



# City of Tualatin

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OFFICIAL

## CORE ARE PARKING DISTRICT

MINUTES January 18, 2017

### MEMBERS PRESENT:

Diana Emami  
Gary Haberman  
William Jordan  
Robert Kellogg  
Heidi Kindle  
Ryan Miller  
Aaron Welk

### STAFF PRESENT:

Clay Reynolds  
Don Hudson  
Melissa Koons

### MEMBERS ABSENT:

GUESTS: None

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#### 1. CALL TO ORDER:

Chair Jordan called the meeting to order at 12:00 pm.

#### 2. ROLL CALL:

Roll call was taken and introductions to welcome our new members.

#### 3. APPROVAL OF MINUTES:

MOTION by Haberman, SECOND by Jordan, to approve the minutes of the October 19, 2016, meeting. MOTION CARRIED unanimously.

#### 4. ANNOUNCEMENTS:

None.

#### 5. REGULAR BUSINESS:

##### **5.1 Present Budget Forecast Review – ADA and other Impacts**

Mr. Reynolds provided a draft Core Area Public Parking ADA Transition Plan for members to review. It describes how we are planning to handle our ADA plan. Please look it over and provide Mr. Reynolds with your comments. Mr. Reynolds will be getting input from our City Attorney, Mr. Brady, on how this ties together with the City's ADA Transition plan. After both the Board's input has been received and Mr. Brady's review is complete, Mr. Reynolds will email an updated Core Area Public Parking ADA Transition Plan to all members.

These minutes are not verbatim. The meeting was recorded, and copies of the recording are retained for a period of one year from the date of the meeting and are available upon request.

Mr. Reynolds gave a PowerPoint presentation titled, "What it Takes to Operate and Maintain Parking Lots" (attached copy) with a general Budget Overview, budget scenarios showing ADA impacts and a recommended budget for approval.

Mr. Reynolds started with the Budget Overview and indicated that he invited Mr. Hudson to assist with answering any questions about the budget and financial funding options. Materials and Services, which include grounds maintenance, landscaping, parking lot sweeping, striping, signage, lighting, sidewalk, tree grate and miscellaneous repairs typically costs between \$11,000-\$12,000 per year, but Mr. Reynolds increased it to \$14,200 due to issues with tree grates. Every seven years we slurry seal the parking lots, fuel prices directly affect these cost estimates.

Utilities cost approximately \$9,700 in the past, but due to changing to LED lighting in the parking lots we've seen a reduction to \$6,000 for this year. Our water bill is expected to be higher than our electricity bill.

General Fund Transfers come to \$26,500. General Administration at \$11,500, which includes billing and communication, administration, budget, meetings, parking lot usage surveys, enforcement and complaints and Landscape Maintenance at \$15,000, which includes landscape irrigation, sidewalks, tree grates, lighting, and miscellaneous. We have new software that we are implementing that will be able to help us track our time and expenses in support of Core Area.

Preventative Maintenance includes slurry seal/full depth patch repair cycles every seven years. Blue Lot was completed last in 2012/13 for \$14,000 and the projected cycle is 2020/21; White Lot was completed last in 2014/15 for \$34,000 and the projected cycle is 2022/23; Red Lot was completed last in 2015/16 for \$6,000 and the projected cycle is 2023/24; Yellow Lot was completed last in 2015/16 for \$8,000 and the projected cycle is 2023/24; Green Lot will be completed in 2016/17 for \$13,000 and the next projected cycle is 2024/25.

Scenario 1: Current with No ADA. We usually don't spend the money we budget for each year. This also includes our future fund, which includes \$45,500 at the lowest and right now we're running about \$50,000. Every year we do a CIP Plan, this is a project summary from that plan. There are no other ADA projects in the CIP at this time, this is the budget for the proposal to fix the White and Red Lots and we need to make decisions about that as well as 2021 for the Blue Lot slurry seal and the Red Lot the following year. There are no other ADA projects right now. This year in the CIP Plan we put in the dollar amount that OTAK suggests we will need in the 10 year plan.

OTAK's ADA Impacts and Strategy Plan estimates \$257,000 for the total: White Lot = \$79,000; Red Lot = \$29,000; Blue Lot = \$68,000; Yellow Lot = \$42,000 (truncated dome, need to fix the slopes, maybe we can wait for the roadway); and Green Lot = \$49,000 (not sure the strategy for this lot). City of Tualatin's Budget Strategy Plan estimates: White Lot = \$16,000 plus \$8,000 from Development Fund to relocate spaces and sidewalk repair; Red Lot = \$8,000 to relocate spaces; Blue Lot = reviewing options

with Aspen Building owners; Yellow Lot = 1<sup>st</sup> Space, add truncated dome ADA change same time as Seneca, street grind overlay; Green Lot = last priority based upon usage and proximity to businesses.

Scenario 2: ADA White and Red Lot. No inflation with the current budget. This is the one that Mr. Reynolds is recommending. This keeps us at the \$45,500 amount. We will have to choose how to fund some of these other things. We really can't afford to do all the ADA improvements in all the lots.

Scenario 3: What if scenario – ADA All Lots. Fund Balance Impact – we really can't afford to do all of these. We don't want to approve something in the CIP and have a conflict. The minute you do this the funds drop.

Scenario 4: If ADA reduced + 3%, it almost funds itself and we would keep the \$49,000 in the budget, it may be possible to fund.

**Financial Strategy Discussion.** Fund Balance, 15% is required by policy, so we need to determine how much reserve should be maintained. How much are we comfortable spending down to. What are funding options?

Mr. Welk asked if the contingency is \$10,000 and if it is built into the budget. Mr. Reynolds responded that he puts \$10,000 in the budget for consultants and that we are only allowed to have a 15% contingency. Mr. Hudson responded that we can have more by simple resolution by Council transfer up to 15% from contingency into the operating budget. Anything over the 15% is called a supplemental budget process which requires public hearings, but the simpler process from Council's perspective is to keep it at 15%.

Mr. Welk asked if we anticipate the snow removal and the cost to be included in this budget. Yes, responded Mr. Reynolds. Mr. Welk asked with the snow and irrigation, freezing, etc. would it be safer to assume that the cost will be higher this current year? Mr. Reynolds responded No, we try to keep it consistent, but the inflation is what will create a change at some point, the taxes bring in about \$50,000, slurry seal also creates a change, and inflation will start to take its toll.

Mr. Reynolds said that one of the things the board could do is to make an increased tax recommendation to stay afloat.

Another method is to adopt some type method to tie into the Gross Product Index cost, is it an automatic one we want to do, are we building some type of reserve, we could always come back and take some tax out . If we did that we could try to work some of the ADA improvements into that plan and that could be part of the structure that dictates when we do the next project. Our reserves are at this point, if we get a complaint, then we need to have our reserves at the \$40,000-\$50,000 level.

Mr. Miller asked if there are funding sources other than raising the Core Area tax. Mr. Hudson responded that the simple answer is there is not an identified source. If you

need the money up front, you could potentially go out for bond and use the money revenue that is coming in to pay back the bonds. We would have to do some analysis of what that would look like. The simple answer is these are your basic sources of funds. Gas tax monies are not typically available for parking lots and we have a lot of other needs for transportation dollars in the City. We could do some financing strategies potentially, but we would have to the analysis of how much revenue is available each year.

Mr. Miller suggested that a bonding strategy would be on a larger project that may even be generating revenue such as a parking structure. Mr. Hudson responded that financing with an ADA bank loan vs. going out to the bond market would be an option, either way; we still have to have money available to pay it back.

Mr. Kellogg asked if there is a constant figure or assumption for the inflation cost Mr. Hudson responded he figures on a good average of 3% growth in expenditures, it's more unknown on the revenue side, but 2% or 3 %, but he would have to check with the City Attorney to see what the Board may be able to utilize.

Mr. Miller stated that historically the Board has tried to not make any changes in the Core Area tax. When did we last increase it? Mr. Reynolds said not since he started with the Board 5 years ago and Mr. Hudson responded not since the first year or so he was with the City, which has been 9 years. If we knew for sure how much the ADA was going to cost us for each of the lots it could make the decision easier.

Mrs. Emami asked if the cost of revenue has increased each year. Mr. Reynolds responded that it has stayed the same; it is based upon how many businesses are here. It dropped a little bit when the businesses decreased, but it has stayed very consistent over the last five years due to a consistent occupancy rate.

Mr. Hudson said \$50,000-\$60,000 revenue range depending on where the vacancies are. How that information is collected depends on the tenant. Property owner gives us information on the tenant. No tax collected unless there is someone in the building. However, staff from our Finance Department does a physical visit to each building every year. They may have paid it and not realized it. We'll check on next door building.

Chair Jordan stated that we need to vote on a budget. Mr. Reynolds responded that we want to make a recommendation to Council on whether we want to raise the Core Area tax for this year or keep it the same. The reason we do it this time of year is to tie it into the budget timing for the Council. Mr. Reynolds suggestion is to consider raising it for this year, which buys us more time to plan and get the numbers for the White and Red lots and get the work done and then come back the following year to decide what we want to do.

Mr. Welk asked if those are two different issues. One is Scenario 2, which is to approve ADA White and Red Lots Expenditures without a Tax and then vote on whether or not to Recommend Raising the Core Area Tax.

**5.2 Vote on Budget Recommendation to Council**

Welk motioned we adopt Scenario 2 ADA White and Red Lots Expenditures without a Tax. Emami seconded the motion. The motion passed with 6 votes in favor, 0 against and 1 abstention.

A general discussion around the table took place regarding the budget recommendation. Fuel costs and how they affect current contracts, cost of upgrading Hannigan's Lot, the various changes at the Red Lot, how busy the Red Lot is, and how potential road improvement could affect Red Lot repairs, and disabled parking spots.

**5.3 Discuss Tax Rate Recommendations – Change Rate or Vote Same**

General discussion around the table took place regarding the Tax Rate Recommendation prior to voting.

**5.4 Vote Tax Rate – Recommendation to Council**

Welk motioned that No Recommendation in Raising the Core Area Tax rate this year and to reevaluate next year. Emami seconded the motion. The motion passed with 6 votes in favor, 0 against and 1 abstention.

**5.5 Building Permit Staging Area Process Update**

This process is currently in place per Mr. Reynolds at no cost as part of the building permit process. Building/Permit staff will let us know if there are x amount of spaces needed for x amount of time when staging is required.

**6. OTHER:**

Mr. Welk raised a concern regarding around the clock mechanic repairs taking place in the Green Lot. Mr. Reynolds has addressed the issue. The current cars parking there have been notified, but they are still there. What is the policy on overnight parking? It is the same as street parking, overnight is allowed, but not long term, possibly a 72-hour limit. Mrs. Emami asked about businesses that leave their work trucks on the public streets for advertising. We are unsure about any regulations regarding this issue.

Mr. Reynolds reminds all members that if they find homeless sleeping in any lots to call non emergency dispatch as this will also assist in tracking for chronic problem areas.

Mr. Haberman stated he is still experiencing issues with the White Lot being full between 4-5pm with City employees and others. He suggests having fewer long-term parking spots, 6 vs.12. Ms. Kindle stated from the business owner's point of view, they are paying the tax, especially when you don't have walk-by access, it is especially important to have close parking available. Mr. Jordan stated it should be about the customers. Mr. Miller stated we need to support the retail businesses, we need to be

aware, and employees need to park in lots that are not impacting businesses. Mr. Welk asked if the commuters are still parking there. Mr. Reynolds responded that they are still using it even after Mr. Reynolds spoke to them. If we change the number of long term spots, it will solve the problem.

Ms. Kindle asked about the one-hour parking, should that be longer. We only give warnings for the one-hour parking, but Mr. Reynolds said that he is still keeping track of those issues.

Mr. Kellogg asked where the money goes that is generated from parking enforcement. It goes to the Core Area not the general fund. The cost is really high to recover parking violation fees. We don't want to upset customers resulting in them not coming back.

The Board agreed that since we have previously agreed to change those 6 spots from long term to short term and the cost is only \$300, then let's make the change now.

7. **ADJOURNMENT**

MOTION by Jordan SECONDED by Miller to adjourn the meeting at 1:07 pm. MOTION PASSED 7-0

\_\_\_\_\_ Melissa Koons, Office Coordinator