

**Ad Hoc City Hall Advisory Committee
Final Report and Recommendation to the City Council
October 3, 2017**

The ad hoc City Hall Advisory Committee is pleased to make its recommendation to the City Council.

Introduction

The existing City Hall building is a historic, unreinforced masonry building. Due to the vulnerability of that building to seismic activity, the City Council has considered previously options for City Hall, including a feasibility study done by City Staff and ORW Architecture that was presented to the Council in October 2016. In January 2017, the City Council approved formation of an ad hoc advisory committee to consider alternatives for City Hall, including additional alternatives to the ORW Study. In April 2017, the City Council approved the ad hoc committee appointments and scope (Tab A).

The central charge of the committee was to evaluate options for improving or replacing City Hall that address work space needs for City employees through 2031 (as laid out in the ORW Study) and that provide a reasonable degree of seismic safety for employees. The committee was also asked to recommend timing and amounts of any general obligation (GO) bond, or other financing, needed to implement the recommended alternative.

Summary of Recommendation

The committee did not reach a unanimous recommendation on a site. Eight of the eleven members recommend rebuilding the City Hall on its current site, expanding the structure to accommodate the future square footage needs of the City, and retaining the Community Development (ComDev) Building. Two committee members recommend building a new structure on the Civic Center site and retaining the ComDev Building. One committee member recommends consolidating all City Hall and ComDev uses at the Briscoe School site. The criteria developed and applied by the committee and the explanation for the recommendations are explained in detail below.

The committee unanimous recommendation, and costs will depend both on the Council's final decision on an alternative and on the design of the project. Accordingly, the Committee is unable to recommend a specific general obligation bond amount for voter approval. However, once the City Council makes final decisions for a new City Hall, the committee recommends

placing a GO bond on the May 2018 ballot, which should include \$1M to implement the Phase II Police Station project.

Committee Process

The eleven-person committee met ten times over the past four months. We received presentations from staff on the condition of City Hall, the Community Development Building and the Civic Center. We toured City Hall, the Community Development Building, the Civic Center, the Police Station and the proposed location for Phase II of that facility. We received a presentation from the Ashland School District and toured Briscoe School. We reviewed the ORW Feasibility Study and received a presentation from ORW's Dana Crawford who explained the process utilized for the study and its space needs analysis. We reviewed a number of additional presentations and materials, including analysis of the 1888 Helman deed to the City that included the City Hall site, City Staff reports on cost estimations, the December 2015 City Hall seismic evaluation, and a committee review of the square footage costs from committee member Darrell Boldt. We had informative discussions on the identified space needs, the criteria utilized in the prior feasibility study, and additional criteria deemed important by the committee for any recommendation, including cost effectiveness, opportunities for operational flexibility, preservation of the existing civic use and downtown presence, and parking for customers and employees. We heard numerous comments from members of the public. Agendas, minutes and materials were posted online as a Hot Topic on the City's website.

Alternatives Considered

The starting point for feasible alternatives was the ORW Feasibility Study. The only alternatives carried forward were those that met the City's 2031 additional space requirements as estimated in the ORW Feasibility Study as an increase of 4,846 square feet over existing square footage available at City Hall and the Community Development building. Two new options were brought forward and considered as set forth below. The committee believes it was thorough in its research. While some other options were mentioned to us, the list in Table A below are the ones that we deemed sufficiently feasible to analyze.

Construction timeline estimates were done by City staff.

Cost estimates were provided by City staff based on the methodology used in the ORW Feasibility Study. Since there is no actual design from which to estimate, these numbers are necessarily quite general. A number of committee members, particularly those with construction experience, felt that some of the cost estimates (e.g., for seismic strengthening) were quite high. With one exception, the committee felt that the estimates were sufficiently similar in methodology that they provided a legitimate basis for comparison purposes. The exception is the Briscoe School option, which was presented later than others. The estimated cost for that option shown below only includes seismic upgrades, and architectural, mechanical, electrical, and plumbing improvements for use as a school (less a presumed sale price for the Community

Development building of \$2.5M). We did not have any estimates for the purchase price of the land and buildings, for any demolition and construction of surface parking, or for the improvements to the building that would be required for it to function for the combined uses now in City Hall and the Community Development Building.

Table A - Alternatives

	Alternative	Cost Estimate	Construction Timeline (months)
1	City Hall Expansion (2 options)		
1a	Rebuild and expand existing City Hall	\$8.5 M	11
1b	Rebuild and expand existing City hall and retain historic facades	\$9.7 M	16
2	Expand ComDev to include City Hall	\$9.5 M	16
3	New construction at Lithia Way and Pioneer parking lot (2 options)		
3a	Consolidate ComDev and City Hall at Lithia Way and Pioneer with 50 underground parking stalls	\$16.1 M	17
3b	Consolidate ComDev and City Hall at Lithia Way and Pioneer with 100 underground parking stalls	\$19.6 M	19
4	Civic Center (2 options)**		
4a	New City Hall at Civic Center and keep ComDev downtown**	\$11 M	16
4b	New City Hall at Civic Center and incorporate ComDev**	\$12.9 M	16
5	Briscoe School as new City Hall and ComDev**	\$8.1 M (est. is for structural rehab only)	16

** Options developed by City after ORW completed Feasibility Study. Costs and timelines were estimated by staff, based on construction assumptions used in the Feasibility Study.

Decision Criteria

The committee spent considerable time developing the criteria by which to evaluate the options listed above and ranking each criterion. The list of criteria with brief explanations is set out in Table B below.

Table B –Criteria

1	Option Is Cost Effective	Whether the City is spending public dollars wisely
2	Option Provides Flexibility	Whether the option would provide the City with design and operational flexibility to meet current and future needs.
3	Preserves Civic Use of Existing City Hall	The existing civic use on its key corner Downtown was seen as an important factor
4	Option is Acceptable to Voters	Whether the option would be something for which voters would be willing to tax themselves
5	Retains a Downtown Presence	The existing presence in Downtown was seen as an important factor
6	Option Addresses Parking for Employees and Customer	Whether the option would improve parking for employees and customers of City Hall.
7	Provides centralized services	Whether the option would centralize services for the convenience of the public and City staff coordination
8	Potential to increase public parking	Could the option provide for additional public parking, especially in the Downtown area
9	Preserves historic façade of the existing City Hall	The preservation of the historic façade of the existing National Register building is a factor
10	Is outside the Hosler Dam zone	Whether the option is within the FEMA inundation path of a Hosler Dam failure event
11	Built to LEED standards	Whether the option could meet Livability through Energy and Environmental Design (or other ‘green building’) standards
12	Construction time-line and impact	What would be the construction impacts to neighboring uses and to traffic

The committee determined that the six highlighted criteria were the most important for its decision-making, but it considered all the criteria. Some of the criteria deemed of lesser importance are fairly included in the six highlighted criteria. The order in Table B above reflects the number of votes each criterion received when the committee assessed the criteria. Individual members naturally place greater weight and importance to different criteria, which helps explain the non-unanimity in the committee’s recommendation. Note that the criteria often address competing goals, so some balancing of interests was required. None of the alternatives considered could meet all of the criteria deemed important.

Analysis of Alternatives

The finalist alternatives analyzed by the committee were:

- 1A Rebuild and expand the existing City Hall and retain ComDev Building
- 1B Rebuild and expand the existing City Hall, retain the historic facades, and retain ComDev Building
- 4A New City Hall at the Civic Center and retain ComDev Building
- 5 Briscoe School – consolidate both City Hall and ComDev at Briscoe

Other alternatives did not get enough support to be carried forward.

- With respect to Alternative 2 (Expand ComDev to include City Hall plus expansion for future), adding two stories to that building would be a challenge and would result in a bulky and inefficient design; that building is fairly new and functions fairly well; parking downtown would worsen (assuming some alternate use would occupy the current City Hall); and the City would still have the problem of what to do with the seismically unsafe current City Hall building.
- With respect to Alternatives 3A and 3B (Consolidate City Hall and ComDev in a new building at Lithia/Pioneer with either 50 or 100 underground parking stalls), those options did provide some parking in the Downtown area but were far more expensive than other alternatives and did not meet other important decision criteria.
- With respect to Alternative 4B (New City Hall at Civic Center including ComDev uses), that alternative was also not cost effective, and the committee felt that abandoning the ComDev Building was unwise because it is a relatively new building (recently approved by the voters) that functions fairly well currently.

Alternatives 1A and 1B – Rebuild and Expand on Existing Site

Eight of the eleven committee members recommend rebuilding and expanding City Hall on the existing site and keeping the ComDev Building. These are close to the same alternative – the only difference being that 1B would cost more but would preserve the historic façade. Some members thought preserving the façade was important and that the extra costs of that work (\$1.2M) was overstated. Others felt that the difference in cost was more important, a new building would be faster to rebuild (less construction impacts to Downtown), and other mitigation for impacts to historic resources is possible.

- This alternative is the most cost effective of the four finalists.
- New space, whether in a new building or in the shell of the existing structure, could be designed to be flexible, without all the internal walls and grade changes in the existing structure.

- Alternatives 1A and 1B are the only alternatives that preserve the existing civic use on the existing location. It was felt that the City Hall on that key corner of Downtown was a signature part of Ashland.
- For that same reason, many committee members thought this alternative could be more readily acceptable to voters. This would not only provide additional space for City functions, it would also preserve something that is unique and historic about Ashland.
- The alternative would better retain a Downtown presence than other alternatives.
- The alternative would not provide additional parking for employees and customers. Some members pointed out that parking Downtown is a far larger problem than just City employees and just one building, however, and there are other ways to address parking problems as shown in the City's recent Downtown Strategic Parking Management Plan. As one member stated, it is difficult to build your way out of parking issues – rather, you need an overall management strategy. The two other alternatives (4A and 5) could provide on-site parking for users of the building itself, but may not have much impact on Downtown parking, depending on what replacement use went into the vacated City Hall building.
- This alternative would retain reasonably centralized services, because the two City administrative buildings would still be only one block apart.
- Other Issues. Construction Impacts Downtown - the City Hall building requires seismic upgrades for safety reasons, so some construction impacts will occur under any alternative selected, but the more extensive construction contemplated under Alternatives 1A and 1B would have greater construction impacts to Downtown. Rehousing Staff – current uses in City Hall would have to be relocated during construction; that impact might be avoided under other alternatives. Historic Consultation – any major renovations or demolition of the existing structure will require consultation with the State Historic Preservation Officer under state law.

Alternative 4A – New City Hall at Civic Center / Retain ComDev Downtown

Two of the eleven committee members recommend Alternative 4A, which would keep the ComDev Building in Downtown and build a new structure at the Civic Center.

- This alternative would be less cost effective (\$11M) than the alternatives discussed above – Alternative 1A (\$8.5M) and Alternative 1B (\$9.7M).
- The alternative would provide good flexibility in design of the new building.
- The alternative does not preserve the use of the existing City Hall on its prominent place in Downtown. But retaining the ComDev Building would retain a Downtown presence for those City uses appropriate for a Downtown location.
- The 4A alternative can address parking for employees and customers. The proponents of this alternative explained that functions accessed less frequently by the public, such as administrative functions and perhaps the Mayor's office, could be relocated to the ComDev building, and functions accessed more frequently (and which need more

parking) could be in the new building at the Civic Center. Depending on what alternate use went into the vacated City Hall building, there may be a different impact on Downtown parking from the current City Hall use.

- Proponents of this alternative have a different opinion of what would be acceptable to voters and what would make a saleable bond issue than the majority of the committee members.
- The alternative would not provide centralized services. The advocates for this alternative point out that putting the most-accessed services at the Civic Center could mitigate that drawback.
- Proponents of this alternative point out that construction impacts would be less for a new structure at the Civic Center. Others point out that whatever uses go into the old City Hall Building, there will likely be some construction needed to upgrade that building, although likely less than enlarging it for City Hall uses.

Alternative 5 – Briscoe School / Relocate all City uses from City Hall and ComDev to Briscoe

One committee member recommends Alternative 5, which would centralize all the functions currently in the ComDev Building and the City Hall Building to the Briscoe School site. Some offset in costs would be available by selling the ComDev Building. This committee member points out the unique opportunity afforded by the School District wanting to divest itself of the Briscoe site, which is a large property near Downtown.

- The cost effectiveness of this alternative is not known with certainty. The Briscoe building has not been updated for some time. Based on an Ashland School District study of how much it would cost to upgrade the facility for use as a school, City Staff has estimated that the cost of that retrofit would be \$10.6M, which would be reduced to about \$8.1M if the City sold the ComDev Building for \$2.5M. There are a number of unknown costs for this alternative, including the cost of purchasing the land and building from the School District (Jackson County shows a current assessed value of the land and buildings of approximately \$3.16M, which is likely well below fair market value; the land itself is currently assessed at only \$240K). Other unknown costs for this alternative include the cost of internal improvements to the building to make it usable for City purposes, the cost of demolishing a wing of the building to provide for additional on-site parking, and the cost of constructing on-site parking. Several committee members commented that it would be the most costly alternative and it would take a great deal of work to retrofit for City Hall and ComDev uses.
- Briscoe is a large building on a very large site (3.74 acres). Without a specific development proposal it is not clear how easily the existing building can be developed into flexible work space for City uses.
- The proponent of the Briscoe site points out that the site is quite close to Downtown.
- Because it is a large site, a plan for the Briscoe site could provide some additional surface parking for customers and employees. Whether there would be any positive effect on

Downtown parking would depend on what types of replacement uses occupied the vacated City Hall Building and ComDev Building.

- The Briscoe alternative would not preserve the civic use of the existing City Hall site.
- It is unclear if this alternative, which includes vacating the relatively new ComDev Building, would be acceptable to voters. The committee heard from a number of neighbors who would like the City to buy the site. A portion of the site currently provides one of the few green open spaces in the neighborhood.

General Obligation Bonds

Given the cost uncertainties of the various alternatives, and the very general nature of the cost estimates to date, the committee was unable to recommend a specific, proposed bond amount at this time. Once a specific proposal is selected and more detailed estimating is obtained, the financing can be better estimated.

The committee recommends that the best date for the bond issue would be the May 2018 election.

General Comments

- Even though not recommending it for a unified City Hall site, several members of the committee thought that the Briscoe School property was an exciting opportunity for the City to locate more open space and/or housing on this important site near Downtown.
- Some committee members feel strongly that the amount of space identified in the ORW Feasibility Study to meet the City's 2031 space needs was excessive. That study called for an increase from the current square footage of 19,506 square feet to 24,352 square feet in 2031. These members encourage the City to consider that, given advances in technology, more employees will be working remotely and will need less space in building offices in the future. The committee recognizes that existing City facilities are cramped, with little meeting space, but encourages the Council to carefully consider during the building design phase how flexible work spaces and greater use of technology can limit the need for additional building square footage.
- Several committee members commented that, for any alternative that proposed changing the use of the existing City Hall Building from a "Town Hall" use or "Plaza" use, it will be important for the City Attorney to resolve the reversionary interest in the original deed for that property before the new use is implemented. That deed conveyed most of the existing Plaza as well the City Hall site itself.
- Some members recommend that the City take a hard look at space utilization during final design to ensure that existing space and any new construction is used in the most cost effective and efficient manner. Ten of the eleven members did not recommend an

alternative that would consolidate all City functions in one location, and a number of members felt that centralization concerns could be addressed by planning that would ensure that departments that need to work together are placed in close proximity.

- Members of the committee were concerned about the total amount of bonded debt that the City would have with a new GO Bond issue. To mitigate this, they felt that the City should consider retiring any existing debt that could be paid off more quickly than the current schedule. For instance, the bond that covers Fire Station 1 could be considered for this strategy

Respectfully Submitted:

Juli DiChiro, Chairperson
Ad Hoc City Hall Advisory Committee

Tab A

**City Hall Advisory Committee Scope of Work
Approved by Ashland City Council April 4, 2017**

[see following page]

DRAFT