

CITY OF ALBANY  
CITY COUNCIL (WORK SESSION)  
Municipal Court Room  
Monday, April 25, 2011  
4:00 p.m.

**MINUTES**

**CALL TO ORDER**

Mayor Sharon Konopa called the meeting to order at 4:00 p.m.

**ROLL CALL**

Councilors present: Councilors Dick Olsen, Jeff Christman, Bill Coburn, Floyd Collins, Bessie Johnson, and Ralph Reid, Jr.

Councilors absent: None.

**BUSINESS FROM THE PUBLIC**

There was no business from the public.

**TRANSIENT ROOM TAX POLICY REVIEW**

Konopa thanked Management Assistant/Public Information Officer Marilyn Smith for putting the staff memo together.

A one-page summary on the Albany Visitors Association (AVA) was included in the agenda packet. Konopa said the summary does a good job of showing how cost effective the AVA is with three part-time and two full-time employees (FTE) and volunteers. At \$152,000, the City is getting a lot for its' money. The Albany Downtown Association (ADA) has three FTE at the cost of \$80,700. Konopa said that Albany gets a lot of motel tax dollars from the efforts of these two organizations.

Konopa briefly reviewed the staff report in the agenda packet.

Konopa said she and Councilor Jeff Christman met with Finance Director Stewart Taylor to discuss the policy. Christman said that he has a philosophical difference with Konopa and the Task Force about how these funds should be allocated. But, as for any decision the Council votes on, he isn't going to circumvent the policy if it prevails.

Christman explained that in his opinion it makes more sense to put all the dollars into a pie and create a structure where agencies get a percentage of the pie. Whether revenues are up or down, their portions would be based on actual revenues versus a partially guaranteed amount. He feels that once the amount is set for the agencies, it will be harder to decrease it if revenues experience a drop. The other philosophical difference Christman has is the Reserve Fund. He doesn't think the City should have to set up such a fund for the agencies; the agencies should set up their own. Konopa said that she shared that perspective also before the Task Force started meeting, but when they considered the amount agencies could get hit by, they decided to start a reserve account so that the existing agencies could remain whole in the first and second years.

Christman said that his method actually allocates substantially more to the existing agencies in the first year than Konopa's plan, and assuming a 3% increase they would get more in the second year too. It doesn't cause their budgets to decrease. He said that in the examples Taylor provided him, it does impact revenues but not until 2013-14 when there is a 23% reduction in revenue. Under the proposed policy, the allocations would go down in the event of reduced revenues for all the agencies except for the AVA, ADA, and Albany Millersburg Economic Development Corporation (AMEDC), which doesn't make sense. He asked, they would get more funding when everyone's revenues are going down? He thinks distributing it using a pie instead of specific dollar amounts is a better idea. What percentage each agency gets could be negotiated. Discussion followed.

Councilor Floyd Collins likes the old method of distribution where the agencies gave annual reports. He also likes having the Reserve Fund in the City's control rather than in the control of the Task Force. He sees the strengths in the old way, in Christman's proposal, and in Konopa's proposal. Ultimately he wants some flexibility but also consistency. If a program isn't performing, they should be cut. Collins said, let's pick one method and see how it works. It could always be tweaked in the future if necessary.

Hare said the goal for the agencies was predictability of their revenue stream for the future, versus submitting a grant application for funds and not knowing how much to expect. It was made clear in discussions with the Task Force that if the Transient Lodging Tax (TLT) revenue drops, the City will not supplement the agencies from the General Fund. By the same token, the agencies wanted assurance that the City wouldn't use TLT to fund other ongoing City operations. Hare pointed out that there is state law that protects what TLT can be used for. Hare agreed with Collins that any of the three plans presented could work.

Councilor Dick Olsen disagrees with Section V-3, which gives increased revenue to existing programs first and the Reserve Fund second.

Collins will be supportive to move it forward with the clear understanding that this is an advisory body and the Council is trying it out; if it is not successful in the first year, he would like to change it.

Collins also wants to talk to Linn County about some of the issues that have turned into articles in the newspaper recently, such as Central Albany Revitalization Area (CARA) diverting money to Greater Albany Public Schools (GAPS). Collins said it is not right for Linn County to have contacted the newspaper and offer a suggestion that is full of misinformation. It is appropriate, on the other hand, to bring up items for discussion at annual joint meetings. This also applies to a Linn County Commissioner's recent assertion that the City agreed long ago to help fund the Expo Center. Collins said that the Expo Center discussions with the City happened many years ago, before most of this Council, so there needs to be some education on both sides in order to have a factual discussion. Collins is also curious to see if other Expo Centers break even and if not, who subsidizes them and to what level. He asked Linn County this very question awhile ago and has yet to see a report from them.

Hare will check to see if Linn County is ready to meet with the Council. He met with Benton County Commissioner Barbara Modrell last week and has tentatively scheduled a joint meeting with Benton County for July.

Councilor Bessie Johnson said other than the methodology details she is supportive of the policy. She thinks AVA has done a great job.

Johnson wants the new policy to require that agencies receiving TLT to continue providing annual reports on how they spent the money.

Collins suggested adding a Linn County Commissioner or their 'designee' to the TLT Advisory Board.

RECESS TO EXECUTIVE SESSION TO DISCUSS PENDING LITIGATION OR LITIGATION LIKELY TO BE FILED IN ACCORDANCE WITH ORS 192.660(2)(h)

The Executive Session was canceled.

#### COUNCILOR COMMENTS

Olsen thanked *Democrat-Herald* Editor Hasso Herring for bringing up the Thompson Mill closure in the newspaper. He thinks adding fish ladders would work instead of tearing out the dams and would save this historical mill. He also wonders who makes these decisions since the Historic Preservation Committee didn't know about the project either. Reid said it is a culmination of the "green" movement that started years ago in the forestry industry. Collins said there was a long public process already; the overall goal was to keep water in fish bearing streams and the closing of Thompson Mill is a consequence of that political decision. Discussion followed.

Johnson said that a toker's station, to be used by medical marijuana patients, has opened outside the city limits. She asked if there is anything the City can do to prevent one from coming to Albany. Hare said he is not aware of a way to outlaw them. There may be some limited zoning authority and in this case, no-smoking laws might apply. Otherwise, Hare said, there is little a city can do to keep out a business that is legal.

Collins asked the status of the transients at the underpass. Smith said staff has been looking into what other communities do and what legal remedies they have. The transients hang out at the overpass during the day and there is nothing that says they can't be there; and at night they sleep near the train station. There are other places they can go, such as the shelter. She said it is very important that people don't give them money; if someone wants to help, they should donate to an established organization like Love, Inc. or FISH of Albany. As long as folks keep giving them money, they aren't going to leave the underpass. The complaints have now reached the Amtrak main station in California. Hare said that the police cite them for violations when they can, and ODOT is using lime to disinfect the ground surface from human waste. The Veteran's Association has been visiting one transient in particular, Mr. Bean, every Tuesday to work with getting him off the streets permanently.

Konopa said she is approached almost daily by citizens complaining about panhandlers in Albany. Albany has a ten-year homelessness plan but unfortunately, there are some transients that do not want to be helped. As a community we have been very proactive with helping folks find housing and jobs. The folks under the bridge are those who are unwilling or unable to meet the rules of the shelter.

#### CITY MANAGER REPORT

Hare said that AMEDC Director John Pascone talked to him about a local business that may be approaching the City for a loan towards an expansion project. It is an existing, well established local business. It is not in the CARA zone so cannot apply for those funds. The City does have money in economic development, which was set aside by the Council from the PepsiCo money. Before the business takes the time to do a proposal they wanted to see if the Council is interested in the concept of a low business loan. In the first phase they could offer 20 semi-skilled jobs.

Konopa thinks the Council should establish a policy for using that money. She asked, have they worked with COG? Pascone said yes, and they have also worked with the state. In order to expand they need capital funds.

Christman said that this is the purpose he envisioned using that money for. He is supportive of hearing their request. Johnson and Collins agreed.

Hare said that he participated with Oregon State University (OSU) for a National Science Foundation Grant that was obtained by OSU and University of Oregon (U of O). They are looking at water issues in the Willamette Basin. Scientists, economists, and policy writers are working together. Decisions being made by federal agencies will have an impact on Albany so our participation is important for future planning.

Hare said he and Management Systems Director Bob Woods gave a presentation to the American Society of Quality on the City's website tools for transparency, such as *Dashboard* and *Where Does My Money Go?* Hare said every time staff presents these tools to a new audience, the audience is very receptive.

Ray Kopczynski, a member of the CARA Advisory Board, said there was a CARA item on Linn County's agenda but it was pulled. Collins said Linn County Commissioner Roger Nyquist called him with a second apology for being caught by surprise by the story in the newspaper.

Hare added that the city of Lebanon is also interested in the discussion about what, if anything, jurisdictions can do collectively to help GAPS. Discussion followed about the ways the City of Albany already helps GAPS.

#### ADJOURNMENT

There being no further business, the Work Session adjourned at 5:33 p.m.

Respectfully submitted,

Reviewed by,

Mary A. Dibble, MMC  
Deputy City Clerk

Wes Hare  
City Manager