

CITY OF ASHLAND

ASHLAND CITY COUNCIL SPECIAL BUSINESS MEETING AGENDAS Monday, May 23, 2022, and Tuesday, May 24, 2022

View on Channel 9 or Channels 180 and 181 (Charter Communications) or live stream via rvtv.sou.edu select RVTV Prime.

HELD HYBRID (Limited In-Person Social Distancing Seating and Zoom Meeting Access)
The Special Business Meeting will be held in Council Chambers, 1175 E. Main Street.
Written and oral testimony will be accepted for public input. For written testimony, email public-testimony@ashland.or.us using the subject line: Ashland City Council Public Testimony.
For oral testimony, fill out a Speaker Request Form at ashland.or.us/speakerrequest and return to the City Recorder.

3:30 PM REGULAR BUSINESS MEETING*

I. CALL TO ORDER

Mayor Akins called the meeting to order at 3:30 PM.

II. PLEDGE OF ALLEGIANCE

Hyatt led the Pledge of allegiance.

III. ROLL CALL

Councilors' Graham, Hyatt, Moran, Seffinger, DuQuenne and Jensen were present.

IV. MAYOR'S ANNOUNCEMENTS

Land Acknowledgement**

Mayor Akins read the Land Acknowledgement.

V. APPROVAL OF MINUTES

Minutes of Boards, Commissions and Committees***

VI. SPECIAL PRESENTATIONS & AWARDS

VII. PUBLIC FORUM

Emily Simon – Ashland – Spoke regarding concerns regarding the Public Survey. She spoke regarding concerns of the ability for the Citizens to give public input. She spoke that she is aware of budgetary constraints of the City of Ashland. She spoke to the importance of equity. She thanked City Manager Joe Lessard.

Leda Shapiro - Ashland– Spoke regarding she is glad to have these meetings. She spoke regarding the Survey and the budget downfall.

VIII. CITY MANAGER REPORT

IX. CONSENT AGENDA

1. Authorize City Manager to enter into Ashland Airport Ground Leases
2. Approval of a Federal Aviation Administration (FAA) Grant Offer & Oregon Department of Aviation (ODA) Critical Care Airport Relief Grant Offer

Hyatt/Graham moved to approve the Consent Agenda. Discussion: None. All Ayes. Motion passed unanimously.

X. PUBLIC HEARINGS

Mayor Akins opened the Public Hearing at 3:45 PM.

1. Public Hearing for BN 2021-23 Approval of Resolution Confirming Jurisdictional Qualification For State Subventions and Approval of Resolution to Receive State Funds

Finance Director Alison Chan gave a Staff Report.

Hyatt/Moran moved to approve a Resolution Certifying City Provides Sufficient Municipal Services to Qualify for State Subventions and A Resolution Declaring the City's Election to Receive State Revenues. Discussion: Hyatt thanked Staff. Roll Call Vote: Jensen, DuQuenne, Graham, Hyatt, Seffinger and Moran: YES. Motion passed Unanimously.

2. Public Hearing for 2022-23 Budget Approval Resolution Levying Property Taxes
- Finance Director Alison Chan gave a Staff Report.

Jensen/Seffinger moved to approve A Resolution Levying Taxes for the Period of July 1, 2022, to and Including June 30, 2023, Such Taxes in the Levy rate of \$4.2865/\$1,000 Assessed Value Upon All the Real and Personal Property Subject to Assessment and Levy Within the Corporate Limits of the City of Ashland, Jackson County, Oregon. And the City Council also levies a tax for the repayment of General Obligation Debt in the amount of \$215,339. Discussion: Jensen thanked Staff. Hyatt clarified that a portion of this bill goes to the County and a portion goes to the School District.

Roll Call Vote: Jensen, DuQuenne, Graham, Hyatt, Seffinger and Moran: YES. Motion passed Unanimously.

3. Resolution 2022-12 Creating a Tourism, and System Development Charges funds (5)

Finance Director Alison Chan gave a Staff Report.

Council discussed the process of restricted funds.

Jensen/Hyatt moved approval of establishing a Tourism Fund as well as 5 STD Funds. Discussion: Hyatt clarified that the creation of these funds does not add to our budget it is just to set money aside to go to the appropriate purpose. Roll Call Vote: Jensen, DuQuenne, Graham, Hyatt, Seffinger and Moran: YES. Motion passed Unanimously.

Graham/Hyatt moved to approve Resolution 2022-12 a Resolution adopting a supplemental budget for changes to the 2021-23 biennial Budget. Discussion: None. Roll Call Vote: Jensen, DuQuenne, Graham, Hyatt, Seffinger and Moran: YES. Motion passed Unanimously.

Mayor Akins closed the Public Hearing at 4:02 PM.

XI. UNFINISHED BUSINESS

1. Community Budget Survey and Action

Public Input:

Rick Landt- Ashland – Landt spoke regarding issues of the survey questions specifically with Parks.

Leda Shapiro – Ashland – She spoke in concern regarding the survey questions. She spoke that this process is a waste of money.

Susan Hall – Ashland – Spoke regarding the survey. She spoke that other citizens spoke in concern of the survey and suggested that the data needs to be more clear.

City Manager Joe Lessard gave a brief Staff Report.

SOU Staff: Karen Miller-Loessi Ph.D., Daniel Rubenson, Ph.D., and Eva Skuratowisz Ph.D. went over a PowerPoint Presentation (*see attached*).

Items Discussed were:

- Survey Design
- Issues in Survey Design
- Final Modifications to Questions
- What the Survey Will Tell Us

Council discussed the survey questions, process, priorities and costs.

Jensen/Graham moved to direct Staff and consultants to immediately and vigorously move forward with the already approved citizen budget survey without delay. Discussion: Jensen spoke that time is of the essence. He spoke that there has been great feedback.

Graham spoke that we know as a Council that we can no longer kick the can down the road in terms of our budget issues. She spoke that we need to ask the people in the Community what they care about and what direction they are hoping for their Community. Public engagement is very important. She spoke that this survey is incredibly important. She spoke that Council voted to move forward with this survey. She spoke at the last Council Meeting the Council decided to slow up on the process; however, this survey was leaked and put out to the Community ahead of time. She spoke that this is a problem about trust and confidence. She spoke that someone on this Council leaked this and that is a problem. She spoke that this leak could have derailed this effort to find out what the people think. She spoke to the importance to move forward quickly.

Seffinger spoke that she has been contacted by citizens that they are concerned about services are to be maintained as they are. She spoke that it is important to ask the citizens what they want.

DuQuenne thanked SOU Staff and spoke to the importance to hear from the Citizens. She spoke in disappointment regarding not being able to include the General Fund in its entirety.

Hyatt thanked the SOU team and for providing feedback. She spoke that it is unfortunate that this was put out ahead of time with out all the supporting documentation necessary to fully understand and assess the survey. She spoke to the importance of hearing from the citizens.

Mayor Akins thanked SOU Staff. She spoke that for the record she did not do the leak.

Roll Call Vote: Hyatt, Graham, Jensen and Seffinger: YES. DuQuenne and Moran: NO. Motion passed 4-2.

Council took a brief recess.

XII. NEW AND MISCELLANEOUS BUSINESS

Public Input:

Susan Hall – Ashland - Spoke regarding concerns of the PERS Fund and urged Staff to look more into this topic.

1. FY 2022-23 Operating Budget Status, Recommendations & Staff Direction

Lessard gave a brief Staff Report.

He went over a PowerPoint Presentation (*see attached*). Items discussed were:

- General Fund – Budget Deficit Status
 - Manager's responsible for adopted budget
 - Food & Beverage Tax – Restricted Revenue

Public Input:

Rick Landt – Ashland - Parks Commissioner Landt spoke regarding the Food & Beverage allocation and urged to stay consistent with the City Attorney.

Moran/Seffinger moved to suspend the rules to allow questions to Mr. Landt. Discussion: None. Voice Vote: All Ayes. Motion passed unanimously.

Mayor Akins questioned if the funding would go in the CIP but not operation and maintenance. Landt spoke that this is what is being proposed but those are 2 separate funds and more critically being impacted in operation funds. He spoke that there has been deterioration in the parks due to operations. He spoke that programs are being compromised due to cuts.

Council discussed CIP Funds.

- FY 2022-23 General Fund Status & Recommendations
- Vision & Plan/Do/Act Cycle
- Vision for Success
- Values for Success
- Mayor & City Council Vision Ballot

- Mayor & City Council Values Ballot
- Ashland's Characteristics
- Risk Assessment
- Risk Assessment Ballot
- Ashland's Characteristics – Economics

Planning Director Bill Molnar and Planning Manager Brandon Goldman joined the meeting to go over this slide.

- SOU Enrollment Status
- Population Growth
- Household Size 2014-2018
- Share of Households by Income 2019
- Ashland's Demographics Summary
- Urban Form
- Development Lands
- Affordable and Workforce Housing Development
- Strategic Choices – Opportunities
- Activity Centers (investment Districts)
- Transit Supportive Development
- Future Growth (next 40+) years
- Urban Form Summary

Council took a brief recess.

Council discussed having a Council a Study Session regarding affordable housing and would like to look at the City Comprehensive plans.

Graham/DuQuenne moved to adjourn.

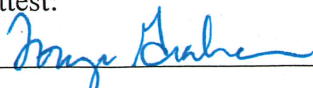
The May 23rd Special Council Meeting was adjourned at 7:32 PM. The Special Council Meeting will Continue on May 23rd at 3:30 PM

Respectfully submitted by:



A02A82A0E5F2482
City Recorder Melissa Huhtala

Attest:



Mayor Akins



Southern Oregon University Research Center
Karen Miller-Loessi, Ph.D.
Daniel Rubenson, Ph.D.
Eva Skuratowicz, Ph.D.



Survey Design



- To balance the budget, two main questions:
 - Cut spending, increase fees, or a combination?
 - Ashlanders' specific priorities?
- Survey design is grounded in the academic literature on budget surveys
- Adapted to Council/City's requests throughout
 - Policy guidance rather than specific dollar cuts/increases
 - Council's differing approaches to cutting and spending
 - Added open comment line for each box



Issues in Survey Design



Specificity

- General fund only
 - Scenarios that would balance budget
 - Implications for households
 - Blanket approaches such as “eliminate waste” or “cut across the board” don’t tell us about residents’ priorities
 - Compensation
 - Administration
 - Staffing level cuts follow identified priorities
-
-

Final Modifications to Questions



- Question 14, current version:
“The City Council and City Manager determine how to cut spending. This would mean reductions in city services as proposed in the other survey boxes or other reductions that they identify.”
 - Question 14, final version:
“The City Council and City Manager determine how to cut spending. This could mean reductions in city services as described in the other survey boxes or other budget savings that they identify.”
 - Questions 2, 7, 10, final version:
Change “Severely reduce” to “Major reductions in”
-
-

What the Survey Will Tell Us



- Ashlanders' preference for:
 - no additional fees
 - making some cuts & adding some fees
 - maintaining current City spending levels
 - cuts in specific city activities
- Willingness to pay more fees to increase police & fire coverage
- Specific comments on each policy option



Strategic Choices – FY 2022-2023

**CITY OF
ASHLAND**

Mayor and City Council Special Called Business Meetings
May 23 & 24

1

The image shows a presentation slide with a background photograph of a town nestled in a valley between forested hills. The slide contains the title 'Strategic Choices – FY 2022-2023', the City of Ashland logo, and information about the Mayor and City Council Special Called Business Meetings on May 23 & 24. A small page number '1' is visible at the bottom right.

Strategic Choices - Agenda

- FY 2022-23 General Fund Status & Recommendations

- General Fund Deficit Status

- Organizational Staffing/Structure
 - Vision & Values
 - Ashland's Characteristics
 - Strengths, Demographics & Risks
 - Economics & Opportunities
 - Organizational Status
 - Cause-Effect
 - Services Silos

- General Fund Budget Status
 - Priorities & Adjustments

- City Commissions

- CIP Budget
 - Transportation
 - Storm Drain
 - Wastewater
 - Water

- Surplus City Property

- PERS Liability Accounting

- 2022-23 Recommendations

2

General Fund - Budget Deficit Status

- Manager's responsible for adopted budget

- Expenditure reductions due to General Fund budget deficit

- Current Deficit Estimate

• 2022-23 Budgeted Deficit	\$1,000,000
• Food & Beverage Tax Reallocation	<u>\$2,000,000</u>
Total Deficit	\$3,000,000

- April 1, 2022 Financial Operations Memo

- Freeze vacant positions unless otherwise authorized
 - Vacancy savings to be used for deficit coverage
 - Travel & training restricted except for certifications and to maintain operational readiness
 - Department budget reduction plans



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General Fund - Budget Deficit Status

- **Food & Beverage Tax is a Restricted Revenue**
 - 1993 parks lands and open space parks program acquisition & other purposes
 - 2009 Add wastewater debt (80%) & parks CIP (20%)
 - 2016 voters enact Council-approved ordinance that includes park (≥25%), tax administration (2%), fixed amounts for wastewater, and adds street repair & rehabilitation provision
 - AMC 4.344.020
C.5.d Except as provided in subsection D of this section, any remaining amounts shall be appropriated for purposes consistent with this chapter unless other purposes are approved by a Council-adopted ordinance enacted by a vote of the Ashland electorate.



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Strategic Choices

Questions?



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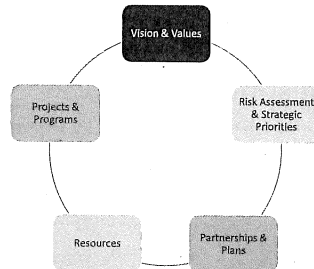
Strategic Choices - Agenda

- FY 2022-23 General Fund Status & Recommendations

- ✓ General Fund Deficit Status
- City Commissions
- CIP Budget
 - Transportation
 - Storm Drain
 - Wastewater
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 - Priorities & Adjustments

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Strategic Choices - Vision & Plan/Do/Act Cycle



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Strategic Choices – Vision for Success

- *Ashland is a resilient, sustainable community that lives within its means and maintains the distinctive quality of place for which it is known.*
- *We will continue to be a unique and caring city that stresses environmental conservancy, fosters artistic expression, and is open to new ideas.*
- *We will plan and direct our efforts to fulfill this Vision for the long-term with a constant view toward building a welcoming community with a positive economic future.*



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Strategic Choices – Values for Success

Values that support the Vision:

- **Community**
 - Belonging through mutual respect and openness, inclusion, and equity
 - Quality of life that underpins the city's economic vibrancy
 - Environment resilience, including addressing climate change and resource conservation
 - Community affordability, including in available housing
 - Regional cooperation, including in support for public safety and homelessness



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Strategic Choices – Values for Success

Values that support the Vision:

- **Organization**
 - Respect for the citizens we serve and the work we do
 - Excellence in governance and city services
 - Sustainability through creativity, affordability and right sized service delivery
 - Public safety, including emergency preparedness for climate change risk
 - Quality infrastructure and facilities through timely maintenance and community investment

Mayor & City Council – Vision Ballot

- *Ashland is a resilient, sustainable community that lives within its means and maintains the distinctive quality of place for which it is known.*

Yes/No: _____ Edits/Other: _____

- *We will continue to be a unique and caring city that stresses environmental conservancy, fosters artistic expression, and is open to new ideas.*

Yes/No: _____ Edits/Other: _____

- *We will plan and direct our efforts to fulfill this Vision for the long-term with a constant view toward building a welcoming community with a positive economic future.*

Yes/No: _____ Edits/Other: _____



Mayor & City Council – Values Ballot

	Yes	No
• Community		
○ <u>Belonging</u> through mutual respect and openness, inclusion, and equity	___	___
○ <u>Quality of life</u> , that underpins the city's economic vibrancy	___	___
○ <u>Environment resilience</u> , including addressing climate change and resource conservation	___	___
○ <u>Community affordability</u> , including in available housing	___	___
○ <u>Regional cooperation</u> , including in support for public safety and the houseless	___	___
• Organization		
○ <u>Respect</u> for the citizens we serve and the work we do	___	___
○ <u>Excellence</u> in governance and city services	___	___
○ <u>Sustainability</u> through creativity, affordability and right sized service delivery	___	___
○ <u>Public safety</u> , including emergency preparedness for climate change risk	___	___
○ <u>Quality infrastructure & facilities</u> through timely maintenance and community investment	___	___
○ <u>Other:</u> _____		
○ <u>Other:</u> _____		

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Ashland's Characteristics

- **Strengths**
 - High quality of life
 - Natural environment
 - Strong tourism economy
 - Significant historic resources
 - Education focus
 - Strong local schools
 - Southern Oregon University
 - Vibrant arts and cultural amenities
- **Demographics**
 - Limited population growth
 - Aging population
 - Small household sizes

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Ashland's Characteristics

• Risks

○ Public Safety

- Fire (urban, wildfire & smoke)
- Pandemic

○ Environmental

- Climate Change
 - Extreme weather
 - Changing biodiversity
 - Water resources
- Flood
- Earthquake

○ Economic

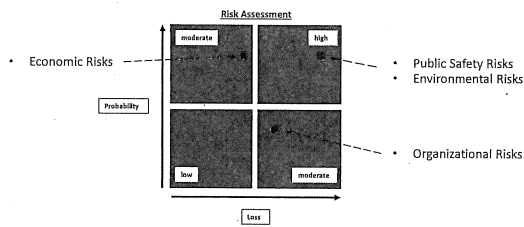
- Changing tourism trends
- Service Industry/Fixed Income Economy
 - Workforce earnings outflow
 - Emergency Recovery/Resilience
- High housing cost
 - Shift to high asset owners
 - Push out of affordable housing
 - Out flow of family housing
- Economic downturn
 - Recession/Inflation

○ Organizational

- Turnover
 - Recruit, Train & Retain
 - Lost productivity

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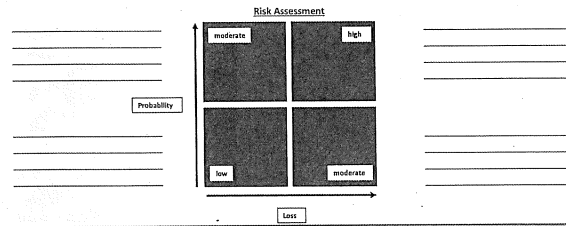
Strategic Choices - Risk Assessment



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Mayor & City Council – Risks Assessment Ballot

- Public Safety Risks
- Environmental Risks
- Economic Risks
- Organizational Risks

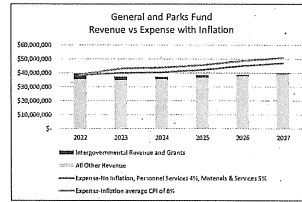
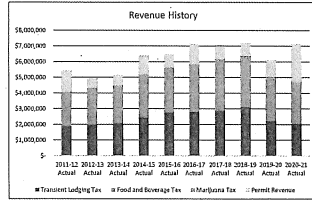


Strategic Choices

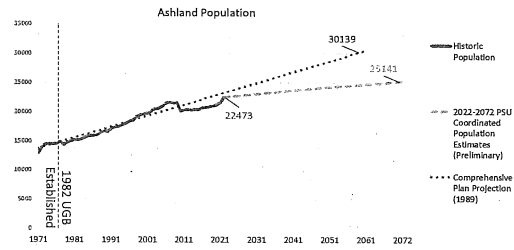
Questions?



Ashland's Characteristics – Economics



Ashland's Characteristics – Economics



Population growth rate projected to slow over the next 50 years

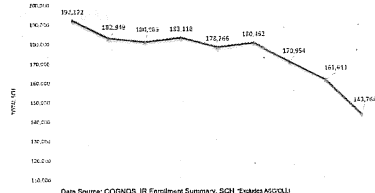
Limited Population Growth

SOU Enrollment Status

Enrollment Context: Decline in Student Credit Hours (SCH)



Total SCH Per Academic Year 2012 - 2020



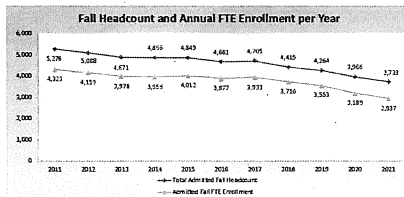
Data Source: COGNOS, IR Enrollment Summary, SCH - Excludes MICOLLI

Academic Year	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Total SCH	192,172	182,819	186,156	183,818	178,268	180,163	170,954	165,413	142,768
% Change from Prior Year	-	-5.2%	1.8%	-1.3%	-3.0%	1.1%	-6.2%	-3.3%	-14.5%

SOU Enrollment Status

Fall 2021 Headcount and FTE Enrollment

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	% Change from 2020 to 2021
Total Admitted	6,276	5,008	4,871	4,856	4,845	4,661	4,705	4,415	4,264	3,733	3,733	+14%
Fall FTE Enrollment	4,322	4,159	3,976	3,959	4,012	3,877	3,933	3,716	3,553	3,189	2,937	+7.9%

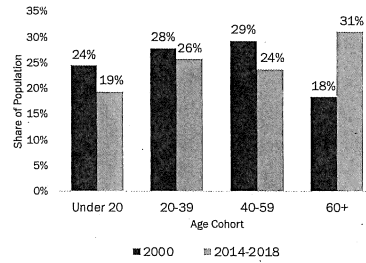


* Source: SOU Institutional Research
 ** Figures do not include Flaring Enrollment or Non-admitted Students

Ashland's Characteristics

Population Growth by Age, Ashland, 2000 to 2014-2018

Source: U.S. Census Bureau, 2000 Decennial Census Table P012 and 2014-2018 ACS, Table B01001.

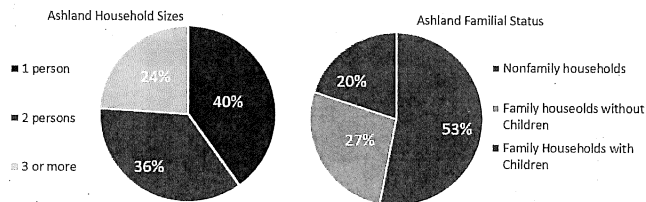


- Ashland's population is increasingly made up of older individuals

Aging Population

Household Size, Ashland, Jackson County, and Oregon, 2014-2018

Source: U.S. Census Bureau, 2014-2018 ACS 5-year estimate, Table B25010.



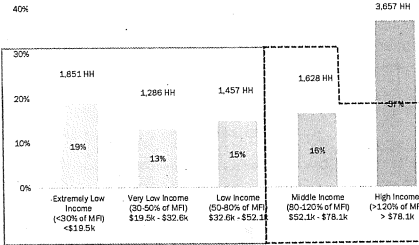
- 3/4th of households are comprised of just 1 or 2 people, and
- 1/5th of households have children present

Small household sizes

Ashland's Characteristics - Share of Households by income: Ashland, 2019

- Nearly 1/2 of the households in Ashland:
 - Are low income
 - Spend over 30% of income on housing

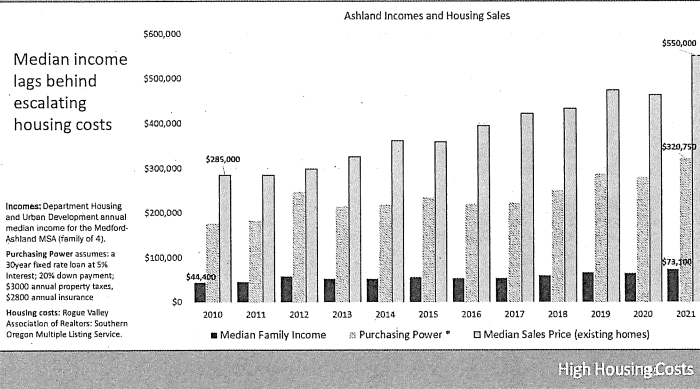
- Housing ownership is increasingly unaffordable
 - Including for middle and high-income households (earning $\leq 165\%$ area median income - \$107,000)



2019 Median income
(100% MFI) = \$65,100

Source: U.S. Department of HUD, Jackson County, 2020. U.S. Census Bureau, 2015-2019 ACS Table 19001.

Income Demographics



Ashland's Demographics Summary

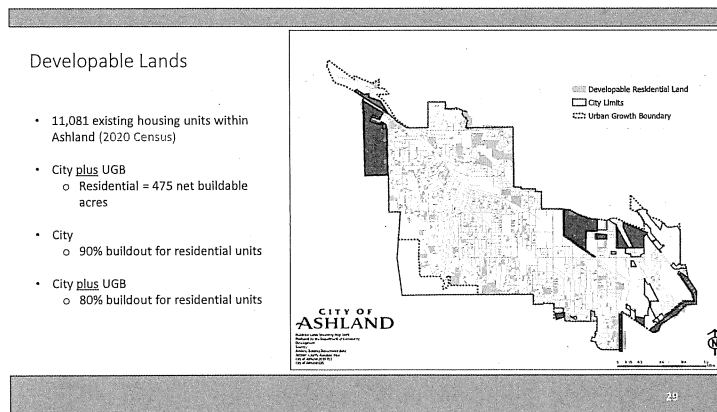
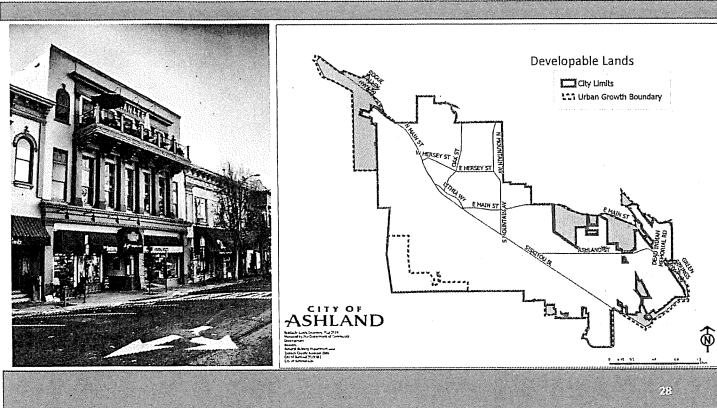
- Slow population growth is expected to continue
- Aging population
- Avg. household of only 1 or 2 people
- Increasing divide between higher and lower households
 - Median cost of home was \$550,000 in 2021
 - Requires a household income of approx. \$120,000 a year
 - Only high income/asset households can afford to purchase homes
 - Middle-income & low-asset households being displaced
 - Middle-income
 - Young professionals
 - Recent college graduates

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Ashland's Characteristics – Urban Form

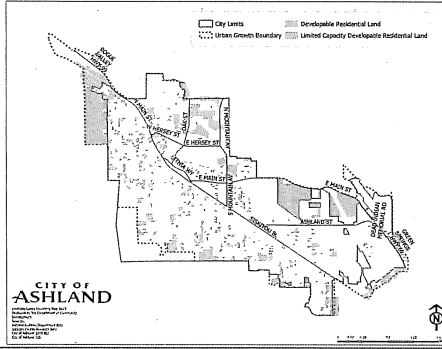
- Compact urban form
 - Slow growth
 - Limited Urban Growth Boundary
 - No urban reserve areas
 - Build out
 - 90% Residential in City Limits
 - 80% Residential in UGB
- Current Activity Centers
 - Entertainment – Downtown
 - Education – Southern Oregon Univ.
- Market
 - High market values
 - Aging housing stock
 - Locked Growth Capacity
 - 20+ commercial/employment land
 - Includes Croman Mill

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Developable Lands

- City plus UGB
 - 2754 housing unit capacity remaining (2021-2041 HCA)
- City - Residential Lots Capacity
 - Maximum potential - one or two added dwellings per lot
 - 500 lots that meet this criteria
 - total potential of 597 additional dwelling units
- City - Larger lot/property capacity
 - 875 dwelling units capacity
- UGB
 - 1,300 dwelling units capacity
 - Requires annexation to develop

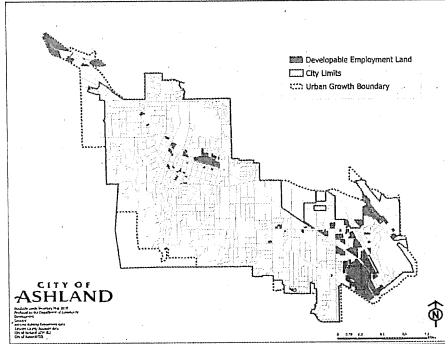


Strategic Choices - Developable Lands - Affordable and Workforce Housing Development

Required Affordability- Annexations	Voluntary affordability - Infill
<ul style="list-style-type: none"> • Dwelling capacity outside City Limits = 1300 units <ul style="list-style-type: none"> ○ 25% affordable units required (depending on income targets) • 325 new deed restricted affordable housing units expected 	<ul style="list-style-type: none"> • Subsidy required for affordability • City support <ul style="list-style-type: none"> ○ Fee Waivers ○ System Development Charge waivers ○ Land Dedication ○ Zoning Incentives (density bonuses) ○ Grants (CDBG, AHTE) ○ Urban Renewal (potential)

Developable Lands

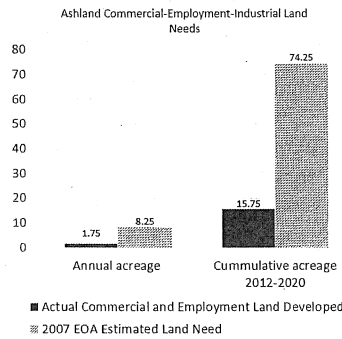
- City plus UGB - Commercial Employment/Industrial land
 - 185 net buildable acres available
- Employment Lands
 - Typically consumes less than 2-acres per year
- 20+ year supply of Commercial & Employment lands
 - Includes Croman Mill District
- 30% of future employment through redevelopment of properties



Developable Lands

Developable Lands

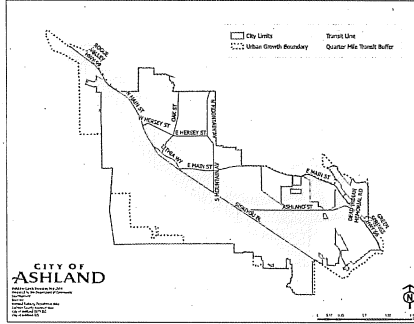
- Development of commercial
 - Approx. 1/5th of the est. 2007 Economic Opportunities Analysis



Developable Lands

Strategic Choices - Opportunities

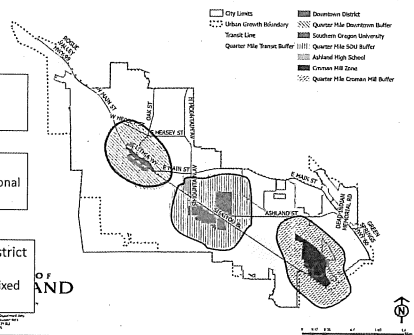
- Housing and Business development along Transit Routes
- Climate Friendly Areas
- Housing Production Strategies
- City and University Collaboration



Transit Corridors

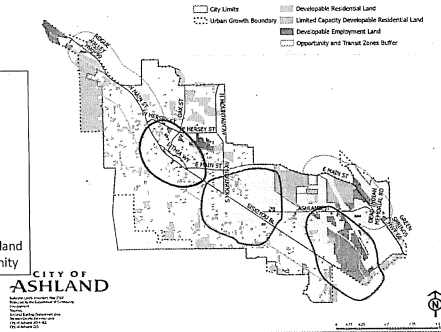
Strategic Choices - Activity Centers (Investment Districts)

- **Entertainment - Downtown District**
 - Historic district, arts, culture, entertainment
- **Education - University District**
 - Education, student housing, professional services, retail and restaurants
- **Future Employment - Croman Mill District**
 - Current Croman Mill Plan – Local businesses, Office, light industrial, mixed use residential



Strategic Choices - Transit Supportive Development

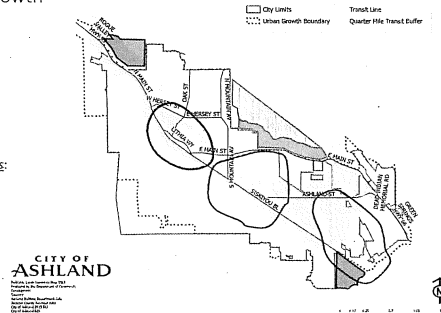
- Land Use benefits
 - mixed-use development
 - Promote economic development
- Transportation benefits
 - reducing congestion
 - increasing pedestrian activity
- Environmental benefits
 - Reduce vehicle emissions
 - reducing urban sprawl onto farmland
 - Sustainable and resilient community



CITY OF ASHLAND
 Planning and Community Development
 1000 Main Street, Suite 200
 Ashland, Oregon 97520
 Phone: 541.338.3400
 Fax: 541.338.3401
 www.cityofashland.org

Strategic Choices - Future Growth (next 40+ years)

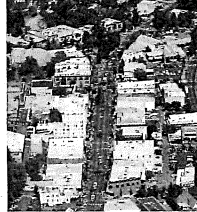
- Evaluate opportunities for future expansion of Ashland's UGB
- Activity center investments
- Potential areas for *urban reserve areas*:
 - Northside of E. Main St.
 - Tolman Creek/Siskiyou Blvd
 - Billings Farm



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Strategic Choices - Urban Form Summary

- Unlock existing housing and employment capacity
 - Housing Production Strategy 2022
 - Address site contamination and/or infrastructure costs
 - Economic diversity and resiliency strategy
- Encourage concentration of development of housing and businesses
 - Activity Center Focus
 - Strategic public facility investments
 - Prioritize health, economic development, mobility, education, safety and equity
 - Public-Public and Public-Private partnerships



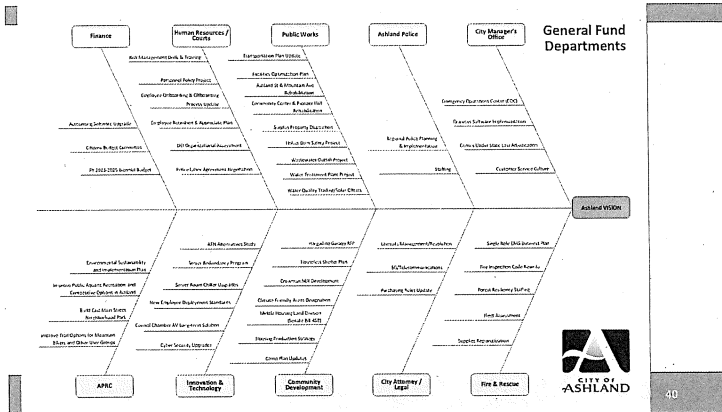
38

Strategic Choices

Questions?



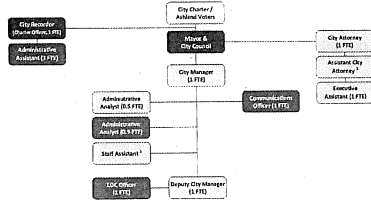
39



City Organization Profile

- Total Workforce
 - Approx. 245.25 Full Time Equivalents (FTEs)
 - Includes approx. 30-40 Park & Rec. & Streets temporary positions
 - Department Budgeted FTEs
 - Admin.
 - City Recorder
 - City Attorney
 - Finance
 - Community Dev.
 - Police
 - Fire
 - Parks & Recreation
 - Public Works
 - Electric
 - Total
 - Bargaining unit affiliation (approx. current)
 - IBEW Clerical 40
 - IBEW Electrical 17
 - Laborers 41
 - Fire 30
 - Police 22
 - Non-affiliated
 - Management/confidential 60.5
 - Parks & Rec. 34.75
 - Total 245.25

City of Ashland Administration

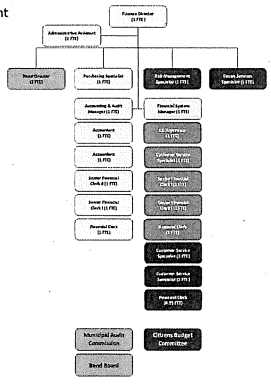


Notes:
 * Positions of City Administration Analyst
 are vacant as of 12/31/14
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 are vacant as of 12/31/14
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 are vacant as of 12/31/14

LEGEND

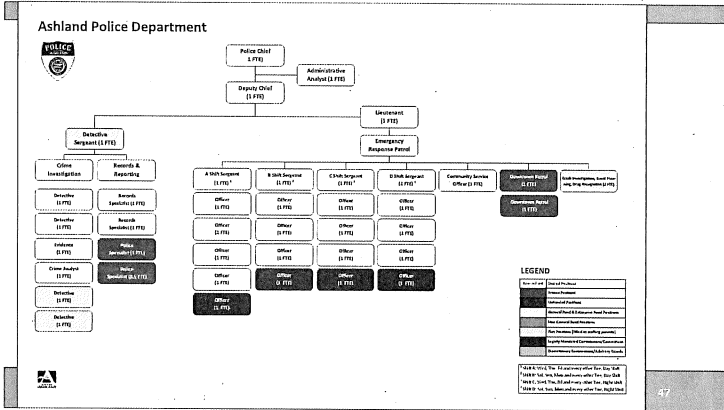
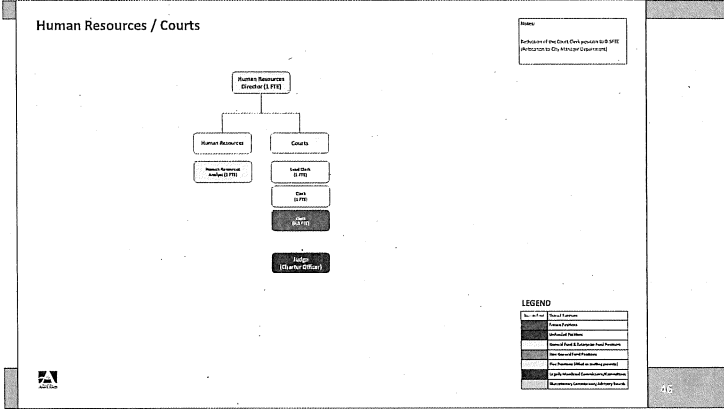
Color/Pattern	Description
White	Executive Position
Light Blue	Senior Position
Medium Blue	Professional Position
Dark Blue	Administrative Position
Light Green	Contract Position
Dark Green	Temporary Position
Light Purple	Advisory Committee/Commission
Dark Purple	Advisory Committee/Commission
Light Grey	Advisory Committee/Commission
Dark Grey	Advisory Committee/Commission
White with Dotted	Advisory Committee/Commission
White with Horizontal Lines	Advisory Committee/Commission
White with Vertical Lines	Advisory Committee/Commission
White with Diagonal Lines	Advisory Committee/Commission
White with No Pattern	Advisory Committee/Commission

Finance Department

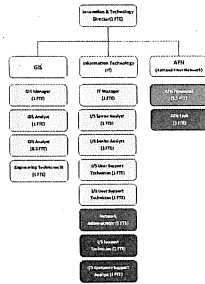


LEGEND

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White with Horizontal Lines	Advisory Committee/Commission
White with Vertical Lines	Advisory Committee/Commission
White with Diagonal Lines	Advisory Committee/Commission
White with No Pattern	Advisory Committee/Commission



Innovation & Technology



Notes:
 Positions in GIS, Information Technology and ITD are the structure for a full-time position. & Technology Department

LEGEND

Full-time	Part-time
Seasonal	Temporary
Contract	Student
Student of 12 or more credit hours	Student of 12 or more credit hours
Student of 12 or more credit hours	Student of 12 or more credit hours
Student of 12 or more credit hours	Student of 12 or more credit hours
Student of 12 or more credit hours	Student of 12 or more credit hours
Student of 12 or more credit hours	Student of 12 or more credit hours
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Student of 12 or more credit hours	Student of 12 or more credit hours

Strategic Choices

Questions?

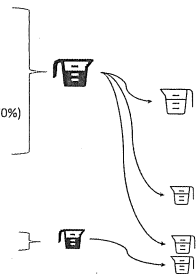


Strategic Choices - Agenda

- **FY 2022-23 General Fund Status & Recommendations**
 - ✓ **General Fund Deficit Status**
 - ✓ **Organizational Staffing/Structure**
 - Vision & Values
 - Ashland's Characteristics
 - Strengths, Demographics & Risks
 - Economics & Opportunities
 - Organizational Status
 - Cause-Effect
 - Services Silos
 - **General Fund Budget Status**
 - Priorities & Adjustments
- City Commissions
- CIP Budget
 - Transportation
 - Storm Drain
 - Wastewater
 - Water
- Surplus City Property
- PERS Liability Accounting
- 2022-23 Recommendations

General Fund Sources

- **Unrestricted**
 - Property Tax
 - Charges for Services
 - Marijuana Tax
 - Franchise Fees
 - Intergovt. Revenue (grants)
 - Licenses & Permits
 - Transient Lodging Tax (TLT; 70%)
 - Fines & Forfeitures
 - Interest Earnings
- **Restricted**
 - Food & Beverage Tax



General Fund Uses

- **Departments**
 - Police
 - Fire & Rescue
 - Finance
 - Park & Recreation
 - Administration
 - Information Technology
 - Community Development
 - Public Works
 - Information Technology
 - Human Resources
- Housing Trust Fund
- **CIP**
 - Streets, etc. in General Fund
 - Parks Acquisition & Improvements

General Fund Budget Status

- Sources growth vs. uses growth
 - Property Tax Revenue Compression
 - Base Property Tax Growth = 3%
 - Slow Growth
 - Pandemic Impact
 - Reduced Transit Lodging Tax (TLT)
 - Reduced Food & Beverage Tax (F&BT)
 - Market Cost Increases
 - Including supply chain issues
 - Inflation (current > 8%)
 - Staff Turnover Costs
 - PERS Unfunded Liability (PERS UAL)
 - Higher than avg. public property percent
- Signs of Budget Instability
 - Spent Emergency Reserve
 - Allocated F&BT to Park & Rec. O&M
 - Employee Turnover
- Balancing the Budget with Limited Resources
 - Keep a Vision Orientation
 - The important vs. the urgent
 - Solutions vs. Problems Focus
 - Set Priorities & Stay the Course
 - Trimming Costs vs. Reducing Services
 - Quantity vs. Quality
 - General Fund Sources & Uses
 - Unrestricted vs. Restricted
 - General vs. Self-Restricted
 - Limited Budget Flexibility
 - Maximize City Council Discretion
 - Allocate Funds not Sources
 - Create Growth Opportunities
 - Adapt to changing circumstances
 - Value Brand & Marketing
 - Attract Investment
 - Diversify the Economy

General Fund Budget Status

• Expenditure Reductions		
<u>Departments</u>	<u>Reductions</u>	<u>Vacancy</u>
○ City Council	24,000	
○ Municipal Court	59,000	
○ Administration	28,600	
○ City Attorney		
○ City Recorder		
○ Innovation & Technology		30,000
○ Human Resources	27,000	
○ Finance	156,200	60,000
○ Police		200,000
○ Fire		220,000
○ Community Development	20,000	50,000
○ Public Works	62,200	80,000
○ Parks & Recreation	350,000*	140,000
	Subtotal	780,000
	Reductions Total	1,507,000

* Includes Marketing/Comm. Officer Transition of 70,000 from TLT (Parks & Rec. reduction offset)

General Fund Budget – Strategic Choices

- Operating Expenditure Reductions

o Est. Budget Deficit	-3,000,000		
o Expenditure Reductions			
Vacancy Savings	+780,000		
Reductions	+727,000*		
Subtotal	+1,507,000		
o Recurring Revenue			
> Budget Revenue (unrestricted TLT & Property Tax)	+1,350,000		
o Expense Adjustments			
EOC Officer	-140,000		
DEI Assessment	-40,000		
Innovation & Tech. Officer	-40,000		
Immediate Emergency Response	-237,000		
Subtotal	-457,000		
		• One-time (>budget GF balance)	+2,600,000
		• Emergency Reserve (one time exp.)	-2,000,000
		NET TOTAL	0

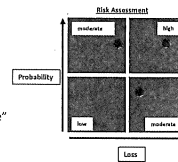
* Includes Marketing/Comm. Officer Transition of 70,000 from TLT (Parks & Rec. reduction offset)

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Strategic Choices - Risk Assessment

- Budget Priorities

1. Balance 2022-23 Budget
 - o Within Budget Authority
 - o Within available funding
 - o Focus on systemic reductions
 - Vacancy & travel/training
 - Budget reductions
2. Emergency Operations Center (EOC)
 - o EOC Officer
 - o Communications Officer
 - o Immediate Emergency Response
3. Emergency Reserve
4. Support Local Economy
 - o Marketing/Communications Officer
 - o Business community "welcome" initiative
5. Organizational Stability
 - o DEI Assessment
 - o No current employee layoffs



- Public Safety Risks
- Environmental Risks
- Economic Risks
- Organizational Risks

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Strategic Choices

• Priorities

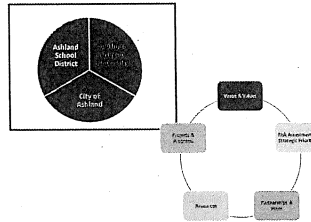
- Emergency Operations Center (EOC)
 - EOC Officer
- Diversity, Equity & Inclusion Initiatives
 - Organizational assessment & training Business community "welcoming" initiative
- Houseless Shelter Planning
- Affordable Child Care & Early Childhood Education planning

• Risk Response

- Emergency Reserve
- EOC Officer & Emergency Response Funding
- Innovation & Technology Director
- DEI assessment & TLT Business "welcome" funding
- City Recorder agenda support
- City Marketing/Communications Officer

• Joint Planning Partners

- Southern Oregon Univ. (SOU)
- Ashland School District (ASD)
- City of Ashland (CoA)
- Community organizations TBD



Strategic Choices

Questions?

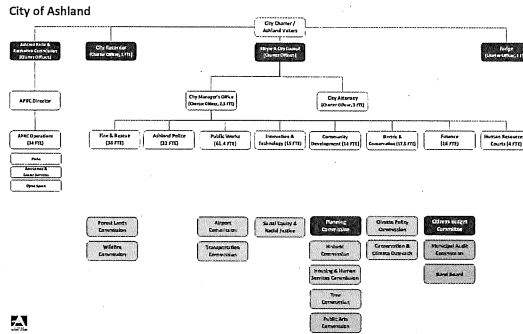


Strategic Choices - Agenda

FY 2022-23 General Fund Status & Recommendations

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Commissions & Advisory Boards/Committees



Proposed Commissions & Advisors

Governance/Discretion

1. Park & Recreation Commission
2. Planning Commission
3. Historic Commission

City Council – Sitting Advisory Boards

1. Housing & Human Services Board
2. Environmental Board

combine
- Climate Policy Commission
- Conservation & Climate Outreach Commission

3. Public Arts Board
4. Social Equity and Racial Justice Committee

City Council/Staff – Ad Hoc Advisory

1. Airport Board
2. Municipal Audit Committee
3. System Development Charge (SDC) Committee
4. Transportation Board
5. Forest Land & Wildfire Safety Board
6. Urban Forest Advisory Board
7. Band Board

Ashland – Current Commissions

<u>Commissions</u>	<u>Continue</u>	<u>Discontinue</u>	<u>Combine</u>	<u>Council Advisory</u>	<u>Ad-Hoc Advisory</u>
<u>Governance/Discretion & Planning</u>					
1. Historic Commission	---	---	---	---	---
2. Housing & Human Services Commission	---	---	---	---	---
3. Transportation Commission	---	---	---	---	---
<u>Environment</u>					
4. Climate Policy Commission	---	---	---	---	---
5. Conservation And Climate Outreach Commission	---	---	---	---	---
6. Forest Land Commission	---	---	---	---	---
7. Tree Commission	---	---	---	---	---
8. Wildfire Safety Commission	---	---	---	---	---
<u>Community Character</u>					
9. Public Arts Commission	---	---	---	---	---
10. Social Equity and Racial Justice Commission	---	---	---	---	---
11. Band Board	---	---	---	---	---
<u>Management</u>					
12. Airport Commission	---	---	---	---	---
13. Municipal Audit Commission	---	---	---	---	---

Questions?

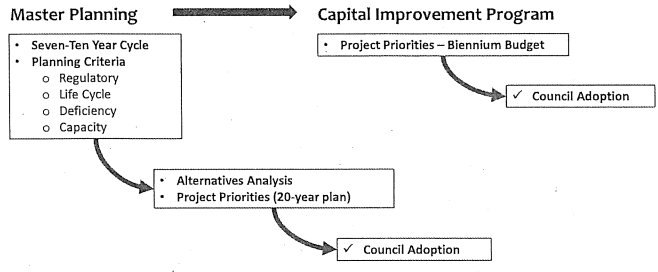


Strategic Choices - Agenda

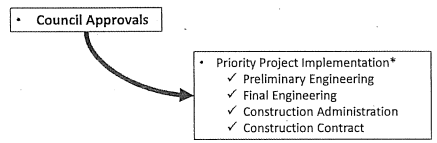
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Strategic Choices – Capital Improvement Plan (CIP)



Strategic Choices - Project Implementation



*Note: Any project over \$75K for Engineering and \$100k for construction requires Council approval

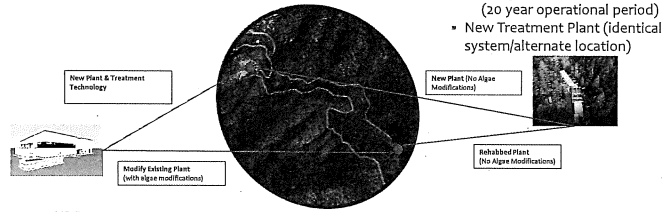
Strategic Choices - Wastewater CIP

Wastewater System Improvements 2012-2017 Construction Years		Project Totals FY12-FY17									
Project/Description	FY12	FY13	FY14	FY15	FY16	FY17	Project Totals	Screen B/C	Other	Fees & Pen	
Capacity											
WTP Process Improvements (WSP/Inflow)	\$ 124,000	\$ 11,000	\$ 101,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 526,000	\$ 49,000	\$ -	\$ 817,000	
WSP Capital Construction (WSP/Inflow)	\$ 2,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 50,000,000	\$ 10,000,000	\$ -	\$ 120,000,000	
WSP Process Improvements (WSP/Outflow)	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 470,000	\$ -	\$ 2,470,000	
WSP Capital Construction (WSP/Outflow)	\$ 1,000,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000	\$ -	\$ -	\$ 1,000,000	
WSP Process Improvements (WSP/Other)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
WSP Capital Construction (WSP/Other)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
Efficiency											
WSP Process Improvements (Efficiency)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
WSP Capital Construction (Efficiency)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
Capacity											
WSP Process Improvements (Capacity)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
WSP Capital Construction (Capacity)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
Efficiency											
WSP Process Improvements (Efficiency)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
WSP Capital Construction (Efficiency)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
Other											
WSP Process Improvements (Other)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	
WSP Capital Construction (Other)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000	

Strategic Choices - Water CIP

Water System Improvements 2012-2017 Construction Years		Project Totals FY12-FY17									
Project/Description	FY12	FY13	FY14	FY15	FY16	FY17	Project Totals	Screen B/C	Other	Fees & Pen	
Capacity											
Water System Improvements (Capacity)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Efficiency)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Other)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Efficiency											
Water System Improvements (Efficiency)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Other)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Other											
Water System Improvements (Other)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Capacity)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Efficiency)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	
Water System Improvements (Other)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000	\$ 1,000,000	\$ -	\$ 7,000,000	

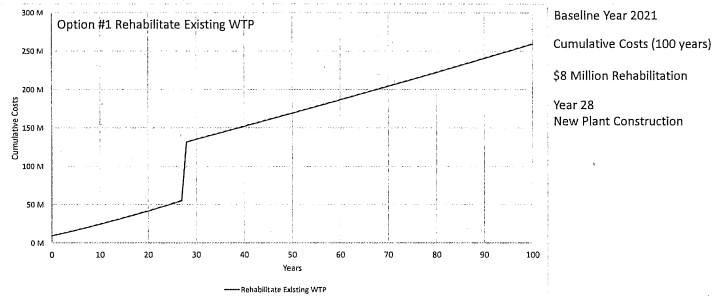
Water Treatment Plant
 > Report Differences



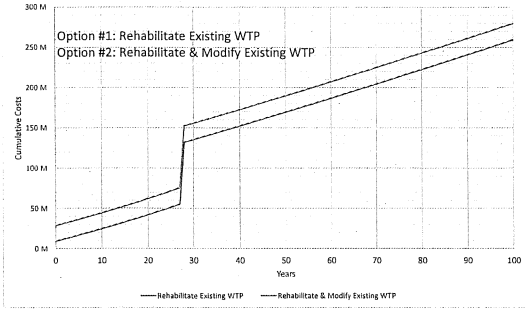
- 2018 Black and Veatch
 - Estimated
 - Existing Plant Rehabilitation (20 year operational period)
 - New Treatment Plant (identical system/alternate location)

- 2021 HDR
 - Modify Existing (increased treatment)
 - New Treatment Plant

Water Treatment Plant

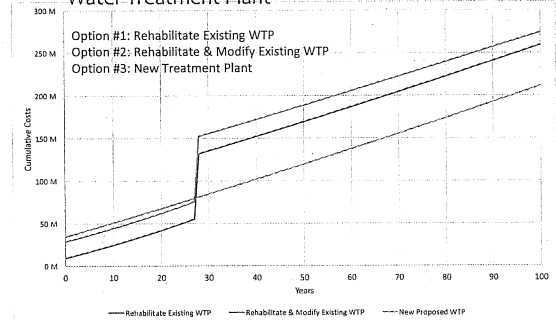


Water Treatment Plant

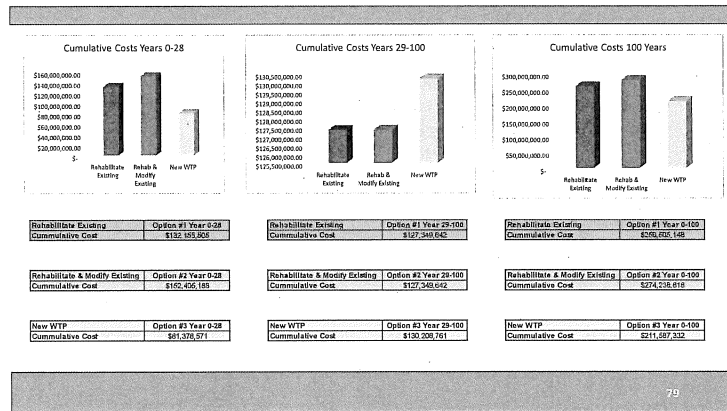
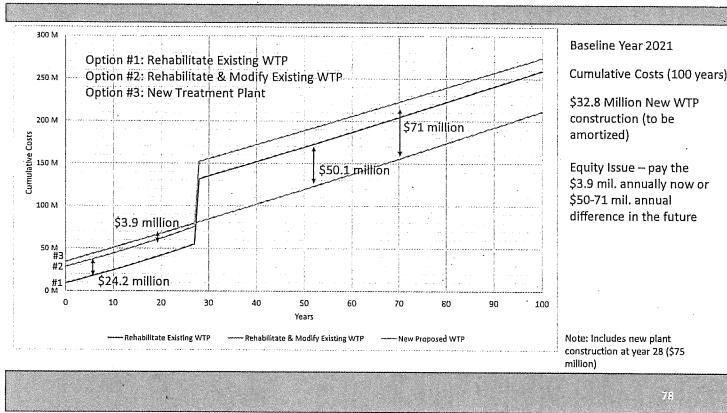


Baseline Year 2021
Cumulative Costs (100 years)
\$27.2 Million Rehabilitation
Algal, Taste & Odor Treatment
Year 28
New Plant Construction

Water Treatment Plant

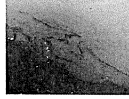


Baseline Year 2021
Cumulative Costs (100 years)
\$32.8 Million New WTP
construction



Water Treatment Plant - Risks

- Water Treatment Plant
 - Rate Predictability
 - Water Quality
 - Taste & Odor
 - Regulatory
 - Algal Toxin
 - Environmental/Safety
 - Fire
 - Landslide
 - Seismic
 - Flood



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Mayor & City Council – CIP Ballot

• Transportation CIP Changes Yes/No: _____ Edits/Other: _____ _____ _____
• Storm Drain CIP Changes Yes/No: _____ Edits/Other: _____ _____ _____
• Wastewater CIP Changes Yes/No: _____ Edits/Other: _____ _____ _____
• Water CIP Changes Yes/No: _____ Edits/Other: _____ _____ _____

Questions?

