOG) • Children's Advocacy Center 		
<p>Homelessness – Shelter Support, Services, and a Navigation Center</p>	<ul style="list-style-type: none"> • ACCESS • Jackson County Continuum of Care (CoC) • Jackson County • Rogue Retreat • Gospel Mission • Hearts with A Mission • Maslow • Salvation Army • CoC Homeless Task Force (HTF) • Oregon Statewide Homeless Taskforce 	<ul style="list-style-type: none"> • Emergency Solutions Grant (ESG) • Emergency Housing Assistance (EHA) • State Homeless Assistance Program (SHAP) • CoC pass-through funds • FEMA Non-Congregate Sheltering • State Non-Entitlement CDBG • Foundations • Business Donations • Private Donations 	<p>Much of the City's focus over the past several years has been on developing solutions and supporting actions to address homelessness. This has been intensified during COVID-19, with a great amount of City capacity from several departments being directed to immediate and future solutions. The City is consulting with local, state and federal agencies including ACCESS, Jackson County, the Housing Authority, HUD, OHCS, the CoC, the State Legislature, and a many other stakeholders from all sectors of service. As with other potential priority areas, the challenge is placing a value on the funding gap as circumstances change rapidly. The need includes, but is not limited to, providing homeless community members with outreach, food, shelter, mobile healthcare, and long-term housing placement. The dynamics of how these services are administered during COVID-19 has placed financial pressure on all providers.</p>

	<ul style="list-style-type: none">• Federal Emergency Management Agency (FEMA)		<p>The City has been actively involved in local and state homeless task force meetings, which has prompted consideration of additional funding to cover hotel/motel vouchers during and after the pandemic, and to identify solutions to transition homeless residents, now allowed to live on the Greenway, to homeless housing options that are in deficit. Consequently and most recently, the focus has been on the high demand for a non-congregate navigation center that would provide shelter and services to those living on the Greenway. However, prioritizing CDBG-CV funds on an effort of this magnitude (outside of planning support to develop a model of sustainable operations) would demand the majority of available funds. This would be competing with the need to provide enough support to sustain the existing level of homeless services, post-COVID.</p> <p>Potential funding partners, including ACCESS as the region's Community Action Agency receiving ESG, EHA and SHAP pass-through funds, are awaiting state and federal guidance on the amount and administration of other homeless funds. In the meantime, community partners continue to work together to assess the need, develop supporting actions, and identify additional funding for immediate and long-term solutions.</p> <p>Staff Analysis: This is a difficult time to pinpoint the most strategic use of CDBG-CV funds to address homelessness,</p>
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			<p>given the magnitude and complexity of the issue, a delay in state and federal guidance, and competing needs to potentially allocate funds to housing stabilization, nonprofit operations, and small business relief. If Council makes a determination to prioritize CDBG-CV funds to address homelessness, staff recommends additional research and analysis on what that might look like after ACCESS receives necessary guidance on the priorities and administration of other region-wide homeless funds available through the CARES Act. Pausing may also help reduce the risk of duplication of funding and strategic action. Identifying a method of selecting subrecipients would depend on the nature of the program(s) Council decides to prioritize.</p>
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