



CITY COUNCIL

Work Session Meeting Minutes September 25, 2023

Mayor Drotzmann called the work session meeting to order at 6:00pm. Present were Councilors Hardin, Peterson, Primmer, Linton, Barron, Myers, Duron, and McCarthy. Staff in attendance included: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Assistant City Recorder Heather La Beau, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

Planning Department Budget

Planning Director Clint Spencer presented information (PowerPoint presentation attached) and answered questions from the Council regarding: operations of the department, personnel, existing fees and potential revenue from updating fees charged, comparable department data, and more.

There was Council discussion regarding Planning Department fee's not being updated for over 20 years, the lack of fees being collected for the amount of staff work being done, and how all department fees should be reevaluated on a more frequent basis. The Council thanked Planning Director Spencer for the information and revenue options.

City Manager Smith stated general fund department staff will continue presented budget information with the exception of the Building Department as they will be moving out of the general fund due to state tracking requirements.

Adjournment

Mayor Drotzmann adjourned the work session meeting at 6:50pm and stated the Council will take a short recess before starting the regular council meeting.



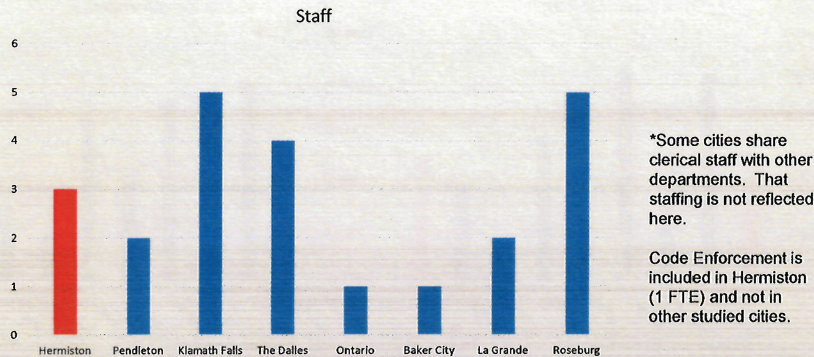
HERMISTON OREGON Planning Staffing

- Planning has three full-time staff in the budget
 - City planner
 - Assistant planner
 - Code enforcement official



HERMISTON OREGON Planning Staffing

- How does staffing compare with other cities?



HERMISTON OREGON Planning Duties

- What does the planning department do?

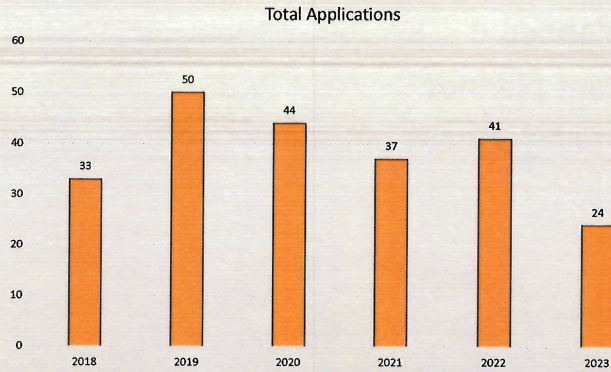
Respond to citizen inquiries	Support Planning Commission and City Council	Urban renewal management
Subdivision review and approval	Commercial and industrial site plan review	Urban growth boundary management
Annexation to the city	Map amendments	Natural hazard/resource planning
Conditional use permits	Variances	Economic development support
Code enforcement	GIS mapping	Zoning verification requests
Addressing	Population reports/Census	Land divisions
Code updates	Transportation planning	Appeals
Regional coordination	Floodplain management	Property line adjustments
Records management	Mobile vendor licenses	Other duties as assigned





Planning Duties

- What does the planning department do?



Planning Fees

- Planning fees have been consciously set very low to avoid discouraging development
 - Fees are not set to cover actual costs
 - Large development can afford higher fees
 - Small development, especially homeowners performing small actions are discouraged by high fees
 - When fees are set to cover actual costs, fees are so high that all development suffers or layoffs are necessary during slow years
- Fees were last adopted in 2001 although the fees were reaffirmed in 2023
- In the 2022-23 fiscal year, planning took in \$13,100 in land use review fees



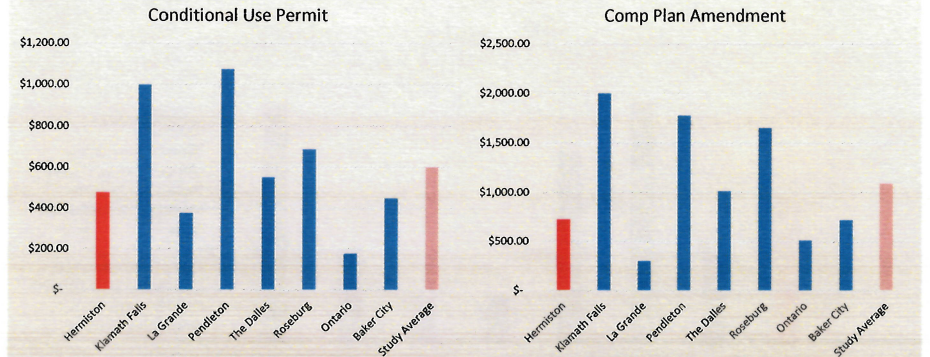
Planning Fees

Application	Fee	Application	Fee
Annexation	\$700	Appeal of PC	\$375
Comp Plan/Zone Change	\$725	Appeal of Staff	\$250
Conditional Use	\$475	Historic Designation	\$475
Major Partition	\$430	Minor Partition	\$230
PUD	\$900 + \$10/Lot	Property Adjust	\$100
Vacation	\$555	Subdivision	\$900 + \$10/Lot
Major Variance	\$420	Minor Variance	\$225
Accessory Dwelling	\$200	Site Plan Review	\$370
Civil Review	\$100	Dev Agree Prep	\$200



Planning Fees

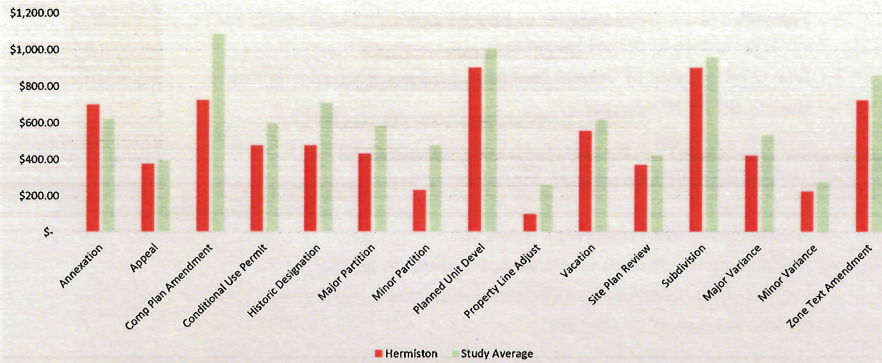
Example of a local fee vs other cities





Planning Fees

Schedule of Fees

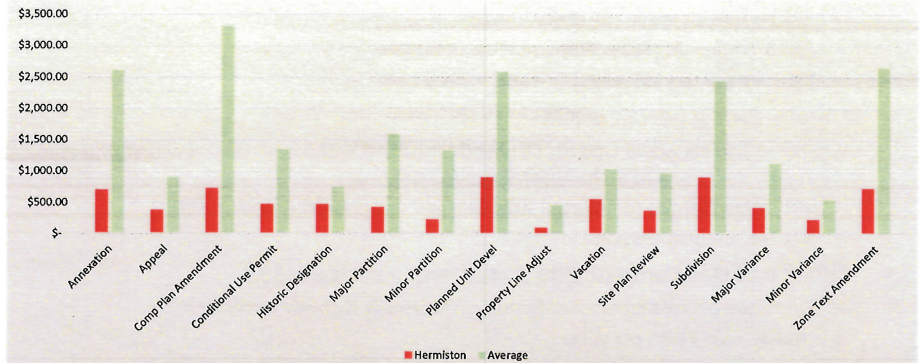


Source: Hermiston, Klamath Falls, La Grande, Pendleton, The Dalles, Roseburg, Ontario, Baker City



Planning Fees

Schedule of Fees - Cities 15,000+



Source: Hermiston, Albany, Klamath Falls, Oregon City, Pendleton, Ashland, Coos Bay, Dallas, St. Helens, The Dalles, Roseburg



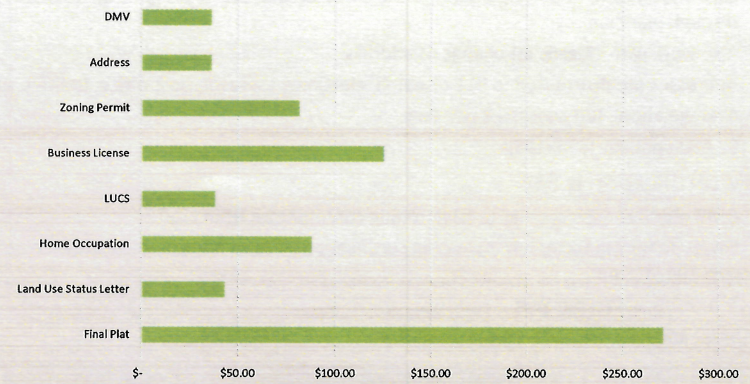
Planning Fees

- In any category we process an average of five applications in any given year.
- Hermiston's fees are significantly lower than average, although some local jurisdictions such as La Grande and Baker City are very similar.
- Fees should be increased to better reflect actual staff costs and time.
- Some jurisdictions charge a mailing/notice deposit on every application.
 - Hermiston back bills these costs after process is complete
 - Where a deposit is collected, jurisdictions are setting significantly higher than actual costs and refunding after completion
- Every jurisdiction charges a per lot fee for subdivisions and other land divisions.
 - Hermiston charges \$10 per lot
 - Common fee is \$50 per lot



Planning Fees

Uncollected Fees (Average)





Planning Fees

- Average business license is \$125
 - 375 businesses inside city limits
 - \$46,875 annually (\$125x375)
 - \$18,750 annually (\$50x375)
- Average zoning permit is \$81
 - Zoning permits would typically be issued concurrent with any structural permit or tenant improvement permit in the building department
 - 261 residential and commercial structural and sign permits issued in 2022
 - \$21,141 annually (\$81x261)
- LUCS (Land Use Compatibility Statement) average is \$38
 - State level permits for erosion control, septic repair, highway work, etc.
 - Usually issue 25-35 per year
 - \$950 annually (\$38x25)



Planning Fees

- Land Use Status letter is \$42.75
 - Typically a letter from a lender or buyer inquiring as to property zoning, outstanding violations, date of permit issuance
 - Also used by State of Oregon for home grow marijuana permitting
 - Usually do 10-20 per year
 - \$855 annually (\$42.75x20)
- Home Occupation permit is \$87.50
 - Businesses which do not serve customers or give the outside impression of a business are permitted in all residential zones
 - No tracking mechanism for home occupations in place
 - Estimate 100 home occupations but number could be higher
 - \$8,750 annually (\$87.50x100)



Planning Fees

- Addressing is \$36
 - Each subdivision, house, new commercial construction, etc. is assigned an address through planning
 - Also work with citizens for change of address
 - Addresses are distributed to 911 dispatch, elections, assessor, post office, utilities, etc.
 - Average about 100 addresses per year
 - \$3,600 annually (\$36x100)
- DMV certification is \$36
 - DMV requires each reseller to have zoning confirmation from city
 - Fewer dealers in town, but increasing certifications due to home vehicle brokers working over the internet
 - Ten certifications per year
 - \$360 annually (\$36x10)



Planning Fees

- Final plat fees are \$271 plus per lot fee
 - City does not charge a final plat review fee and includes the final plat costs in the preliminary costs
 - Significant review time is needed to review final plats and prepare reports
 - \$4,355 annually (\$271 +\$30/lot x 5)
- Notary services are provided in the planning offices at \$2
 - Notary services consume significant staff time
 - Generally 15 documents are notarized for both city business and the general public per week
 - 780 notary services per year requiring 5 to 15 minutes each
 - State allows notary fees to be set at a maximum of \$10
 - Currently generating \$1,560 annually in fees
 - Could generate up to \$7,800 annually with maximum fee, but high fee could see fewer requests





Planning Fees

- Potential new fees are recommended
- The city currently provides many services such as addressing and zoning status at no charge which is not standard practice, especially in light of the staff resources required
- If all currently free services and new fees were implemented (business license, zoning permit, LUCS, address assignment, home occupation, DMV certification, final plat review, and notary fees) were to be added as paid services the revenue increase is substantial
- **\$66,561** is currently provided as free or below cost services
- Zoning permits and home occupation licenses provide clear regulatory benefits (\$29,891 of total)



Planning Fees

- Land use application fees are due for upward revision
- Actual revenue generated from increase will be minimal
- City processes approximately 30 to 50 applications in any given year
- Total revenue from doubling of fees will be approximately **\$13,000**
- **Increasing existing fees and adding fees for currently free services will increase revenue by \$79,561**

