

Council Communication

September 2, 2014, Business Meeting

Recommendation from the ad hoc Downtown Improvement and Beautification Committee for the use of TOT funds for “other City projects that qualify”

FROM:

Ann Seltzer, management analyst, seltzera@ashland.or.us

SUMMARY

In March 2014, the City Council appointed the ad hoc Downtown Improvement and Beautification Committee. The charge of the committee was to develop a plan, for City Council approval, regarding the use of transient occupancy tax (TOT) funds that have been budgeted for “other City projects that qualify,” with an emphasis on projects in the downtown. The committee was asked to recommend projects to be completed in the current budget cycle and the subsequent biennium. Pending approval of the committee recommendation by the City Council, staff will begin implementation of the recommended projects, which are: landscape improvements to Lithia Way/Pioneer Street parking lot, commission a vertical decorative element/public art for the half wall adjacent to Earthly Goods and incorporate seating, planter at the corner of Winburn Way and North Main, triangle at the corner of Pioneer Street and Lithia Way, Plaza free-standing planters, additional plants, decorative fencing to protect new plants, and Plaza partial paver replacement.

BACKGROUND AND POLICY IMPLICATIONS:

Resolution 2013-05 allocates a percentage of the tourism portion of revenues from the TOT funds to be used for “other city capital projects”. The City Council formed the ad hoc committee to prioritize potential projects that qualify for the use of those funds and to develop a timeline for implementation of the projects.

The nine member committee has met ten times since March of 2014. Each agenda allocated 10 to 15 minutes of public input at the beginning of the meeting. The committee reviewed more than twenty projects; some had been previously identified, some were brought to the committee for consideration by citizens and others were identified during the course of the committee work.

The attached recommendation identifies six projects to be funded with current TOT revenues. The committee will continue to meet to prioritize the remaining projects and return to the Council with a recommendation of the use of those funds for the next biennium.

In April, the Council approved the committee recommendation for three projects to be implemented as soon as possible. Those items included three “Welcome to Ashland” signs, improvements to the right of way on Lithia Way between Oak and Pioneer Streets and additional lighting along the walkway



from New Theatre to East Main Street. Two additional previously approved projects are included in the attached recommendation.

Attached is the recommendation for projects to be completed in the current budget cycle.

FISCAL IMPLICATIONS:

Implementation of the proposed projects will use funds generated from the transient occupancy tax and allocated for “other City projects that qualify.” There remains slightly more than \$100,000 available in the current budget cycle.

STAFF RECOMMENDATION AND REQUESTED ACTION:

Staff recommends approving the recommendation.

SUGGESTED MOTIONS:

I move to approve the recommendation of the Downtown Beautification Improvement ad hoc Committee and direct staff to implement the projects.

ATTACHMENTS:

- Recommendation from the Downtown Beautification Improvement ad hoc Committee.
- Resolution 2013-05 Allocating Anticipated Revenues from the Transient Occupancy Tax
- Memo with input from the Lodging Association



September 02, 2014
Mayor and City Council

Downtown Beautification Improvement ad hoc Committee
Recommendations on the use of the transient occupancy tax revenues for city projects

We are pleased to present to the City Council our recommendations for the use of the TOT funds through June 2015. After allocating funds for “short term” projects earlier this year and approved by the City Council in April, approximately \$100,000 remained for projects for the current fiscal year.

Projects

Landscape Improvements to Lithia Way/Pioneer Street Parking Lot

The existing Ash trees are reaching the end of their life span and are failing. Much of the growth is at the ends of the branches, causing significant weight and posing the risk of branches falling on people and vehicles. Many of the shrubs are damaged and need to be replaced. The pedestrian pattern of people moving from their cars to the sidewalk has caused the soil to become impacted and the landscape damaged. The irrigation system is old and inefficient. *Committee Rationale:* The project will focus on the planting areas adjacent to the sidewalks which will enhance the green buffer between sidewalk pedestrians and parked vehicles and add to the overall beauty of the streetscape on Lithia Way. The project will include 42” fencing to protect the planted areas from pedestrian traffic. The committee voted to allocate \$31,000 for this project.

Commission a vertical decorative element/public art for the half wall adjacent to Earthly Good and incorporate seating

This piece will be affixed to the outer edge of the city-owned half wall. Beautifying this area originated from public input at the first meeting. *Committee Rationale:* Currently this long stretch of alley linking Main Street with New Theater does not invite pedestrians from either direction. Enhancing the space with a vertical installation breaks up the long horizontal space and incorporating seating provides an opportunity for pedestrians to linger. The committee requests the Public Art Commission oversee the project and voted to allocate \$18,000 for the project.

Planter at the corner of Winburn Way and North Main

Remove the multi-angled seat wall and replace with a single straight wall and add appropriate plants to the planter. *Committee Rationale:* The area marks the transition between the Plaza shops and Lithia Park. While efforts were made many years ago to provide pedestrian amenities with the installation of a perimeter low concrete block sitting wall, the result was an awkward layout that constricts pedestrian flow where the Lithia Park crosswalk, North Main and Winburn Way sidewalks meet. Improvements will visually compliment and connect the area to the rest of the downtown landscape and ease the congestion issues at this high traffic pedestrian crossing. The committee voted to allocate \$6,000 for this project. *Staff Note:* It is likely that this project will require funds from public works miscellaneous concrete budget to cover safety improvements.

Triangle at the corner of Pioneer Street and Lithia Way



This is an odd-shaped piece of city-owned property and has a number of issues including raised sidewalks due to tree roots, ADA access concerns, irrigation challenges and awkward elevation changes. The project calls for a block retaining wall on the sidewalk edge of the space, possibly removing and replacing one tree, adding stone pavement to the area around the existing public art.

Committee Rationale: With its proximity to the Lithia Way/Pioneer parking lot and the location of public art, this area is viewed daily by a large number of residents and visitors. Improvements provide an opportunity to create an inviting “side door” to the downtown. Improvements will accentuate the existing public art and visually complement and connect the area with the Lithia Way streetscape. It is anticipated that this project will be the most challenging. The committee voted to allocate \$15,000 for this project. *Staff Note:* It is likely that this project will require funds from public works miscellaneous concrete budget to cover safety improvements.

Plaza free standing planters, additional plants, decorative fencing to protect new plants

This project includes three free-standing planters, irrigation for the planters, and decorative fencing at the curb edge to protect new plants from pedestrian traffic. This fencing could be removed once the plants have matured. *Committee Rationale:* The free standing planters when filled with flowers will provide color to the Plaza and a visual separation from the Plaza to the street at the south end (across from City Hall). The additional plants in the landscape areas will eventually increase the greenery in the Plaza and the fencing will protect the plants and discourage pedestrian walking through the landscape. The committee voted to allocate \$15,500 for this project.

Plaza partial paver replacement

This project calls for replacement of pavers located within the half circle of the Plaza. *Committee Rationale:* Initially the committee was interested in replacing random pavers to visually interrupt the existing pavers. After learning that random replacement could compromise the other pavers, much like cutting a hole in a piece of fabric, it was suggested that replacing the section within the half circle would have the least impact on the rest of the pavers and provide a visual break of the existing pavers. The committee voted to allocate \$15,000 for this project.

The committee supports the involvement of the Tree Commission on decisions related to landscape plant material.

Process

The Downtown Beautification Committee has met ten times since March 2014. Each agenda included 10 to 15 minutes of public input at the beginning of the meeting.

The committee reviewed more than twenty projects; some had been previously identified, some were brought to the committee for consideration by citizens and others were identified during the course of the committee work. One meeting was spent touring the downtown core and looking at possible projects with “fresh eyes”.

At our first meeting we were advised that there was approximately \$124,000 available for projects through June 2015. City staff provided the committee with cost estimates on most of the projects. Covey Pardee Landscape Architects was contracted by the City to provide us with cost estimates for the more involved projects.



Our first priority was to identify the “short term” projects we hoped could be accomplished prior to the summer season. Those projects include the installation of three new “Welcome to Ashland” signs for a total cost of about \$3,500, colorful pennants hanging on the Plaza light poles (in lieu of hanging flower baskets due to drought conditions) for a total cost of \$1,200, installation of an additional pedestrian light at the base of the stairs leading from New Theatre to East Main Street for a total of \$3,000 and the allocation of \$12,500 for improvements to the right of way on Lithia Way between Pioneer and Oak Streets.

Next Steps

We continue to meet and evaluate projects for the next budget cycle. Staff estimates approximately \$130,000 will be available for July 2015 through June 2017.

At this point we have identified two projects for the next budget cycle.

Sidewalk repair

Many of the downtown sidewalks are in need of repair and pose tripping hazards. *Committee Rationale:* While sidewalk repair is the responsibility of property owner there are two considerations: most downtown businesses are not the property owner and don’t have the funds to make sidewalk repairs and if the property owner were to spend the money to repair the sidewalk the costs would be passed on to the business tenant. The committee voted to allocate \$11,000 toward this project to address the most egregious problems. Staff has reported the cost to replace a four square section is about \$1,000 and the cost to grind a small section is \$125. The committee also recognizes that the Downtown Transportation Committee may eventually recommend sidewalk improvements in the downtown.

Markers for Historic Locations

The Historic Commission has identified fifteen historic locations where markers would be appropriate. The commission has applied for a grant for markers. *Committee Rationale:* The Committee believes this project will be of interest to both visitors and citizens and voted to allocate \$11,000 towards this project to supplement potential grant funds.

Downtown Beautification Improvement Committee Members:

Kerry Kencairn
Brent Thompson
Sandy Friend
Melissa Jensen
Lisa Beam
Pam Hammond
Michael Dawkins
LouAnn David
Steffani Seffinger

Staff Liaisons: Ann Seltzer, Dave Kanner
Council Liaison: Greg Lemhouse



RESOLUTION NO. 2013-05

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHLAND
ALLOCATING ANTICIPATED REVENUES FROM THE TRANSIENT
OCCUPANCY TAX FOR THE BIENNIUM 2013-2015 BUDGET AND
REPEALING RESOLUTION 2012-04.**

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. That the City of Ashland collects a Transient Occupancy Tax, as outlined in the Ashland Municipal Code 4.24. Revenues from the Transient Occupancy Tax are used to fund General Governmental expenses, economic development, tourism promotion and the City's Economic, Cultural, and Sustainability Grant program.

SECTION 2. The City of Ashland has adopted policies for the grant program. Through the grant program, the City is purchasing services from non-profits that it might otherwise provide directly. The grant program has three basic goals:

- Economic Development. The grant program will support the creation, retention, and expansion of businesses and other ventures that enrich our community by creating goods and services that provide employment opportunities while maintaining and enhancing the overall quality of life.
- Cultural Development. The grant program will support increased diversity and accessibility of the creative arts and cultural opportunities in Ashland for citizens and visitors both to support the visitor economy and to enrich the quality of life in the community.
- Sustainability. The grant program will support efforts to ensure Ashland is environmentally, economically and socially resilient as a community.

SECTION 3.

The City of Ashland has determined that as of July 1, 2003, \$186,657 or 14.23% of total Hotel/Motel tax revenues were expended on tourism promotion, as defined in Chapter 818 of the 2003 Oregon Laws, and will continue to be spent on tourism promotion increased or decreased annually consistent with the estimated TOT revenues budgeted. Additionally, Chapter 818 requires 70% of any increased TOT revenue generated by a higher tax rate is committed to tourism promotion.

Appropriations for tourism are based upon the following percentages established in FY 2009-10 when the rate was increased from 7%-9%:

1. A minimum of 14.23% of the estimated TOT revenue to be generated by the first 7% tax rate for tourism promotion per Chapter 818,
2. A minimum of 70% of the estimated TOT revenue to be generated by additional tax rates approved by Council on June 3, 2008 for tourism promotion per Chapter 818.

For the Biennium 2013-2015, the City of Ashland expects to budget \$2,071,100 in 2013-2014

and \$2,143,900 in 2014-2015 in total Transient Occupancy Tax. Those funds are split between tourism and non tourism uses as follows:

	2013-2014	2014-2015
Tourism (26.67% of total):	\$ 552,362	\$ 571,778
Non Tourism (73.33% of total):	\$1,518,738	\$1,572,122

Tourism Portion

	2013-2014	2014-2015
Chamber of Commerce VCB – estimated as 56% of Tourism funds	\$309,323	\$320,196
Oregon Shakespeare Festival – \$110,000 of Tourism funds, estimated as 19.9% in 2013-2014 and 19.2% in 2014-2015	\$110,000	\$110,000
City Economic, Cultural, and Sustainability Grant program – estimated as 10% of Tourism funds	\$55,236	\$57,178
Public Art – 3% of Tourism funds, estimated	\$16,571	\$17,153
Other City Capital Projects that qualify or Grants - the balance of Tourism funds , estimated as 11.1% and 11.8%	\$61,232	\$67,251

If the actual TOT revenue, dedicated for Tourism, is in excess of the above allocations or if actual, qualifying expenditures in the year are less than the appropriated amount, the additional or unused amount(s) will be reserved for future Tourism related projects or Capital Improvements that qualify per the state definition as determined by Council.

Non Tourism Portion

The remaining estimated TOT revenue (not restricted by use) will be appropriated for other uses through the budget process with the following priorities and dollar amounts as minimums unless insufficient tax proceeds remain after meeting tourism requirements:

		2013-2014	2014-2015
1st Priority	General Fund operations – 80% of Unrestricted funds, estimated	\$1,214,990	\$1,257,697
2nd Priority	City Economic Development program - 10% of Unrestricted funds, estimated	\$151,874	\$157,212
3rd Priority	City Economic, Cultural, and Sustainability Grant program, the balance, estimated	\$151,874	\$157,212

Economic Development programs or other projects are City activities unless otherwise specified by Council prior to the budget process. Council may determine that such funds are available for granting purposes and they will then be made available for the coming budget process and allocation.

If insufficient TOT revenues are generated for the above allocations, the highest priority uses will receive their full allocation before a lower priority allocation. Unrestricted TOT revenue unspent in a budget year becomes part of the General Fund unrestricted ending fund balance unless otherwise determined by City Council.

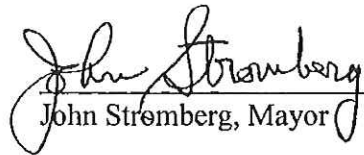
SECTION 4. Resolution 2012-04 is repealed upon passage of this resolution.

SECTION 5. This resolution was duly PASSED and ADOPTED this 5, day of March, 2013 and takes effect upon signing by the Mayor.

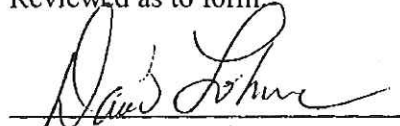


Barbara Christensen, City Recorder

SIGNED and APPROVED this 5 day of March, 2013.


John Stromberg, Mayor

Reviewed as to form:


David Lohman, City Attorney

Memo

DATE: July 1, 2014
TO: Downtown Beautification Committee
FROM: Dave Kanner, city administrator
RE: Meeting with Ashland Lodging Assn.

Members of the Committee:

On June 12, I met with Abi Maghamfar, Ellen Campbell and Corrinne Lombardi of the Ashland Lodging Association to review the Committee's list of medium and high priority projects, in order to solicit their feedback and see if they had any ideas for other projects. Below is a summary of their input (presented in no particular order):

1. They would like the art project at the Earthly Goods building to be a high priority. It was suggested that something could be done immediately to prevent people from sitting on the ledge that could then be incorporated into whatever artwork goes on the building.
2. It was suggested that a long free-standing planter could be placed in the planting bed on the west side of the plaza that would serve as a barrier to having people walk through the planting bed and trampling the vegetation. It was also suggested that the area could be turned into a rock garden using rocks whose colors mimic the mosaic artwork on the seat walls.
3. They were supportive of adding free-standing planters to the plaza. However, they suggested that we should perhaps hold off on replacing any pavers until after the planters have been added, since the planters might add enough color to the site as to make accent pavers unnecessary. It was also suggested that we should consider adding "fun" elements to the plaza, such as a compass or sundial. Other fun ideas can be found at this link: <http://www.thefuntheory.com/> (NOTE: I especially like the piano staircase and the world's deepest bin. I think it would be extremely cool to have something like that on the plaza.)
4. Since we are adding "Welcome to Ashland" signs at the north and south entrances to the City, the ALA reps asked if we could change the sign by the gas station where East Main merges with Siskiyou Boulevard to "Welcome to Downtown Ashland."



5. The ALA reps believe the project at the corner of Lithia Way and Pioneer should be a lower priority. They also asked if it could be designed in such a way as to not make it more comfortable for the undesirable element that already hangs out there.
6. They were skeptical about movable tables and chairs on the plaza. They suggested a competitive process to select a food cart vendor for the plaza who would then be responsible for setting out and removing the tables. A vendor could also ensure that the tables and chairs aren't monopolized all day by any individual or individuals.
7. Regarding the Lithia/Pioneer parking lot, they asked if any pavers removed from the plaza could be used to create the pedestrian paths the committee has discussed. A question also arose as to whether pedestrian patterns into and out of that lot might change when the new building on the Northlight property is completed and whether we shouldn't wait to find out before doing anything with landscaping and pedestrian paths. The ALA reps would not be supportive of any solutions that result in loss of parking spaces.

