

AGENDA**REGULAR CITY COUNCIL MEETING****JANUARY 27, 2025****5:30 p.m.****CITY HALL COUNCIL CHAMBER****313 COURT STREET****&****LIVE STREAMED****[https://www.thedalles.org/Live Streaming](https://www.thedalles.org/Live_Streaming)**

To speak online, register with the City Clerk no later than noon the day of the council meeting. When registering include: your full name, city of residence, and the topic you will address.

Upon request, the City will make a good faith effort to provide an interpreter for the deaf or hard of hearing at regular meetings if given 48 hours' notice. To make a request, please contact the City Clerk and provide your full name, sign language preference, and any other relevant information.

Contact the City Clerk at (541) 296-5481 ext. 1119 or amell@ci.the-dalles.or.us.

1. CALL TO ORDER
2. ROLL CALL OF COUNCIL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. PRESENTATIONS/PROCLAMATIONS
 - A. FY 23/24 City Audit Presentation, KDP Certified Public Accountants
 - B. Household Hazardous Waste, Kristina Fiebig-Solid Waste Coordinator
6. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Up to three minutes per person will be allowed. Citizens are encouraged to ask questions with the understanding that the City can either answer the question tonight or refer that question to the appropriate staff member who will get back to you within a reasonable amount of time. If a response by the City is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for City Council consideration.

7. CITY MANAGER REPORT
8. CITY COUNCIL REPORTS
9. CONSENT AGENDA

CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles."

Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the City Council to spend its time and energy on the important items and issues. Any Councilor may request an item be "pulled" from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda at the end of the "Action Items" section.

- A. Approval of the January 13, 2025 Regular City Council Meeting Minutes
- B. Resolution No. 25-005 Concurring with the Mayor's Appointments to Various Committees and Commissions
- C. Accepting Council Committee, Commission, and Board Assignments for Years 2025-2027
- D. Resolution No. 25-007 Establishing an Ah Hoc Tourism Services Contract Review Committee
- E. Resolution 25-009 Temporarily Waiving Improvement Requirements for Certain Parcels to Be Used for Dry Camping and Parking During the 2025 Oregon District 5 Little League All-Star Tournament

10. CONTRACT REVIEW BOARD ACTIONS

- A. Authorization to Purchase a New 10-yard Dump Truck for the Public Works Wastewater Collection Division

11. ACTION ITEMS

- A. Resolution No. 25-005 Adopting the City of The Dalles 2025 Housing Production Strategy
- B. Resolution 25-006 A Resolution Amending the City Fee Schedule (Effective February 1, 2025)
- C. 2025 City Council Goal and Action Plan Adoption

12. EXECUTIVE SESSION

In accordance with ORS 192.660(2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

- A. Recess Open Session
- B. Reconvene Open Session
- C. Decision, if any

13. ADJOURNMENT

Prepared by/ Amie Ell, City Clerk

CITY OF THE DALLES

"By working together, we will provide services that enhance the vitality of The Dalles."



PRESENTATION

AGENDA LOCATION: Item #6A-B

MEETING DATE: January 13, 2025

TO: Honorable Mayor and City Council

ISSUE: Presentation Attachments

A. **ITEM:** FY 23/24 City Audit Presentation

PRESENTOR: KDP Certified Public Accountants

ATTACHMENTS:

1. City of The Dalles Annual Comprehensive Financial Report; Year Ended June 30, 2024
2. Columbia Gorge Regional Airport Annual Comprehensive Financial Report; Year Ended June 30, 2024

B. **ITEM:** Household Hazardous Waste

PRESENTOR: Kristina Fiebig-Solid Waste Coordinator

ATTACHMENTS:

1. HHW Presentation Slides
2. HHW Informational Packet

| CITY OF THE DALLES
THE DALLES, OREGON
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2024



City of
The Dalles
OREGON

Annual Comprehensive Financial Report

**Fiscal Year Ended
June 30, 2024**

As prepared by:
**The City of The Dalles
Finance Department**



City of
The Dalles
OREGON



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CITY OF THE DALLES

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| INTRODUCTORY SECTION



December 4, 2024

City Council and the Citizens
City of The Dalles
The Dalles, Oregon 97058

The Annual Comprehensive Financial Report (ACFR) of the City of The Dalles, Oregon, for the year ended June 30, 2024, is submitted herewith. This report presents a comprehensive and detailed picture of The Dalles' financial transactions during fiscal year 2023-2024 and the financial condition of the various funds at June 30, 2024. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the report is accurate and complete in all material respects, including all activities, funds, and financial transactions, and is presented fairly to disclose the financial position and the results of operations of the City at June 30, 2024, and for the year then ended. Further, it is our belief that all disclosures necessary to enable the reader to gain an understanding of the City's financial operations have been included. The organization and content of this report, including the financial statements, supplementary information and statistical tables, follow the standards for annual financial reporting recommended by the Governmental Accounting Standards Board.

CITY HISTORY AND GEOGRAPHICAL AREA

The City of The Dalles, Oregon, is situated in the north-central part of the state on the Columbia River, the nation's second largest river. It is the county seat and the largest community in Wasco County. The Dalles is one of Oregon's most historic cities and was known earlier in its history as the end of the Oregon Trail. Archaeological evidence suggests the area has been inhabited more or less continuously for more than 10,000 years. The City was first incorporated by the Oregon Territorial Government in 1857 as "Dalles City" and was made the county seat shortly thereafter. We celebrated our Sesquicentennial in June of 2007.

Strategically located on the Columbia River and bordered by the Cascade Mountains to the West, The Dalles has historically been an economic hub of the Pacific Northwest, linking major transportation routes between Eastern and Southern Oregon and Washington State via waterway, interstate, rail, and aviation. It offers residents the pleasures of rural living while providing the advantages of access to metropolitan amenities in Portland, only 80 miles to the West.

In accordance with the City Charter of 1899, which was revised in 2017 and amended November 2020, the City of The Dalles is governed by a City Council. This Council consists of an elected Mayor and five Councilors. The City operates under a council-manager form of government.

The City has ten departments: Administration, Finance, Legal, Police, Community Development, Human Resources, IT Library, Columbia Gorge Regional Airport, and Public Works, that collaborate to provide a wide range of services to our citizens. These services include general administrative services, police, code enforcement, municipal court, planning and economic development, aviation in partnership with Klickitat County in Washington State, water treatment and distribution, wastewater collection, transportation systems, and stormwater management. Fire services are provided by the Mid-Columbia Fire & Rescue District, park services are provided by Northern Wasco County Parks and Recreation, and building services and inspections are provided by Wasco County.

GENERAL ECONOMIC CONDITIONS

Yet the City serves a trading area of about 90,000 persons in both Oregon and Washington. Principal economic activities are agriculture, high tech services, small industrial businesses, hydro and wind power generation/transmission, and tourism, along with healthcare, government, and retail services. Mid-Columbia Medical Center, which has recently be acquired and is now Adventist Health Columbia Gorge, remains the area's largest employer with approximately 900 employees in all their affiliated activities.

Major agricultural products of the City are wheat and sweet cherries, with a growing sector of grape production. The Dalles is a primary producer for both domestic and overseas cherry markets. There are in excess of 10,000 acres of sweet cherry trees around the City. Wheat has roughly 50,000 acres currently in cultivation in The Dalles area. Additional agricultural products include cattle, hay and tree fruits.

The Dalles is the site of a 151 bed Veterans' long-term nursing and care home and currently provides 167 jobs and has 96 residents. The Oregon Department of Veteran Affairs has 9,300 square foot community center and outpatient clinic next to the Veterans' home. The Wasco County Courthouse and offices are located in the City as are various other State offices. The Dalles Dam at the eastern edge of the City is a major power generating facility. Also at the eastern edge of the City is the Celilo Converter Station, one of the world's largest electric power converter stations. Electricity is transported to and from Southern California through this station.

The Dalles is the major shopping center in the Mid-Columbia area. In the past decade or so, a 138,000 square foot regional Home Depot, Walgreen's and both the local Safeway and Fred Meyer stores completed multi-million dollar renovations. Fred Meyer expanded its retail space by 15,000 square feet, which included enclosing the existing garden area. A new Coastal Farm Supply store opened in The Dalles during the summer of 2012, and a new modern Goodwill retail and job center opened in 2014. In addition, a Holiday Inn Express was constructed and opened April 14, 2020, with 93 rooms, creating more than 30 new jobs. The Cascade Square shopping center completed a 4+ million dollar façade renovation in the fall of 2018 and is home several businesses and a sushi restaurant. These developments are balanced with the closure of JC Penney's (which has been replaced by Discounts Plus), as well as Tony's Town and Country, a clothing store located in the downtown, and the closure of K-Mart (which has been replaced by a U-Haul center). This significantly reduces the options for clothing type items for local residents.

The City is a strategic home base for year-round recreation. Water sport enthusiasts will find boating, excellent fishing, and one of the finest windsurfing and kite boarding areas in the United States on the Columbia River. To the east are substantial opportunities to camp, fish, hike, and sightsee. To the west, ski enthusiasts have the opportunity to challenge the ski slopes of

magnificent Mt. Hood and then relax at the numerous resorts that lie on Mt. Hood and at its base. Construction of the Columbia Gorge Discovery Center and Wasco County Historical Museum was completed in May 1997. Thousands of people visit the Center annually and it has become a popular site for many community festivities and events. Historic Downtown The Dalles is home to several wineries and a brewery, is home of the new National Neon Sign Museum and Jantzen Beach Carousel, has new restaurants and retail shops, murals, St. Peters Landmark and other historical buildings all of which draw visitors to the community. Notably, in the past year a new grocery store, The Farmstand, opened in the old Chronicle Newspaper building and will likely include a new restaurant as well.

Industrial/Commercial Land

The Port of The Dalles Industrial Center encompasses the majority of the industrially zoned land within the City. This employment land is home to over 70 small to mid-sized companies employing over 2,200 people. Due to its past success, The Port of The Dalles now has an extremely limited supply of developable land. Nearly all of the remaining parcels available for development are only a few acres in size and there are no readily available parcels for larger scale development. This limited supply restricts the size of businesses that can be recruited to the area. Small construction projects and reinvestment into existing businesses continue to occur in the industrial area helping to foster a diverse industrial and commercial business sector. An EPA supported Brownfield program has made available \$600,000 to address properties that may have environmental contamination and are being used to support redevelopment. This varied mix of traded sector businesses has helped The Dalles weather several economic downturns, including COVID-19 in which the industrial area businesses were largely unaffected except for qualified labor challenges.

In 2005 Google purchased 30 acres from the Port of The Dalles to build its first facility in The Dalles and has since purchased an additional 30 acres from the Port and continued to expand its footprint in the community. At this time Google has two active Enterprise Zone agreements and has completed 4 main data center facilities with substantial supporting infrastructure. A prior Enterprise Zone agreement signed in 2005 has expired and the abated taxes added back to the tax rolls resulting in additional tax revenue for *all* tax districts in the City.

A new Strategic Investment Program (SIP) agreement has also been finalized for the construction of up to 2 additional large data center facilities on the former aluminum plant site. Similar to the Enterprise Zone program, the SIP program is different in several key ways. Most notably, the SIP agreement does levy taxes on a certain amount of the developments value, has a community service fee that will be distributed to taxing districts that levy taxes at the development site, along with an Initial Fee and Guaranteed Annual payment. This agreement also requires Google to transfer 35 acres of land, primarily the former Rodeo Grounds and The Dalles landfill to Wasco County. The first datacenter under this agreement has received a Certificate of Occupancy and construction is rapidly progressing on a second datacenter.

EDUCATION

Beginning in July 2020, Columbia Gorge Community College began construction of a student residential hall and a workforce training skills center in order to support our educational system. These two projects, both located on The Dalles Campus, represent the most significant expansion of the college's physical space in more than a decade. Both buildings opened in the fall term of 2021. The residential hall will provide affordable, long-term housing for students throughout our region, and the workforce skills center will support training in welding and metals fabrication,

construction and other trades. CGCC has also partnered with the City and Klickitat County through its airport in the development of an aviation maintenance technician program. This program is hoped to be housed in a newly built hangar constructed utilizing U.S. Economic Development Administration (EDA) funds and will also extend utilities to several other airport business park lots. The community recently passed a new bond for CGCC, replacing an expiring one, and will fund improvements at both The Dalles and Hood River Campuses. The most recent attempt to pass a bond to fund a new high school failed and school facilities remain a critical priority for the community.

HEALTHCARE

Mid-Columbia Medical Center (MCMC) was recently acquired by the Adventist Health system and is now Adventist Health Columbia Gorge (AHCG), and remains the major hospital in the Mid-Columbia Region of Oregon and Washington. It is also the major trauma center in the region. This first-class medical facility has attracted numerous health care professionals to The Dalles area. Their Oncology Center, which once saved the region's population from traveling to Portland to receive those services and provides a multi-state option in the Northwest, closed many of their services early in 2023. A wellness center called Waters Edge that offers exercise equipment, lap and therapy pools, spa services, exercise and nutrition classes, along with cardiac and pulmonary rehab, outpatient therapies, and sleep medicine and labs remains operational along with the region's first immediate care center, bringing a much-needed service to the local community. This expansion of comprehensive wellness services into a convenient, community-based setting, makes it easier for residents to access the programs they need and enjoy for healthier living.

Like many other communities in Oregon, affordable/attainable housing is an increasing challenge along with a substantial rise in houselessness, addiction and mental health challenges. Mid-Columbia Community Action Council (MCCAC) is a key City partner in addressing housing concerns and with City support has completed construction of a Navigation Center named, "The Gloria Center" to improve service provision and coordination. MCCAC was also awarded several million dollars under Project Turnkey 2.0 which it used to purchase and renovate the Oregon Motor Hotel into a transitional housing facility. This motel had substantial deferred maintenance and was already frequently used for transitional services via motel vouchers. MCCAC will now directly operate this facility and will have staff on-site 24 hours a day. This new facility has proven successful in supporting individuals transitioning into permanent housing. The City also relies on the services offered by Mid-Columbia Center for Living (CFL) which provides behavioral and mental health services to the region. CFL faces significant funding and staffing challenges and recently went through a substantial administrative transition with the support of Wasco County.

MAJOR INITIATIVES

The City constructed the Columbia River Marine Terminal in 2010, adjacent to the downtown area, as part of an effort to reconnect the downtown core to the riverfront. The City entered into a lease agreement with American Cruise Lines (ACL) to operate the dock for an annual fee of \$65,000. These funds will be critical to address ongoing maintenance and upgrades to the dock facility. Under this lease, ACL will be permitted first dock scheduling rights and will manage all other dockings within certain lease requirements that manage dock fees, dock availabilities, amongst other provisions. While docked in The Dalles, passengers are able to book visits to various attractions, such as the Discovery Center, National Neon Sign Museum, Fort Dalles Museum, or they can walk two blocks past the Festival Park to stroll through the downtown area.

The Columbia Gorge Regional Airport completed a “flex space” hangar several years ago that is home to the new Fixed Base Operator (FBO) as well as Life Flight, which bases a helicopter and Polaris aircraft in the “flex space” hangar, providing emergency transport for medical emergencies. The airport was also recently awarded several Critical Oregon Airport Relief grants for airport fuel system upgrades, generators, as well as a roughly 3 million dollar FAA grant for critical airport apron and tarmac improvements. A project funded by the US EDA is progressing to stub in utilities to several lots in the business park with the CGCC as an anchor tenant for an aviation maintenance training program.

The Urban Renewal Agency (URA) is working to renovate the older commercial areas of the community. A ten block Downtown Renovation Project was completed during the summer of 2001. A \$7 million dollar reconnection of the Downtown to the Columbia River was completed in FY 2003-2004 using Urban Renewal dollars, and they were matched two to one with other grant funds. In October 2009, a Full Faith and Credit Obligation Bond was obtained by the City, with over \$10 million of the proceeds going as a loan to the Urban Renewal Agency to refund their current bond and provide nearly \$8 million for Urban Renewal projects. The East Gateway public infrastructure, that included a round-about to manage traffic in a problem area, was completed in June 2010. That project leveraged approximately \$25 million in private investment, including a new winery now located in a vacant flour mill that employs close to 100 people. The Marine Terminal Dock and the new Lewis & Clark Festival Area, both Downtown/Riverfront Connection projects, were completed in the summer of 2012, at a cost of \$6.6 million.

The URA has moved forward with the demolition of the Tony’s Town and Country Department Store which involved the abatement of hazardous materials. The intent of the demolition is to create a site ready development parcel that the Agency may offer for sale to private developer who will redevelop it for a future housing and retail building in this prime downtown location. City staff has completed several required environmental assessment tasks in late 2021 and 2022 through an Environmental Protection Agency (EPA) grant program. The last step is asbestos removal and building demolition. The Agency has completed demolition of the building and has issued a Request for Expression of Interest (RFEI) to solicit proposals for the site.

The Urban Renewal Agency completed a controlled demolition on the Recreation Building roof, following its partial collapse in summer 2019. There was a negotiated settlement with CIS insurance to offset loss and demolition costs. Redevelopment of the Recreation Building site is currently underway, with two new storefronts occupied and open for business. The third storefront is still under development as a unique outdoor music and venue space.

The 1929 Granada Theater Building, located on the same block as the Recreation building, was sold by the Agency in 2020. The theater now holds shows each weekend, including movies and live music performers. The owner of the Granada Theater also started a monthly outdoor live music series in summer 2022 and continued it in 2023 summer in nearby Lewis and Clark Park.

The Agency also completed demolition of the “Soda Works” building on the East end of the downtown. This project also utilized the City’s Brownfield program. This building had been essentially abandoned for many years and it is hoped that the private property owner will revitalized the site following Agency assistance with demolition.

The Agency and City also terminated an agreement with ODOT and returned unused Federal grant funds for the First Street/Riverfront Connection Project after assessing that the Agency could

complete the project more quickly and at lower cost without the additional administrative oversight and timelines associated with the grant dollars. The project includes a new street, sidewalk and utility lines along First Street between Union and Laughlin Streets. The new streetscape will be inviting, bicycle-friendly, and ADA-accessible for the first time in The Dalles' history. The URA recommended an increase to the Agency Maximum Indebtedness to the City Council which is expected to pass and will allow this project to move forward for bid and construction in 2025.

ECONOMIC CLIMATE AND FUTURE

State Tax limitation measures in 1990, 1996 and 1997 have limited property taxes. An upswing in the local economy up until the 2008 recession mitigated most of those impacts.

The City of the Dalles, through years of prudent management, has been able to withstand the economic impact of recent financial crises without diminishing services to our citizens. During the recession, some changes were made to reduce expenses, while continuing to maintain service levels. During the past years, revenues from water and sewer rates were determined to be adequate to maintain operations and fund reserves without implementing previously scheduled rate increases. However, a recently completed water master plan update has indicated and recommended that the City begin annual water rate increases starting in 2025. The City will also begin a Wastewater Master Plan updated in 2025 with a likely similar recommendation. Overall, the financial position of the City in the past year has been improved.

The City's management conditions are strong and supported by good financial practices and policies. The City's historical maintenance of strong and stable reserves and support of balanced operations continues. The City provides for long term financial planning by maintaining annually updated five-year Capital Improvement Plans for all departments, and long-range improvement plans for City infrastructure, including water, wastewater, and transportation systems. The City maintains a 20 Year Vision Plan and has an annual goal setting process and identifies those goals that will have a financial impact on subsequent budget development.

Currently, the community is facing challenges with school facility maintenance and construction as a result of a bonding authority that failed on the November 2018 ballot. School facility conditions have been attributed to the challenge of retaining highly qualified staff most notably for the hospital.

CITY PLANNING

Water Master Plan

A Water Master Plan update was completed in 2006 and is undergoing a major update this year. A \$7.9 million water revenue bond was issued in 2007. Bond funds were used to construct a new clearwell and upgrade filters at the Wicks Water Treatment Plant, design a new reservoir, and enhance the Lone Pine Well. A new reservoir and associated pipelines were constructed in fiscal year 2010-2011, utilizing about \$6 million in grant and loan funds under the American Recovery and Reinvestment Act of 2009. The City completed a review of its water rates and capital needs in 2011 and adopted a rate plan to meet those needs. Additional revenue bonds that were planned to be issued in fiscal years 2016-2017 were not needed because increases in water utility rate revenues from increased residential, commercial and industrial water usage were sufficient to fund identified system improvements. Construction of a new Port Industrial Water Main, expansion of the Lone Pine Well and repainting of Columbia View Reservoir were completed in 2018-2019 utilizing rate revenues, system development charges, and outside private funding. Sorosis Reservoir was repainted in 2019-2020. In 2020-2021, work began on the final design of the Dog River Pipeline Replacement Project. In 2021-22, the final design of the Dog River Pipeline was

mostly completed and work began on its construction; construction is scheduled to be completed in 2024-25. A total of \$9,030,000 has been secured in grants and low-interest loans to supplement City water utility rate revenues and SDCs to fund the project. In 2022-23, a SCADA System Upgrade Phase 1 project and repairs to the Sorosis Reservoir roof are budgeted, and funds are being accumulated for a future project to repaint the Garrison Reservoir.

Transportation System Plan

A Transportation System Plan drafted in 1999 was updated and implemented in 2006. The plan was updated again in 2017 utilizing a Transportation Growth Management grant and Transportation System Development Charges. A five-year capital improvement plan, updated annually, has been implemented for street development and to provide preventative maintenance. A Transportation System Development Charge has been implemented. In 2019-2020, the East Scenic Dr. Stabilization Phase II project and West 2nd Street/Cherry Height intersection improvements project were completed. In 2020-21, the West 15th Street reconstruction project was initiated and completed in 2021-22, and an annual ADA Sidewalk Ramp Upgrade project was completed. In 2021-22 the Scenic Drive Stabilization Phase III was initiated. Projects were also completed which focused on improving surfaces and integrity of streets. In 2022-23, funds are budgeted for an annual ADA Sidewalk Ramp Upgrade project, a 50/50 cost share Sidewalk Maintenance Program, and the West 6th Street Improvements project.

Storm Water Master Plan

Storm Water Master Plan was completed in 2007. A System Development Charge and a storm water utility charge have been implemented. In 2022-23, a project is planned to construct a new storm water collection system in East 12th Street using American Rescue Plan Act (ARPA) funds in support of a new sidewalk construction project.

Columbia Gateway Urban Renewal Agency

The Columbia Gateway Urban Renewal Agency, a component unit of the City of The Dalles, operated throughout the 2023-2024 fiscal year. The Agency consists of an Urban Renewal District, formed by the citizens, to resolve issues of blight within the boundaries of the District. Ordinance No. 09-1301 adopted an amendment to the plan on June 22, 2009. This amendment established the expiration of the district as the projected year of the district's maximum indebtedness, now estimated to be 2029. The Agency did levy and collect tax increment proceeds during FY 23/24.

Housing Needs Analysis and Residential Buildable Land Needs Assessment

A comprehensive Housing Needs Analysis and Residential Buildable Land Needs Assessment were completed in 2016/17, this project, in compliance with Oregon Planning Rules #10, identified types of housing needs and assessed future developable land needs. The City obtained a State Transportation and Growth Management Grant to complete state required housing code amendments. The amendments were approved unanimously by the City Council in June 2021. The City has recently begun a process to update the HNA as well as align with Governor Kotek's objectives to increase housing production due to the housing crisis. This process is nearing completion with a detailed report on recommended strategies and actions to undertake over the next decade. An update to the Buildable Land Inventory as industrial land, in particular the Google sites, is being developed.

FINANCIAL INFORMATION

Accounting System and Budgetary Controls

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary fund type are maintained using the accrual basis of accounting.

The City's management is responsible for establishing and maintaining an internal control structure designed to protect the assets of the City from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Management recognizes the significance of internal controls, which are incorporated in the accounting system. We believe our internal accounting controls adequately safeguard the assets and provide reasonable assurance of proper recording of all financial transactions.

A budget is prepared and legally adopted by the City Council for each fund. All changes to the budget must be approved by the City Council. These budgets are all prepared on the modified accrual basis of accounting, complying with Oregon Local Budget Law. The ordinance authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. All funds, excluding the General Fund, maintain levels of budgetary control for personnel services, materials and services, capital outlay, special payments, operation contingencies, debt service and all other requirements levels. For the General Fund, appropriations are at the department level for personal services, materials and services, capital outlay and other uses.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council, if the change is greater than, or equal to, 10% of the original budget. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City Council approved several appropriation transfer resolutions during the year ended June 30, 2024. Appropriations lapse at year-end.

The City has established a procurement policy for the purchases of goods and services. Any items over \$5,000 purchased by the City require a purchase order. Purchase orders are initiated at the department level and are reviewed at the Finance office. Purchase orders greater than \$25,000 require the approval of the City Manager and those greater than \$100,000 require City Council approval.

The City Council has a comprehensive set of Fiscal Management Policies in June 2011. These policies updated and compiled existing policies on budgeting, revenues and expenditures, public contracting, purchasing authority levels, capital asset and capital improvements, cash management and investments, debt, risk management, and accounting and financial reporting.

OTHER INFORMATION

Management Discussion and Analysis

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Independent Audit

Chapter 297 of the Oregon Revised Statutes requires an independent audit be made of all City funds and account groups within six months following the close of a fiscal year. The independent auditors, who were selected by the City Council, have completed their audit of the City's funds and their opinion and State of Oregon required audit comments and disclosures are included in this report.

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of The Dalles for its annual comprehensive financial report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis has been accomplished through diligent efforts of the Finance Department's entire staff and staff from other departments. I should like to express my appreciation to all the members of this department for their assistance and contributions to its preparation. I also thank the mayor and members of City Council for their interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,



Matthew Klebes
City Manager



Angie Wilson
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of The Dalles
Oregon**

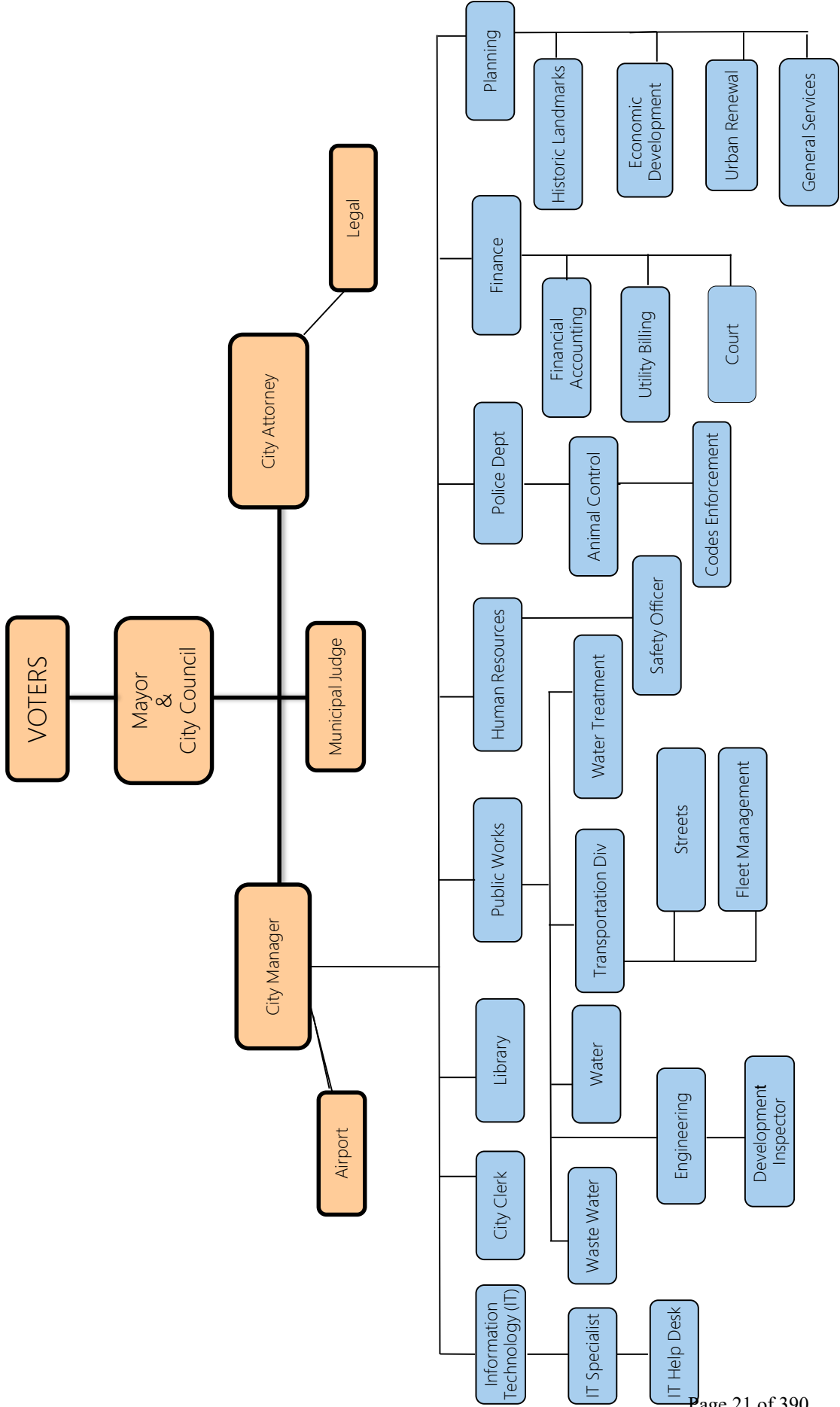
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

City of The Dalles – Organizational Flow Chart



**CITY OF THE DALLES
OFFICIALS OF THE CITY
AS OF JUNE 30, 2024**

MAYOR AND CITY COUNCIL

<u>Name and Address</u>	<u>Term Expires December 31</u>
Rich Mays, Mayor 367 Summit Ridge The Dalles, OR 97058	2026
Darcy Long 2409 Mount Hood St. The Dalles, OR 97058	2024
Tim McGlothlin 328 W 21 st The Dalles, OR 97058	2026
Scott Randall 721 E 18 th The Dalles, OR 97058	2026
Dan Richardson 3515 Crest Court The Dalles, OR 97058	2024
Rod Runyon 2019 W Scenic The Dalles, OR 97058	2024

City Administration

Matthew Klebes, City Manager – Budget Officer
Izetta Grossman, City Clerk
Angie Wilson, Finance Director

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| **FINANCIAL SECTION**

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| INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of The Dalles, Oregon
The Dalles, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of the Dalles, Oregon, (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards*, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, general fund and major special revenue fund budgetary comparison information, and certain other post-employment benefit schedules as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and analysis and certain other postemployment benefit schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The general fund and major special revenue funds budgetary comparison information is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the general fund and major special revenue funds budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information as listed in the Table of Contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the Table of Contents and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.


In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with *Oregon State Regulations*, we have also issued our report dated December 4, 2024 on our consideration of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.



Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
December 4, 2024



| MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

This discussion and analysis presents the highlights of financial activities and financial position for the City of The Dalles, Oregon. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please read it in conjunction with the Transmittal Letter (page i) and the City's financial statements. Changes discussed below exclude the impact of restatements of net position and fund balance which are outlined in Note 1 to the financial statements. Additionally, changes discussed below are from restated net position and fund balance figures. Prior year balances have not been adjusted to reflect the effect of restatements.

HIGHLIGHTS

- The City's assets exceeded its liabilities and deferred inflows of resources at June 30, 2024 by \$149,619,166 (net position). Of this amount \$88,647,049, was invested in capital assets (net of related debt). \$10,626,638 was restricted for specific purposes, resulting in unrestricted net position of \$50,345,479. The unrestricted net position is made up of unrestricted governmental net position of \$35,278,086 and unrestricted business-type net position of \$15,067,393.
- The City's net position increased by \$15,257,255 (11.4%), a greater amount than the prior year due primarily to a increase in capital grants and contributions and charges for services.
- At the close of the current fiscal year, the City's Governmental Funds reported a combined ending fund balance of \$31,579,317, an increase of \$5,684,247 from the prior fiscal year. Of this amount, \$10,001,049 is available for spending at the City's discretion and is reported as unassigned fund balance.
- The City's Enterprise Funds experienced an increase in net position of \$6,802,908, a greater amount than the prior year due primarily to an increase in system development charge revenue. The City prepares a budget for all enterprise funds annually.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's annual comprehensive financial report consists of several sections. Taken together they provide a comprehensive financial report of the City. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview and economic factors affecting the City.

Basic Financial Statements. Includes a Statement of Net Position, a Statement of Activities, fund financial statements and the notes to the financial statements.

Statements of Net Position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, police, street maintenance and improvement, community planning and governance. The business-type activities of the City include Water and Wastewater utilities.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

Fund financial statements focus separately on major governmental funds and proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Statements for the City's governmental funds follow the more traditional presentation of financial statements and focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Nonmajor Governmental Funds".

Statements for the City's proprietary funds follow the governmental funds and include net position, revenues, expenses and changes in fund net position, and cash flows. Proprietary funds follow the same accrual basis of accounting as used in the government-wide financial statements, only in more detail.

The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

Required Supplemental Information (RSI). The RSI section includes budget to actual schedules for the General Fund and major special revenue funds including the Street Fund, Special Grants Fund, Library Fund and Special Enterprise Zone Fund as well as certain schedules relating to the City's other post-employment benefits (OPEB) plan.

Other Supplemental Information. Readers desiring additional information about other funds not represented in the Basic Financial Statements can find it in this section of the report. Included within this section are:

- Combining Schedules of other governmental funds including special revenue, debt service and capital projects funds, which are classified as non-major. These schedules include balance sheets and schedules of revenues, expenditures and changes in fund balances.
- Combining Schedule of the General Fund. These schedules include a balance sheet and schedule of revenues, expenditures and changes in fund balance. The Public Works Reserve Fund, Transportation System Reserve Fund, and Unemployment Reserve Fund are budgetary funds required by Oregon Budget Law, but do not qualify as funds based on GASB 54 therefore they are combined into the General Fund to create the General Fund, as reported in the basic financial statements.
- Budgetary Comparisons. Budgetary information for all funds, except General Fund, Street Fund, Special Grants Fund, Library Fund and Special Enterprise Zone Fund, which are presented within the Basic Financial Statements, are presented here.
- Other Financial Schedules complete the Financial Section of this report which include combining schedules for All Water Funds and All Wastewater Funds as well as budget to actual schedules for all proprietary funds including the 2018 Utility Bond Fund with legally adopted budgets.

FINANCIAL SUMMARY AND ANALYSIS

As mentioned earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities and deferred inflows of resources by \$149,619,166, and increased from June 30, 2023 by \$15,257,255. By far the largest portion of the net position is comprised of the City's investment in capital assets (e.g., land, building, equipment, and public infrastructure), less any related debt outstanding that was used to acquire those assets. The City uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. The resources to repay the related debt is not provided by capital assets but will be provided from other sources.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

Summary statements of net position for the years ended June 30, 2024 and 2023 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 50,585,760	\$ 42,855,111	\$ 16,588,907	\$ 14,776,961	\$ 67,174,667	\$ 57,632,072
Capital Assets, Net	35,746,111	36,435,905	74,099,615	67,144,951	109,845,726	103,580,856
Total Assets	86,331,871	79,291,016	90,688,522	81,921,912	177,020,393	161,212,928
Long-term Liabilities	5,592,033	4,238,483	15,897,210	13,283,068	21,489,243	17,521,551
Other Liabilities	3,725,552	6,447,539	1,120,233	1,769,214	4,845,785	8,216,753
Total Liabilities	9,317,585	10,686,022	17,017,443	15,052,282	26,335,028	25,738,304
Deferred Inflows of Resources	773,130	818,185	293,069	294,528	1,066,199	1,112,713
Net Position						
Net Investment in						
Capital Assets	30,336,432	30,243,503	58,310,617	60,407,312	88,647,049	90,650,815
Restricted	10,626,638	9,779,961	-	-	10,626,638	9,779,961
Unrestricted	35,278,086	27,763,345	15,067,393	6,167,790	50,345,479	33,931,135
Total Net Position	\$ 76,241,156	\$ 67,786,809	\$ 73,378,010	\$ 66,575,102	\$ 149,619,166	\$ 134,361,911

The governmental activities revenue comes primarily from property taxes, franchise fees, charges for services, and various grants and contributions. Between FY22/23 and FY23/24, the City's Taxable Assessed Value (TAV) increased by 3.3%. When compared to the prior year, City property taxes collected increased by 16.2%. When compared to the prior year, Urban Renewal District property taxes collected decreased by 0.3%.

Our natural gas franchise fees decreased 5.5% over the prior year. This is primarily due to decreases in natural gas prices during the year. The electric franchise fees increased 23.20%, while CATV/internet franchise fees decreased 14.71%, and the garbage franchise fees decreased 11.64%. The Street Fund realized a 2.59% increase in the local 3 cent per gallon gas tax. Transient Room Taxes collected increased 0.86% compared to the prior year. Total City charges for services revenue showed a 41.4% increase.

During the year ending June 30, 2024, the City received revenue from capital grants and contributions that consist primarily of awards for specific special projects. These will not be a continuing source of revenue. Grants and contributions received during the fiscal year included \$1,090,808 in ARPA Economic Recovery Funds.

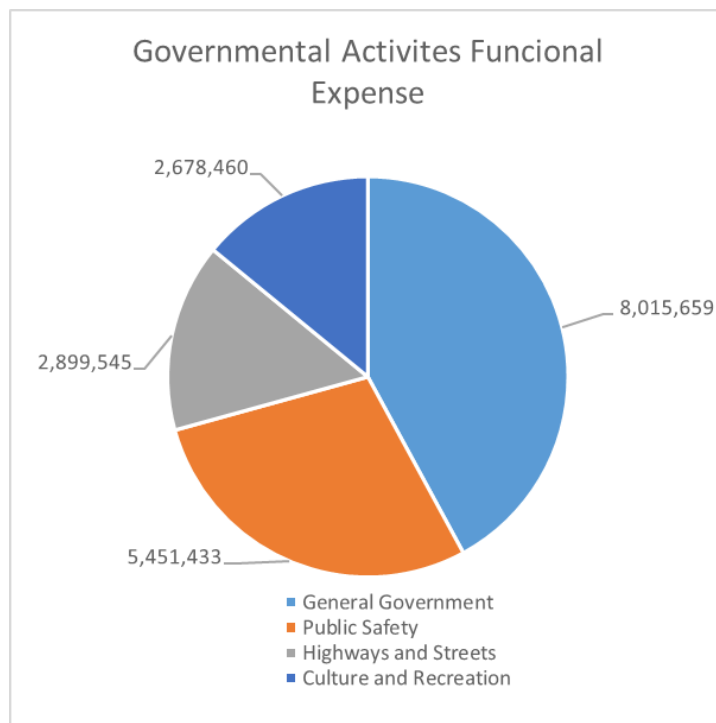
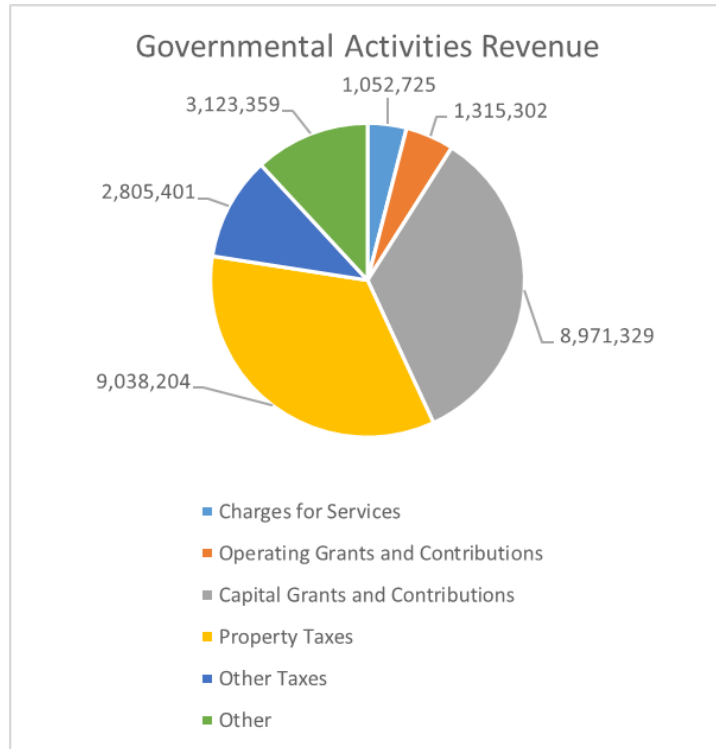
The City's governmental expenses cover a wide variety of services, with general government, public safety and streets accounting for most of these expenses. The 12.4% increase in governmental expenses was primarily due to increase in personnel services.

The Business Type activities revenues come mostly from charges for services and various grants for capital outlay expenses for several projects, including the West 2nd Street Sanitary and Storm Water project, the Sorosis Reservoir roof repair project, and the ongoing Dog River Pipeline Project. No water or wastewater rate increases were implemented during the year.

**CITY OF THE DALLES
 MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
 FISCAL YEAR ENDED JUNE 30, 2024**

Business type activities expenses increased 9.57%, primarily due to increases in material and services and personnel service in the Wastewater Funds.

Property taxes are the City's primary on-going source of revenue and comprise 34.36% of the City's governmental revenue. Property taxes are derived from the permanent tax rate and taxes levied for the repayment of bonded indebtedness.



**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

For the fiscal year ending June 30, 2024, net position of the Governmental activities increased by \$8,454,347, which represents a 12.5% increase. Net position of the Business-type activities increased by \$6,802,908, which represents a 10.2% increase. Key elements of these changes, when compared to the year ending June 30, 2023 are as follows:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues						
Charges for Services	\$ 1,052,725	\$ 944,126	\$ 17,537,521	\$ 12,436,765	\$ 18,590,246	\$ 13,380,891
Operating Grants and Contributions	1,315,302	1,345,197	-	-	1,315,302	1,345,197
Capital Grants and Contributions	8,971,329	5,226,194	45,833	233,780	9,017,162	5,459,974
General Revenues						
Property Taxes	9,038,204	7,781,178	-	-	9,038,204	7,781,178
Other Taxes	2,805,401	2,805,489	-	-	2,805,401	2,805,489
Other	3,123,359	1,034,605	740,508	516,919	3,863,867	1,551,524
Total Revenues	26,306,320	19,136,789	18,323,862	13,187,464	44,630,182	32,324,253
EXPENSES						
General Government	8,015,659	6,471,736	-	-	8,015,659	6,471,736
Public Safety	5,451,433	5,444,623	-	-	5,451,433	5,444,623
Highways and Streets	2,899,545	2,630,885	-	-	2,899,545	2,630,885
Culture and Recreation	2,678,460	2,462,928	-	-	2,678,460	2,462,928
Interest on Long-Term Debt	207,201	119,572	-	-	207,201	119,572
Water	-	-	5,259,612	4,510,105	5,259,612	4,510,105
Sewer	-	-	4,692,278	4,541,607	4,692,278	4,541,607
2018 Utility Bond	-	-	168,739	184,599	168,739	184,599
Total Expenses	19,252,298	17,129,744	10,120,629	9,236,311	29,372,927	26,366,055
Change in Net Position Before Transfers	7,054,022	2,007,045	8,203,233	3,951,153	15,257,255	5,958,198
Transfers	1,400,325	1,742,002	(1,400,325)	(1,742,002)	-	-
Change in Net Position	8,454,347	3,749,047	6,802,908	2,209,151	15,257,255	5,958,198
Net Position, July 1	67,786,809	64,037,762	66,575,102	64,365,951	134,361,911	128,403,713
Net Position, June 30	\$ 76,241,156	\$ 67,786,809	\$ 73,378,010	\$ 66,575,102	\$ 149,619,166	\$ 134,361,911

GOVERNMENTAL ACTIVITIES

A significant portion of the increase in net position from the prior year is primarily due to the City's increase in grant revenues in the current year.

BUSINESS-TYPE ACTIVITIES

A significant portion of the increase in net position of business-type activities over the prior year is primarily due to the City's increase in grant revenues in the current year.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

FINANCIAL ANALYSIS OF FUNDS

As of June 30, 2024, the City's governmental funds reported a combined fund balance of \$31,579,317, which is an increase of \$5,684,247 from June 30, 2023.

The General Fund is the primary operating fund of the City. The General Fund has been combined with the Public Works Reserve Fund, the Street/Bridge Replacement Fund and the Unemployment Fund, as required by GASB 54. As of June 30, 2024, the combined General Fund balance was \$10,019,501 which is an increase of \$619,742 from June 30, 2023. This increase is due primarily due to an increase of \$539,937 in revenues from the prior year because of increases in fees from an intergovernmental agreement with Wasco County.

The Street Fund balance as of June 30, 2024 was \$1,549,366, which is a decrease of \$156,169 from June 30, 2023. This decrease is due primarily to due transfers in (net of transfers out) decreasing by \$240,459 from the prior year.

The Special Grants Fund balance as of June 30, 2024 was \$3,356,200, which is an increase of \$62,822 from June 30, 2023. The increase is due primarily due to an increase in grant revenue of \$1,094,244 from the prior year, while highways and streets expenditures increased by \$446,470 from the prior year. The Special Grants Fund also had a transfer out of \$100,000, while there were no transfers out were made in the prior year.

The Library Fund balance as of June 30, 2024 was \$2,754,682, which is an increase of \$669,884 from June 30, 2023. This increase is primarily due to an increase in property taxes received of \$970,531 from the prior year, while expenditures for personnel services increased by \$210,021 from the prior year.

The Special Enterprise Zone Fund balance as of June 30, 2024 was \$3,941,632, which is an increase of \$1,811,015 from June 30, 2023. The increase is due primarily to an increase in abatements received from Wasco County of \$1,500,000 from the prior year.

The proprietary funds net position amounted to \$73,378,010 as of June 30, 2024, reflecting a \$6,802,908 increase from net position as of June 30, 2023. Increase is primarily due to an increase in system development charge revenue of \$5,021,210 from the prior year. This increase was the result of a major new commercial customer being added to the system for the Wastewater Funds.

The combined Water Funds net position as of June 30, 2024 was \$31,876,248, which is an increase of \$204,250 over June 30, 2023. This increase is primarily due to accumulating funds in the Water Capital Reserve to implement the capital improvement plan, including the Dog River Pipeline Replacement Project.

The combined Wastewater Funds net position as of June 30, 2024 was \$47,257,840, which is an increase of \$5,959,949 from June 30, 2023. This increase is primarily due to accumulating funds for the construction-in-progress projects to include the West 2nd Street Sanitary and Storm Water project for the noted new commercial customer added.

The 2018 Utility Bond Fund net position as of June 30, 2024 was (\$5,756,078) which is an increase of \$638,709 from June 30, 2024. This increase is primarily due to transfers exceeding debt service expenses as reported on the Statement of Activities.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

BUDGETARY HIGHLIGHTS

The original legal appropriations for fiscal year 2023-2024 for the General Fund – Budgetary Basis totaled \$12,684,664 with contingency of \$1,062,247. The Unappropriated Ending Balance, which is not included in the legal appropriations, was \$2,480,813. Expenditures for the General Fund were \$2,308,175 under budget. The General Fund contains the City Administration, Legal, Finance, Planning, Police, and General Maintenance Departments, and budgets for certain anticipated levels of operations, maintenance and projects, along with a 10% Contingency. Some departments, such as Police, budget some items at a worst-case level. Department Managers are expected to work within their budgets and to try to return an average of 4 to 5% of their budgets to roll into the next year. It is also anticipated that the contingency will not be spent and will be available for the beginning fund balance in the new fiscal year.

CAPITAL ASSETS

As of June 30, 2024, the City had invested \$109,845,726 in capital assets of its governmental and business-type activities. This investment includes leases, land and land improvements, buildings, equipment, and public infrastructure of roads and bridges. The investment in governmental activities capital assets increased by \$284,459 and business-type activities capital assets increased by \$6,954,664, significant additions during the year ending June 30, 2024 were related to the ongoing West 2nd Street Sanitary and Storm Water project, the Sorosis Reservoir roof repair project, and the ongoing Dog River Pipeline Project.

Additional information on the City's capital assets may be found in Note 9 of the financial statements.

DEBT ADMINISTRATION

The total governmental long-term debt outstanding at June 30, 2024 was \$5,311,974. Business-type activities long-term debt outstanding was \$15,788,998. During the year the City added direct borrowings of \$3,574,090. A summary of the City's long-term debt outstanding is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Full faith and credit obligations	\$ 5,226,250	\$ 5,995,670	\$ 173,750	\$ 204,330	\$ 5,400,000	\$ 6,200,000
Revenue bonds	-	-	5,748,064	6,385,032	5,748,064	6,385,032
Premium on bonds	85,724	117,870	3,105	5,993	88,829	123,863
Loans payable	-	-	9,864,079	6,527,315	9,864,079	6,527,315
Total long-term debt	<u>\$ 5,311,974</u>	<u>\$ 6,113,540</u>	<u>\$ 15,788,998</u>	<u>\$ 13,122,670</u>	<u>\$ 21,100,972</u>	<u>\$ 19,236,210</u>

Although the City is fully liable for the Airport taxable LOCAP bond which represents \$1,305,000 of governmental activities full faith and credit obligations outstanding for 2024 (\$1,395,000 in 2023), it is anticipated that this bond will be repaid from Airport rental revenue and the City has recorded a receivable from the Airport for the full amount of the bond and premium.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

The City operates the Mid-Columbia Regional Airport as a joint venture with Klickitat County, Washington. The City has acted as a conduit for debt for the Airport. The City has not recorded this debt as it was not anticipated that the City would be required to use its resources for repayment. The balance outstanding at June 30, 2024 includes the following:

Airport Klickitat County CERB Loan	<u>\$ 275,000</u>
TOTAL	<u><u>\$ 275,000</u></u>

Compensated absences totaled \$719,365 as of June 30, 2024. Governmental accruals totaled \$473,629 but are not recorded as a liability in the Governmental Funds. Business-type compensated absences accrual totaling \$245,736 are recorded as current period liabilities as of June 30, 2024. The liability for other postemployment benefits totaled \$290,566. The breakdown was \$182,354 for governmental activities and \$108,212 for business-type activities in accordance with the City's policy to allocate balances based on payroll costs by fund.

Additional information on the City's long-term debt may be found in Note 12 of the financial statements.

ECONOMIC FACTORS

Each year, the City of The Dalles has a variety of projects and partnership that are being explored, developed and executed, in order to tackle community challenges and embrace opportunities that will foster economic growth, sustainability, and resiliency.

To begin, investments in Public Works infrastructure are the foundation of any community and need to be prioritized to ensure the supply of basic necessities such as water and resulting waste water management. To that end, the City advanced work on the Dog River Pipeline replacement project to 95% completion. This project has replaced a 3.5 mile segment of water line that is 110 years old and carries nearly 54% of the City's water supply. This pipeline is made of wood and at peak flow would leak nearly 1 million gallons a day. An Aquifer Storage and Recovery (ASR) system feasibility study has been completed and the first ASR well is under construction by a private industry. The City is also moving forward with an update to the City's Water System Master Plan which will incorporate new infrastructure being developed in coordination with industrial and commercial users as well as address potential impacts from climate change. Concurrently, the City is also updating its state-required Water Management and Conservation Plan and developing a Watershed Stewardship Plan to guide management of forest resources in its municipal watershed which supplies about 80% of the City's annual water supply. A project to upgrade and upsize sanitary sewer mains and install stormwater collection systems in West 2nd Street was completed. Public Works investment also include repairs and improvements to our reservoirs as well as continuing to execute an ADA ramp transition plan and maintaining the Pavement Management Index of City streets. Monies are also being saved in reserve funds for future Transportation, Water and Sewer projects.

The Urban Renewal Agency has completed the demolition of the Tony's Building and is engaging the Urban Renewal Agency on the future re-development of the property through the issuance of a Request for Expressions of Interest (RFEI). Redevelopment of the Recreation Building site is currently underway, two new storefronts completed which include retail as well as an ice cream/candy shop. The third storefront is nearing completion and will become an outdoor space that will complement an adjacent restaurant. The 1929 Granada Theater Building, located on the same block, was sold by the Agency in 2020. The theater now holds shows each weekend, including movies and live music performers. The Agency is also continuing efforts to move forward with the 1st Streetscaping Project and recently returned grant funding and severed the project relationship with ODOT. This decision will allow the project to move forward more quickly and at a lower cost. This project also prompted discussion and needed action to raise the Maximum Indebtedness of the Agency in order to permit the expenditure of collected TIF revenues through 2029 to complete Agency projects. The project includes a new street, sidewalk and utility lines along First Street between Union and Laughlin Streets. The new streetscape will be inviting, bicycle-friendly, and ADA-accessible for the first time in The Dalles' history. The Agency has also had preliminary discussions with the City around the development of a plaza on downtown Federal St., and will likely be assisting the City in the development of a new parking lot on 3rd St., in support of several new projects in the downtown core including a nearly 100 unit mixed use vertical housing product in the downtown as well as a new grocery store located at the former Chronicle building, and the relocation of County administrative offices into the former Greater Oregon Behavioral Health (GOBHI) building.

**CITY OF THE DALLES
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

The Enterprise Zone still has several active abatements and zone sponsors have adjusted some of the employment requirements due to the Covid-19 pandemic and labor challenges. City and County leadership also completed incentive negotiations with Google for up to 2 new data centers under the States Strategic Investment Program (SIP). SIP and EZ provide up to 15 years of tax abatement but the SIP has several distinct components where a portion of the development is taxed and there is a community service fee that will be distributed to all taxing districts that levy taxes at the development site.

The City continues to be in partnership with the Port of The Dalles and Wasco County for joint work required concerning the Columbia River Gorge Commission "Gorge 2020" Management Plan for the Columbia River gorge national Scenic Area. The City is also leading a Brownfield Coalition Assessment Grant program in partnership with the Port and Wasco County, this program seeks to mitigate environmental concerns with underutilized property and get them into more productive use.

Last year changes were also been made to the City's code to encourage various types of housing developments. The Columbia Gorge Regional Airport successfully completed the installation of bulk Jet A tanks and are now in the planning and grant searching/submission stage (such as an OEM, BIL, and/or COAR grants) for projects such as construction of a new fuel tank and pump station in coordination with the decommissioning of the existing underground fuel system. Other upcoming projects include design and bidding for the South Apron Rehab, fuel apron design and planning, and Quonset building paint/roof repairs. There are continued inquiries about additional private hangar construction and the Airport is exploring options for how to support such construction. The North Apron Rehabilitation project has been completed and is awaiting the final FAA closeout report so the final drawn down can be completed. The Airport continues to have record fuel sales of over \$260,000 this year despite a less robust fire season as prior years. Continued growth in private jet, military, and general public aviation activity has played a strong role in these sales. The flowage fees associated with these sales is just over \$18,000.

The Dalles continues to face challenges with housing, school infrastructure, homelessness, and limited industrial and commercial land as a result of the Urban Growth Boundary. The UGB is a complicated process because the City is also located in the National Scenic Area and a process for expanding the UGB, incorporating this dynamic, has been challenging to establish.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. The Columbia Gateway Urban Renewal Agency has issued a separate report, which is available for those who are interested.

If you have questions about the report or need additional information, please contact the City Finance Director at 313 Court Street, The Dalles, Oregon.



| BASIC FINANCIAL STATEMENTS

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| **GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

CITY OF THE DALLES, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 32,656,919	\$ 14,479,701	\$ 47,136,620
Accounts receivable, net			
Accounts	2,737,557	1,656,658	4,394,215
Airport	95,962	-	95,962
Restricted assets			
Notes receivable - current portion	25,000	-	25,000
Prepaid items	18,452	-	18,452
Inventories	123,484	452,548	576,032
Total current assets	<u>35,657,374</u>	<u>16,588,907</u>	<u>52,246,281</u>
Non-current assets			
Airport receivable	1,215,221	-	1,215,221
Investment in joint ventures	12,144,941	-	12,144,941
Restricted assets			
Notes receivable - noncurrent portion	282,445	-	282,445
Lease receivable	279,263	-	279,263
Capital assets			
Lease assets, net	56,063	-	56,063
Right-of-use assets - software, net	40,422	-	40,422
Land	705,460	4,299,879	5,005,339
Construction in progress	3,004,629	15,475,928	18,480,557
Depreciable assets, net	31,939,537	54,323,808	86,263,345
Assets held-for-sale	1,006,516	-	1,006,516
Total non-current assets	<u>50,674,497</u>	<u>74,099,615</u>	<u>124,774,112</u>
Total assets	<u>86,331,871</u>	<u>90,688,522</u>	<u>177,020,393</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued expenses	1,328,004	815,587	2,143,591
Unearned revenue	1,899,808	-	1,899,808
Accrued interest payable	24,111	58,910	83,021
Compensated absences	473,629	245,736	719,365
Current portion of long-term obligations	834,720	929,475	1,764,195
Current portion of lease liability	22,037	-	22,037
Current portion of subscription liability	19,807	-	19,807
Current portion of total OPEB liability	5,077	3,013	8,090
Total current liabilities	<u>4,607,193</u>	<u>2,052,721</u>	<u>6,659,914</u>
Non-current liabilities			
Non-current portion of long-term obligations	4,477,254	14,859,523	19,336,777
Non-current portion of lease liability	33,453	-	33,453
Non-current portion of subscription liability	22,408	-	22,408
Non-current portion of total OPEB liability	177,277	105,199	282,476
Total non-current liabilities	<u>4,710,392</u>	<u>14,964,722</u>	<u>19,675,114</u>
Total liabilities	<u>9,317,585</u>	<u>17,017,443</u>	<u>26,335,028</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	279,263	-	279,263
Deferred inflows related to OPEB	493,867	293,069	786,936
Total deferred inflows of resources	<u>773,130</u>	<u>293,069</u>	<u>1,066,199</u>
NET POSITION			
Net investment in capital assets	30,336,432	58,310,617	88,647,049
Restricted for			
Capital projects	9,756,233	-	9,756,233
Debt service	870,405	-	870,405
Unrestricted	35,278,086	15,067,393	50,345,479
Total net position	<u>76,241,156</u>	<u>73,378,010</u>	<u>149,619,166</u>
Total liabilities and net position	<u>\$ 86,331,871</u>	<u>\$ 90,688,522</u>	<u>\$ 177,020,393</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF THE DALLES, OREGON
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 7,552,360	\$ 913,778	\$ -	\$ 8,971,329	\$ 2,332,747	\$ -	\$ 2,332,747
Public safety	5,451,433	85,350	7,123	-	(5,358,960)	-	(5,358,960)
Culture and recreation	2,678,460	8,415	9,147	-	(2,660,898)	-	(2,660,898)
Highways and streets	2,899,545	45,182	1,299,032	-	(1,555,331)	-	(1,555,331)
Interest expense	207,201	-	-	-	(207,201)	-	(207,201)
Total governmental activities	18,788,999	1,052,725	1,315,302	8,971,329	(7,449,643)	-	(7,449,643)
Business-type activities:							
All water funds	5,259,612	6,326,575	-	5,662	-	1,072,625	1,072,625
All wastewater funds	4,692,278	11,210,946	-	40,171	-	6,558,839	6,558,839
2018 utility bond fund	168,739	-	-	-	-	(168,739)	(168,739)
Total business-type activities	10,120,629	17,537,521	-	45,833	-	7,462,725	7,462,725
TOTAL GOVERNMENT	\$ 28,909,628	\$ 18,590,246	\$ 1,315,302	\$ 9,017,162	(7,449,643)	7,462,725	13,082
General revenues:							
Taxes:							
Property taxes levied for:							
					7,367,924	-	7,367,924
					1,670,280	-	1,670,280
					2,805,401	-	2,805,401
					1,301,968	477,579	1,779,547
					1,622,931	-	1,622,931
					198,460	262,929	461,389
					1,400,325	(1,400,325)	-
					16,367,289	(659,817)	15,707,472
					(463,299)	-	(463,299)
					8,454,347	6,802,908	15,257,255
					67,786,809	66,575,102	134,361,911
					\$ 76,241,156	\$ 73,378,010	\$ 149,619,166

The notes to the financial statements are an integral part of this statement.

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| FUND FINANCIAL STATEMENTS

**CITY OF THE DALLES, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	General Fund	Street Fund	Special Grants Fund	Library Fund	Special Enterprise Zone Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 9,158,427	\$ 1,534,583	\$ 5,230,382	\$ 2,793,489	\$ 3,941,632	\$ 9,998,404	\$ 32,656,917
Receivables							
Accounts	1,163,931	189,300	564,499	490	-	74,477	1,992,697
Leases	279,263	-	-	-	-	-	279,263
Fines and forfeitures, net	489,479	-	-	-	-	-	489,479
Property taxes	181,087	-	-	-	-	74,294	255,381
Notes	-	-	-	-	-	307,445	307,445
Prepaid items	18,452	-	-	-	-	-	18,452
Inventories	-	123,484	-	-	-	-	123,484
Total assets	<u>\$ 11,290,639</u>	<u>\$ 1,847,367</u>	<u>\$ 5,794,881</u>	<u>\$ 2,793,979</u>	<u>\$ 3,941,632</u>	<u>\$ 10,454,620</u>	<u>\$ 36,123,118</u>
LIABILITIES							
Accounts payable and accrued expenses	\$ 354,118	\$ 298,001	\$ 538,873	\$ 39,297	\$ -	\$ 97,715	\$ 1,328,004
Unearned revenue	-	-	1,899,808	-	-	-	1,899,808
Total liabilities	<u>354,118</u>	<u>298,001</u>	<u>2,438,681</u>	<u>39,297</u>	<u>-</u>	<u>97,715</u>	<u>3,227,812</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	181,087	-	-	-	-	65,480	246,567
Unavailable revenue - fines and forfeitures	456,670	-	-	-	-	26,044	482,714
Unavailable revenue - notes	-	-	-	-	-	307,445	307,445
Unavailable revenue - leases	279,263	-	-	-	-	-	279,263
Total deferred inflows of resources	<u>917,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>398,969</u>	<u>1,315,989</u>
FUND BALANCES							
Nonspendable							
Prepays	18,452	-	-	-	-	-	18,452
Inventory	-	123,484	-	-	-	-	123,484
Restricted for							
Grant / contributor specific intent	-	-	3,356,200	-	-	5,307	3,361,507
Debt service	-	-	-	-	-	804,925	804,925
Capital projects	-	1,425,882	-	-	-	5,575,669	7,001,551
Intergovernmental agreement	-	-	-	2,754,682	-	-	2,754,682
Committed for							
Major capital facilities and associated debt	-	-	-	-	-	3,242,581	3,242,581
Agreements with state agencies	-	-	-	-	3,941,632	329,454	4,271,086
Unassigned	10,001,049	-	-	-	-	-	10,001,049
Total fund balances	<u>10,019,501</u>	<u>1,549,366</u>	<u>3,356,200</u>	<u>2,754,682</u>	<u>3,941,632</u>	<u>9,957,936</u>	<u>31,579,317</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 11,290,639</u>	<u>\$ 1,847,367</u>	<u>\$ 5,794,881</u>	<u>\$ 2,793,979</u>	<u>\$ 3,941,632</u>	<u>\$ 10,454,620</u>	<u>\$ 36,123,118</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF THE DALLES, OREGON
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

TOTAL FUND BALANCES – governmental funds		\$ 31,579,317
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds		35,649,626
Assets held-for-sale are not current financial resources and, therefore, are not reported in the funds		1,006,516
Lease intangible right of use assets are not financial resources and, therefore, are not reported in the funds		56,063
Software intangible right of use assets are not financial resources and, therefore, are not reported in the funds		40,422
Investments in joint ventures are not financial resources and, therefore are not reported in the funds		12,144,941
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds		
Airport receivable	\$ 1,311,183	
Unavailable revenue	1,036,726	
	<hr/>	2,347,909
Long-term liabilities, other postemployment benefits liability, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Long-term debt	\$ (5,226,250)	
Premium	(85,724)	
Compensated absences	(473,629)	
Net present value of lease liabilities	(55,490)	
Net present value of software liabilities	(42,215)	
Interest payable	(24,111)	
Other postemployment benefits	(676,219)	
	<hr/>	(6,583,638)
NET POSITION - governmental activities		<u><u>\$ 76,241,156</u></u>

CITY OF THE DALLES, OREGON
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Street Fund	Special Grants Fund	Library Fund	Special Enterprise Zone Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Property taxes	\$ 4,947,513	\$ -	\$ -	\$ 2,416,377	\$ -	\$ 1,670,280	\$ 9,034,170
Other taxes	1,866,178	504,942	-	-	-	-	2,371,120
Franchise fees	284,535	113,957	-	-	-	35,789	434,281
Assessments	-	-	-	-	-	27,179	27,179
Licenses and fees	44,818	-	-	-	-	-	44,818
Intergovernmental	4,248,346	1,299,032	2,262,973	9,147	2,407,133	60,000	10,286,631
Fines and forfeitures, net	85,350	-	-	8,415	-	-	93,765
System development charges	146,229	-	-	-	-	-	146,229
Rental Income	81,553	-	-	-	-	478,055	559,608
Interest on investments	416,147	65,143	201,600	90,603	103,882	424,824	1,302,199
Miscellaneous	263,934	45,181	-	11,157	-	5,022	325,294
Total revenues	12,384,603	2,028,255	2,464,573	2,535,699	2,511,015	2,701,149	24,625,294
EXPENDITURES							
Current							
General government	3,588,511	-	-	-	-	549,004	4,137,515
Public safety	4,855,369	-	-	-	250,000	258,552	5,363,921
Planning and economic development	664,407	-	-	-	-	-	664,407
Culture and recreation	891,446	-	-	1,706,815	-	702	2,598,963
Highways and streets	-	2,189,958	2,016,840	-	-	-	4,206,798
Capital outlay	762,902	160,879	284,911	-	-	1,240,400	2,449,092
Debt service							
Principal	22,153	-	-	-	-	679,420	701,573
Interest	516	-	-	-	-	226,553	227,069
Total expenditures	10,785,304	2,350,837	2,301,751	1,706,815	250,000	2,954,631	20,349,338
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,599,299	(322,582)	162,822	828,884	2,261,015	(253,482)	4,275,956
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of property	560	7,406	-	-	-	-	7,966
Transfers in	2,464,152	1,089,125	-	-	-	3,898,691	7,451,968
Transfers out	(3,444,269)	(930,118)	(100,000)	(159,000)	(450,000)	(968,256)	(6,051,643)
Total other financing sources (uses)	(979,557)	166,413	(100,000)	(159,000)	(450,000)	2,930,435	1,408,291
NET CHANGE IN FUND BALANCE	619,742	(156,169)	62,822	669,884	1,811,015	2,676,953	5,684,247
FUND BALANCE, beginning of year	9,399,759	1,705,535	3,293,378	2,084,798	2,130,617	7,280,983	25,895,070
FUND BALANCE, end of year	\$ 10,019,501	\$ 1,549,366	\$ 3,356,200	\$ 2,754,682	\$ 3,941,632	\$ 9,957,936	\$ 31,579,317

The notes to the financial statements are an integral part of this statement.

**CITY OF THE DALLES, OREGON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

TOTAL NET CHANGE IN FUND BALANCES - governmental funds	\$	5,684,247	
Amounts reported for governmental activities in the statement of activities are different because:			
The Statement of Revenues, Expenditures, and Changes in Fund Balances report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period			
Current year depreciation	\$	(1,105,640)	
Current year additions		<u>1,503,334</u>	397,694
Governmental funds report expenditures for improvements to assets held-for-sale while governmental activities capitalize improvements to assets held-for-sale not to exceed the lesser of cost or net realizable value. The following represents capitalized costs and the impairment loss for valuation purposes as noted			
Capitalized costs	\$	495,562	
Impairment loss		<u>(463,299)</u>	32,263
The City has equity interests in two joint ventures. The allocated gain from these investments are not current financial resources and therefore is not reported in the governmental funds			
			1,622,931
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position			
			(39,458)
Some revenue reported in the statement of activities do not provide current financial resources the governmental funds			
Property taxes, Fines and forfeitures, and Miscellaneous revenues			48,947
Lease assets are recognized as an intangible right of use asset and are amortized over their estimated useful life and lease liabilities are recognized at the net present value of all future payments in the Statement of Net Position. In the current year principle payments exceeded amortization.			
			68
Software assets are recognized as an intangible right of use asset and are amortized over their estimated useful life and software liabilities are recognized at the net present value of all future payments in the Statement of Net Position. In the current year principle payments exceeded amortization.			
			(1,793)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds			
Compensated absences	\$	(48,633)	
Other post-employment benefits expense		47,410	
Loss on disposal of assets		<u>(30,262)</u>	(31,485)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. This is the amount by which repayments exceeded proceeds.			
Issuance of software	\$	(60,633)	
Debt service principal payments		765,845	
Premium amortization expense		<u>35,721</u>	740,933
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$		<u>8,454,347</u>

**CITY OF THE DALLES, OREGON
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
JUNE 30, 2024**

	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 2,950,914	\$ 11,524,012	\$ 4,775	\$ 14,479,701
Accounts receivable, net	830,385	826,273	-	1,656,658
Inventory	318,237	134,311	-	452,548
Total current assets	<u>4,099,536</u>	<u>12,484,596</u>	<u>4,775</u>	<u>16,588,907</u>
NONCURRENT ASSETS				
Capital assets				
Land	2,887,016	1,412,863	-	4,299,879
Construction in progress	13,317,553	2,158,375	-	15,475,928
Depreciable assets, net	21,247,031	33,076,777	-	54,323,808
Total noncurrent assets	<u>37,451,600</u>	<u>36,648,015</u>	<u>-</u>	<u>74,099,615</u>
TOTAL ASSETS	<u><u>41,551,136</u></u>	<u><u>49,132,611</u></u>	<u><u>4,775</u></u>	<u><u>90,688,522</u></u>
LIABILITIES				
Current liabilities				
Accounts payable	330,108	485,479	-	815,587
Accrued interest payable	36,175	9,946	12,789	58,910
Compensated absences payable	165,244	80,492	-	245,736
Current portion of long-term debt	204,538	72,326	652,611	929,475
Current portion of OPEB liability	1,888	1,125	-	3,013
Total current liabilities	<u>737,953</u>	<u>649,368</u>	<u>665,400</u>	<u>2,052,721</u>
Non-current liabilities				
Non-current portion of long-term debt	8,687,361	1,076,709	5,095,453	14,859,523
Non-current portion of total OPEB liability	65,923	39,276	-	105,199
Total non-current liabilities	<u>8,753,284</u>	<u>1,115,985</u>	<u>5,095,453</u>	<u>14,964,722</u>
Total liabilities	<u>9,491,237</u>	<u>1,765,353</u>	<u>5,760,853</u>	<u>17,017,443</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to OPEB	183,651	109,418	-	293,069
Total deferred inflows of resources	<u>183,651</u>	<u>109,418</u>	<u>-</u>	<u>293,069</u>
NET POSITION				
Net investment in capital assets	28,559,701	35,498,980	(5,748,064)	58,310,617
Unrestricted	3,316,547	11,758,860	(8,014)	15,067,393
TOTAL NET POSITION (DEFICIT)	<u>31,876,248</u>	<u>47,257,840</u>	<u>(5,756,078)</u>	<u>73,378,010</u>
TOTAL LIABILITIES AND NET POSITION (DEFICIT)	<u><u>\$ 41,551,136</u></u>	<u><u>\$ 49,132,611</u></u>	<u><u>\$ 4,775</u></u>	<u><u>\$ 90,688,522</u></u>

The notes to the financial statements are an integral part of this statement.

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**CITY OF THE DALLES, OREGON
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2024**

	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
OPERATING REVENUES				
Charges for services	\$ 6,263,929	\$ 5,600,564	\$ -	\$ 11,864,493
Systems development charges	58,218	5,610,382	-	5,668,600
Rental income	4,428	-	-	4,428
Miscellaneous	262,929	-	-	262,929
Total operating revenues	<u>6,589,504</u>	<u>11,210,946</u>	<u>-</u>	<u>17,800,450</u>
OPERATING EXPENSES				
Personnel service	2,661,092	1,418,208	-	4,079,300
Materials and services	1,595,934	2,205,543	-	3,801,477
Capital outlay	250,052	-	-	250,052
Depreciation and amortization	640,408	1,036,897	-	1,677,305
Total operating expenses	<u>5,147,486</u>	<u>4,660,648</u>	<u>-</u>	<u>9,808,134</u>
OPERATING INCOME (LOSS)	<u>1,442,018</u>	<u>6,550,298</u>	<u>-</u>	<u>7,992,316</u>
NONOPERATING REVENUES (EXPENSE)				
Gain (loss) on sale of capital assets	(43,163)	(66)	-	(43,229)
Interest on investments	160,620	316,959	-	477,579
Interest expense	(68,963)	(31,564)	(168,739)	(269,266)
Total nonoperating revenues (expenses)	<u>48,494</u>	<u>285,329</u>	<u>(168,739)</u>	<u>165,084</u>
INCOME BEFORE OPERATING TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>1,490,512</u>	<u>6,835,627</u>	<u>(168,739)</u>	<u>8,157,400</u>
TRANSFERS				
Transfers in	-	-	807,448	807,448
Transfers out	(1,291,924)	(915,849)	-	(2,207,773)
Total transfers	<u>(1,291,924)</u>	<u>(915,849)</u>	<u>807,448</u>	<u>(1,400,325)</u>
CAPITAL CONTRIBUTIONS				
Intergovernmental	\$ 5,662	\$ 40,171	-	45,833
CHANGE IN NET POSITION	204,250	5,959,949	638,709	6,802,908
NET POSITION, beginning of year	<u>31,671,998</u>	<u>41,297,891</u>	<u>(6,394,787)</u>	<u>66,575,102</u>
NET POSITION, end of year	<u>\$ 31,876,248</u>	<u>\$ 47,257,840</u>	<u>\$ (5,756,078)</u>	<u>\$ 73,378,010</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF THE DALLES, OREGON
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
JUNE 30, 2024**

	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 6,797,925	\$ 11,057,151	\$ -	\$ 17,855,076
Payments to suppliers	(2,914,804)	(1,798,695)	-	(4,713,499)
Payments to employees	(2,673,984)	(1,433,207)	-	(4,107,191)
Net cash provided by operating activities	1,209,137	7,825,249	-	9,034,386
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	-	-	807,448	807,448
Transfers out	(1,291,924)	(915,849)	-	(2,207,773)
Net cash (used) by noncapital financing activities	(1,291,924)	(915,849)	807,448	(1,400,325)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from intergovernmental revenue	5,662	40,171	-	45,833
Proceeds from capital debt	3,574,087	-	-	3,574,087
Proceeds from sale of capital asset	2,486	5,390	-	7,876
Acquisition of capital assets	(6,500,243)	(2,185,174)	-	(8,685,417)
Principal paid on long-term obligations	(197,400)	(70,503)	(636,967)	(904,870)
Interest paid on long-term obligations	(74,456)	(32,657)	(170,157)	(277,270)
Net cash provided (used) by capital and related financing activities	(3,189,864)	(2,242,773)	(807,124)	(6,239,761)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	160,620	316,959	-	477,579
Net cash provided (used) by investing activities	160,620	316,959	-	477,579
Net change in cash and cash equivalents	(3,112,031)	4,983,586	324	1,871,879
CASH AND CASH EQUIVALENTS, BEGINNING	6,062,945	6,540,426	4,451	12,607,822
CASH AND CASH EQUIVALENTS, ENDING	\$ 2,950,914	\$ 11,524,012	\$ 4,775	\$ 14,479,701
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,442,018	\$ 6,550,298	\$ -	\$ 7,992,316
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization expense	640,408	1,036,897	-	1,677,305
Decrease (increase) in:				
Receivables	208,421	(153,795)	-	54,626
Inventories	40,669	(35,362)	-	5,307
Increase (decrease) in:				
Accounts payable and accrued expenses	(1,109,487)	442,210	-	(667,277)
Other postemployment benefits payable	(32,563)	(22,636)	-	(55,199)
Deferred inflows related to other post-employment benefits	2,808	(4,267)	-	(1,459)
Accrued compensated absences	16,863	11,904	-	28,767
Total adjustments	(232,881)	1,274,951	-	1,042,070
Net cash provided by operating activities	\$ 1,209,137	\$ 7,825,249	\$ -	\$ 9,034,386

The notes to the financial statements are an integral part of this statement.



| NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The City of The Dalles (the City), is organized under the general laws of the State of Oregon. The City Council, composed of the mayor and five Council members, comprises the legislative branch of the City. Individual departments are under the direction of the City Manager, who is appointed by the City Council. The accompanying financial statements present all activities, funds and component units for which the City is considered to be financially accountable.

The governmental reporting entity consists of the City, the primary government, and its component unit. Component units are legally separate organizations for which the City is financially accountable, or other organizations whose nature and significant relationship with the City are such that the exclusion would cause the City's financial statements to be misleading or incomplete. Based upon the evaluation of this criteria, the basic financial statements include the Columbia Gateway Urban Renewal Agency. The blended component unit is considered part of the City's operations, and so financial information from this unit is combined with the information of the City.

The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of this criteria, the City is a primary government with the following includable component unit.

Blended component unit – The Columbia Gateway Urban Renewal Agency (the Agency) was formed to undertake urban renewal projects and activities pursuant to the City's redevelopment plan. The Urban Renewal Board of Directors is currently a 9-member body made up of one representative each from the Wasco County Parks and Recreation Agency, Wasco County, Mid-Columbia Fire and Rescue District and the Port of The Dalles, three members from the City of the Dalles City Council and two citizen members appointed by the Mayor. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxing authority, and funding for the Agency.

Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units are combined with data of the primary government. The Columbia Gateway Urban Renewal Agency is a blended component unit and, in substance, is part of the City's operations, although it is a legally separate entity. The City provides accounting and operational support for the Columbia Gateway Urban Renewal Agency and has a June 30 year-end. Complete financial statements for the Agency may be obtained at the City's administrative offices, 313 Court Street, The Dalles, OR 97058.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the business-types activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus and the accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the City, the elimination of which would distort the direct cost and program revenues reported for the various functions concerned. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using *the current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes and federal and state grants. Other revenue items are considered to be measurable and available when received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The bases of accounting described above are in accordance with accounting principles generally accepted in the United States of America.

The City reports the following major governmental funds:

General Fund - The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

Street Fund - The Street Fund accounts for the cost of maintaining City streets and storm water drainage systems. Principal sources of revenues are state gasoline taxes apportioned from the State of Oregon, local fuel taxes, charges for services to other funds, and transfers.

Special Grants Fund - The Special Grants Fund accounts for the financing of public improvements or services deemed to benefit primarily the properties against which the assessments are levied. Principal sources of revenues are assessment principal and interest collected.

Library Fund - The Library Fund accounts for the cost of providing personal, educational, cultural and recreational information to residents. Principal sources of revenues are property taxes apportioned from the Wasco County Library Service District, annual membership fees from non-local residents, and intergovernmental revenues.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Special Enterprise Zone Fund - The Special Enterprise Zone Fund accounts for the costs of services, projects, property and equipment as identified. The principal source of revenue is from Design LLC, pursuant to the Enterprise Zone Agreement, dated August 17, 2015.

The City reports the following major proprietary funds:

Water Funds - The Water Funds accounts for revenues and expenses related to the City's water utility operations.

Wastewater Funds - The Wastewater Funds account for revenues and expenses related to the City's wastewater utility operations.

2018 Utility Bond Fund - The 2018 Utility Bond Fund accounts for the accumulation of resources for, and the repayment of, general long-term debt principal and interest relating to the Series 2018 Revenue and Refunding Bond.

The City also includes the following fund types as other governmental funds:

Special revenue funds - Special revenue funds are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

Capital projects funds - Capital projects funds account for expenditures on major construction projects or equipment acquisitions. The principal sources of revenues are proceeds from long-term obligations issued to finance capital acquisitions and improvements.

Debt service funds - Debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt for governmental funds.

Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and investments in the Oregon State Treasury Local Government Investment Pool (LGIP).

The City maintains merged bank accounts and investments for its funds in a central pool of cash and investments. The investment policy of the City is to invest in LGIP and interest-bearing demand deposits with local banks and to transfer resources to the general checking account as the need arises. This policy is in accordance with ORS 294.035, which specifies the types of investments authorized for municipal corporations. The City allocates earnings on investments to each fund based on average monthly cash balances throughout the year. For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) purchased with a maturity of three months or less to be cash equivalents.

Investments in the Local Government Investment Pool are stated at amortized cost, which approximates fair value. All other investments are reported at fair value.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “interfund receivables/payables” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not available expendable financial resources.

Other receivables including property taxes, accounts, entitlements, and shared revenues are reported in accordance with the policies enumerated in the Government-Wide and Fund Financial Statements paragraph above. An allowance for bad debts is carried in the enterprise funds. The City has strong enforcement procedures including shut off of utility services. An allowance for bad debt is not carried in the governmental funds because the City has determined that any uncollectible amount would be immaterial to the financial statements.

Inventories and Prepaid Expenses

Inventories in Street, Water and Wastewater Funds are determined by annual physical count and are stated at cost.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost when actual cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is expensed.

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	45-150 years
Building and land improvements	50 years
Equipment	5-20 years

Intangible assets (right of use) depends on the life of the lease or subscription. It is the City's policy to record no depreciation on capital assets in the year of acquisition and a full year of depreciation in the year of disposition.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Assets Held-for-Sale

Assets held-for-sale represent capital assets including land and other properties acquired to achieve the Agency's general purpose and are held until development or other opportunities are identified. Assets held-for-sale are recorded at the lower of cost or net realizable value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. The City has no deferred outflow of resources.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City recognizes deferred inflows related to the OPEB liability and for lease revenue to be earned in future periods in the government-wide financial statements. The City has two items that qualify for reporting in this category under the modified accrual basis of accounting. The item "unavailable revenue," is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes court and assessments, notes and leases receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also records a deferred inflow of resources in the governmental funds balance sheet for lease revenue to be earned in future periods.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities or business-type activities Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

It is the City's policy to permit employees to accumulate earned, but unused, vacation, compensatory time, and sick pay benefits. No liability is reported for unpaid accumulated sick pay benefits. All vacation and compensatory time pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Compensated absences are normally paid from the General, Library, Street, Water, and Wastewater funds. The entire balance of compensated absences has been reported as due within one year because the oldest leave hours accrued are considered to be used first, so the balances are constantly being updated by use and new accruals.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Investment in Joint Ventures

Investment in joint ventures with other governments is reported at cost plus or minus the City's share of operating income or loss utilizing the equity method of accounting for investments.

Postemployment Benefits Other than Pensions (OPEB)

The City provides a single-employer defined benefit postemployment benefit plan (the OPEB Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB and OPEB expense, information has been determined on the same basis as reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Allocations of OPEB items to the City's governmental and enterprise funds are determined on the basis of payroll expenditures by department. Allocation rates for the current year were 62.8% for governmental activities, 23.3% for the Water Fund and 13.9% for the Wastewater Fund.

Leases

A lessee is required to recognize a lease payable and an intangible right-to-use lease asset. A lease payable is recognized at the net present value of future lease payments and is adjusted over time by interest and payments. Future lease payments include fixed payments. The right-to-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement and is subsequently amortized over the life of the lease.

The City has chosen not to implement GASB 87 for the budgetary basis of accounting. For both the budgetary basis of accounting and for leases that do not meet the criteria for valuation under GASB 87, the City will report inflows of cash for lessor leases and outflows of cash for lessee leases.

The measurement of leases receivable is based on the present value of lease payments expected to be received during the lease term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any lease incentives payable to the lessee. A number of leases have a maximum possible term of 12 months (or less), including options to extend, regardless of their probability of being exercised. Those payments are recognized as inflows of resources based on the payment provisions of the lease contracts and are therefore excluded from the schedule in this section.

Subscription-based Information Technology Arrangements (SBITAs)

Subscription-based information technology arrangements (SBITAs) are recognized in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement defines a SBITA as a contract that conveys control of the right to use another party's (the SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Subscription-based Information Technology Arrangements (SBITAs) (continued)

Financial statements prepared using the economic resources measurement focus, a subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset at the commencement of the subscription term. The subscription liability is recognized at the net present value of future subscription payments and is adjusted over time by payments and interest. Future subscription payments are discounted using the City's estimated incremental borrowing rate. Future subscription payments include fixed and/or variable payments, based on the contract between the subscriber and vendor. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term and is subsequently amortized over the life of the subscription. Subscription and capitalizable implementation cost payments made prior to the commencement of the subscription are classified as prepaid assets until the subscription commences; after the subscription commences, the prepaid assets are reclassified as an intangible right-to-use subscription asset.

For financial statements prepared using the current financial resources measurement focus, an other financing source and capital outlay are reported in the year the subscription asset is initially recognized.

The other financing source is reported equal to the net present value of future subscription payments. Capital outlay is reported equal to the sum of the net present value of future subscription payments, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term. Subsequent governmental fund subscription payments are recorded as principal and interest payments.

The City has chosen not to implement GASB 96 for the budgetary basis of accounting. For both the budgetary basis of accounting and for SBITAs that do not meet the criteria for valuation under GASB 96, the City will report outflows of cash for subscription payments.

Operating Revenues and Expenses, Non-operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for sales of water, sewer, and electrical services. Operating expenses are necessary costs incurred to provide the goods or services that is the primary activity of the fund.

Non-operating revenues and expenses of the City are those revenues and expenses not directly related to the service provided by the fund. Non-operating revenues and expenses include interest, grants, and gain or loss on disposition of capital assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components.

- **Non-spendable** – Amounts not immediately converted to cash, such as prepaid items and inventory.

CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024

Note 1 - Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

- **Restricted** – Includes amounts that are restricted by external creditors, granters or contributors, or restricted by enabling legislation.
- **Committed** – Includes amounts that have been committed by resolution by the City Council which is the City's "highest level of decision-making authority." Committed amounts may not be used for any other purpose unless the City Council removes the constraint by similar council action. Commitments of fund balance must be made prior to the end of the fiscal year.
- **Assigned** – Includes amounts assigned for specific purposes by council action who authorizes, by resolution, the City Manager to assign fund balance. Assigned fund balance is also established by the Council through adoption or amendment of the budget as intended for specific purpose.
- **Unassigned** – This is the residual classification used for those balances not assigned to another category. Only the general fund may have an unassigned balance.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or law or regulations of other governments. For specific details see the statement of net position.

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- **Net investment in capital assets** – This consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- **Restricted net position** – This consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- **Unrestricted net position** – Includes the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 1 - Summary of Significant Accounting Policies (continued)

Adoption of New GASB Pronouncements

During the year ended June 30, 2024, the District implemented the following GASB Pronouncements:

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement clarifies the presentation and disclosures requirements for prior period adjustments to beginning net position. There is no effect on the City's financial statements as a result of this Statement.

Future GASB Pronouncements

The following GASB Pronouncements have been issued, but are not effective as of June 30, 2024:

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences and is effective for the City for the fiscal year ending June 30, 2025.

GASB Statement No. 102, *Certain Risk Disclosures*. Issued in December 2023, this Statement requires governments to provide essential information about risks related to vulnerabilities due to certain concentrations or constraints that may limit the ability to acquire resources or control spending. This Statement will be effective for the City for the fiscal year ending June 30, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*. Issued in April 2024, this Statement updates key components of the financial reporting model to enhance the effectiveness of providing information essential for decision making and assessing accountability. This Statement will be effective for the City for the fiscal year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Issued in September 2024, this Statement requires certain information regarding capital assets to be presented by major class. This Statement will be effective for the City for the fiscal year ending June 30, 2026.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with U.S. GAAP for all governmental funds. The annual budgets for the proprietary funds are adopted on a basis not consistent with U.S. GAAP to comply with Oregon Local Budget Law. All annual appropriations lapse at fiscal year-end.

Oregon local budget law establishes standard procedures relating to the preparation, adoption, and execution of the annual budget. The City begins its budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of budgetary control is established at the department level for the General Fund. For all other funds, the level of budgetary control is established at the personal services, materials and services, capital outlay, operating contingency, interfund transfers, debt services, special payments, and contingencies.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 2 - Stewardship, Compliance, and Accountability (continued)

Unexpected additional resources may be added to the budget and appropriated for expenditure through the use of a supplemental budget. The supplemental budget process requires publication in the newspaper and approval by the City Council, and, if it is over 10% of the operating budget of the affected fund, a hearing before the public is also required. Oregon Local Budget Law also provides certain specific exceptions to the supplemental budget process to increase appropriations. Management must obtain City Council authorization for all appropriation transfers and supplementary budgetary appropriations. During fiscal year 2024, the City issued three supplemental budgets.

During the fiscal year ended June 30, 2024, the City was in compliance with Local Budget Law, except for the following:

	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
Special Assessment Fund			
Materials and services	\$ 28,658	\$ 48,723	\$ (20,065)
General Fund			
Special payments	879,300	891,446	(12,146)
Principal	21,112	22,153	(1,041)
Interest	416	516	(100)

Note 3 - Deposits and Investments

Deposits – The GASB has adopted U.S. GAAP, which include standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2024. If bank deposits at year end are not entirely insured or collateralized with securities held by the City or by its agent in the City's name, the City must disclose the custodial credit risk that exists. Deposits with financial institutions are comprised of bank demand deposits. Any deposits with financial institutions will be covered up to \$250,000 by the Federal Depository Insurance Corporation (FDIC), and the remaining deposited at an approved depository as prescribed by the Oregon State Treasurer.

The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Effective July 1, 2008, state statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295 .001 to 295 .108. As long as the bank depository has entered into an agreement (ORS 295.008(2)(b)) and has deposited securities pursuant to state statutes (ORS 295.015(1)), there may now be on deposit at any one bank depository and its branches, a sum in excess of the amount insured by the FDIC. For the fiscal year ended June 30, 2024, the total carrying amount of the City's deposits in various financial institutions was \$44,207,146 and the bank balance was \$47,881,182. All deposits are held in the name of the City. Of the bank balance, the entire amount was covered by federal depository insurance or collateralized.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 3 - Deposits and Investments (continued)

Custodial credit risk – Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned. The FDIC provides insurance for the City’s deposits up to \$250,000 for the combined total of all deposit accounts at each financial institution. The remaining deposits are covered by the Public Funds Collateralization program (PFCP) of the State of Oregon in accordance with ORS 295. Depositories qualified under this program are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank failure or loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS 295 creates a shared liability structure for participating depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. As of June 30, 2024, the City’s bank balances were not exposed to custodial credit risk as they were collateralized under PFCP.

The City does not have a formal policy for custodial credit risk.

Investments – The City of The Dalles has invested funds in the State Treasurer’s Oregon Short-Term Fund Local Government Investment Pool during the year. The Oregon Short-Term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an unrated external investment pool managed by the State Treasurer’s office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and the participant’s equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City’s cash position.

Credit Risk. State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers’ acceptances, certain commercial papers, and the State Treasurer’s investment pool, among others. The City has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has no such investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Investments held by the City at June 30, 2024, are as follows:

<u>Investment Type</u>	<u>Maturity</u>	<u>Percentage of Portfolio</u>	<u>Fair Value</u>
Local Government Investment Pool	1 day	100%	<u>\$ 2,928,239</u>
Cash on hand			\$ 1,235
Carrying amount of deposits			44,207,146
Local Government Investment Pool			<u>2,928,239</u>
Total			<u>\$ 47,136,620</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 3 - Deposits and Investments (continued)

Cash and cash equivalents are shown on the statement of net position as follows:

Governmental Activities	
Cash and cash equivalents	<u>\$ 32,656,919</u>
Total governmental activities	<u>32,656,919</u>
Business-type Activities	
Cash and cash equivalents	<u>14,479,701</u>
Total business-type activities	<u>14,479,701</u>
Total	<u><u>\$ 47,136,620</u></u>

Note 4 - Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. Investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

LGIP balances are measured at amortized cost and are readily available to spend when needed. The balance in this pool is expected to stay fairly static as the interest rate in the pool is desirable. The risk associated with the LGIP is very low. The City only invests in the LGIP. The value of the City's investments as of June 30, 2024 was \$2,928,239.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 5 – Receivables

Receivables as of fiscal-year end for the governmental activities individual major funds and non-major funds in the aggregate are as follows:

	General Fund	Street Fund	Special Grants Fund	Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
Receivables:						
Accounts	\$ 1,163,931	\$ 189,300	\$ 564,499	\$ 490	\$ 74,477	\$ 1,992,697
Leases	279,263	-	-	-	-	279,263
Fines and forfeitures, net	489,479	-	-	-	-	489,479
Property taxes	181,087	-	-	-	74,294	255,381
Notes	-	-	-	-	307,445	307,445
	<u>\$ 2,113,760</u>	<u>\$ 189,300</u>	<u>\$ 564,499</u>	<u>\$ 490</u>	<u>\$ 456,216</u>	<u>\$ 3,324,265</u>

In addition to the fund basis receivables above, governmental activities on the accrual basis has receivables from the Airport which represent the current and noncurrent portions of the Full Faith and Credit Obligations, Series 2015, of which there are outstanding bond principal and unamortized premium balances of \$1,305,000 and \$6,184, respectively. The current portion of these amounts of \$95,962 approximates the City's current receivable and the remaining balance is classified as noncurrent.

Receivables as of year-end for the business-type activities individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	Water	Wastewater	Business-Type Activities
Receivables:			
Accounts	\$ 966,454	\$ 1,013,463	\$ 1,979,917
Allowance for doubtful accounts	<u>(136,069)</u>	<u>(187,190)</u>	<u>(323,259)</u>
	<u>\$ 830,385</u>	<u>\$ 826,273</u>	<u>\$ 1,656,658</u>

Note 6 - Leases Receivable

The City leases a portion of its properties to various third parties who use the space to conduct their operations on the City grounds, the terms of which expire 2024 through 2033.

The City reports leases receivable with a carrying amount of \$279,263, and a deferred inflow of resources in the amount of \$279,263 as of June 30, 2024.

The following is a schedule by year of minimum payments to be received under the City's leases that are included in the measurement of the lease receivable as of June 30, 2024:

Fiscal Year Ending	Governmental Activities		
	Principal	Interest	Total
2025	\$ 73,170	\$ 728	\$ 73,898
2026	73,367	532	73,899
2027	65,142	358	65,500
2028	65,288	212	65,500
2029	2,296	204	2,500
Total	<u>\$ 279,263</u>	<u>\$ 2,034</u>	<u>\$ 281,297</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 7 - Interfund Receivables and Payables

Outstanding balances between funds may result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. As of June 30, 2024, there are no interfund receivable (payable) balances.

Note 8 - Internal Transfers

	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental activities		
General Fund	\$ 2,464,152	\$ (3,444,269)
Street Fund	1,089,125	(930,118)
Special Grants Fund	-	(100,000)
Library Fund	-	(159,000)
Special Enterprise Zone Fund	-	(450,000)
Nonmajor Governmental Funds	<u>3,898,691</u>	<u>(968,256)</u>
Total governmental activities transfers	7,451,968	(6,051,643)
Business-type activities		
Water fund	-	(1,291,924)
Wastewater fund	-	(915,849)
2018 Utility Bond fund	<u>807,448</u>	<u>-</u>
Total business-type activities transfers	807,448	(2,207,773)
Total transfers	<u>\$ 8,259,416</u>	<u>\$ (8,259,416)</u>

Transfers between funds provide support for various City programs in accordance with budgetary authorizations and are utilized to provide for additional funding for reserve purposes, contribute towards the cost of capital projects, and to provide for other operational resources.

The City made the following transfers:

- From the General Fund to the Street Fund, Unemployment Fund, Capital Projects Fund and the Airport Fund are to supplement current operations.
- From the Library fund to the General Fund and the Capital Project Fund for admin expenditures, legal services, and to start saving for replacement of HVAC system.
- From the Street Fund to the General Fund, Public Works Reserve Fund and Transportation System Fund for future infrastructure improvements and/or replacement.
- From the Water Fund to the General Fund, Street Fund, Public Works Reserve Fund, Unemployment Fund and Water Capital Reserve Fund for future infrastructure improvements and/or replacement and to supplement current operations.
- From the Water Capital Reserve Fund to the 2009 FFCO Debt Service Fund and 2018 Utility Bond Fund for debt service payments.
- From the Wastewater Fund to the General Fund, Street Fund, Public Works Reserve Fund, Sewer Special Reserve Fund and the Sewer Plant Construction Debt Service Fund for future infrastructure improvements and/or replacement and to supplement current operations.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 8 - Internal Transfers (continued)

- From the Sewer Special Reserve Fund to the 2009 FFCO Debt Service Fund for debt service payments. The City made transfers from the Sewer Plant Construction Debt Service Fund to the 2018 Utility Bond Fund for debt service payments.
- From the Special Assessment Fund to the General Fund and 2009 FFCO Debt Service Fund for admin services provided by the General Fund and debt service payments.
- From the Capital Projects Fund to the State Office Building Fund for phone services and insurance expenditures the City pays for.
- From the Special Grants Fund to the General Fund and the Transportation Reserve Fund for general staff expenditures and 12th Street Sidewalk project expenditures.
- From the Special Enterprise Zone Fund to the Transportation Reserve Fund and the Special Assessment Fund safe route and commercial sidewalk programs.

All transfers were included in the original budget document.

Note 9 - Capital Assets

Capital asset activity for the City for the fiscal year ended June 30, 2024 was as follows:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
GOVERNMENTAL ACTIVITIES					
NONDEPRECIABLE CAPITAL ASSETS					
Land	\$ 705,460	\$ -	\$ -	\$ -	\$ 705,460
Construction in progress	2,674,584	905,910	-	(575,865)	3,004,629
Total nondepreciable capital assets	3,380,044	905,910	-	(575,865)	3,710,089
DEPRECIABLE CAPITAL ASSETS					
Intangible assets - leases	115,595	-	(1,976)	-	113,619
Intangible assets - software	-	60,633	-	-	60,633
Land improvements	8,858,168	34,680	-	145,201	9,038,049
Buildings	7,393,827	14,423	-	265,026	7,673,276
Equipment	3,554,360	487,686	(278,365)	165,638	3,929,319
Infrastructure	26,923,111	-	-	-	26,923,111
Total depreciable capital assets	46,845,061	597,422	(280,341)	575,865	47,738,007
ACCUMULATED DEPRECIATION AND AMORTIZATION					
Amortization of intangible assets - leases	(36,226)	(23,306)	1,976	-	(57,556)
Amortization of intangible assets - software	-	(20,211)	-	-	(20,211)
Land improvements	(1,837,908)	(174,480)	-	-	(2,012,388)
Buildings	(3,094,126)	(193,048)	-	-	(3,287,174)
Equipment	(2,175,064)	(239,752)	208,647	-	(2,206,169)
Infrastructure	(7,620,129)	(498,358)	-	-	(8,118,487)
Total accumulated depreciation and amortization	(14,763,453)	(1,149,155)	210,623	-	(15,701,985)
Total depreciable assets	32,081,608	(551,733)	(69,718)	575,865	32,036,022
NET GOVERNMENTAL CAPITAL ASSETS	\$ 35,461,652	\$ 354,177	\$ (69,718)	\$ -	\$ 35,746,111

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 9 - Capital Assets (continued)

Depreciation is allocated as a direct expense to the governmental programs as follows:

General government	\$ 276,801
Public safety	85,632
Highways and streets	664,731
Culture and recreation	<u>78,476</u>
	<u>\$ 1,105,640</u>

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
BUSINESS-TYPE ACTIVITIES					
NONDEPRECIABLE CAPITAL ASSETS					
Land	\$ 4,299,879	\$ -	\$ -	\$ -	\$ 4,299,879
Construction in progress	<u>9,542,736</u>	<u>8,343,079</u>	<u>-</u>	<u>(2,409,887)</u>	<u>15,475,928</u>
Total nondepreciable capital assets	<u>13,842,615</u>	<u>8,343,079</u>	<u>-</u>	<u>(2,409,887)</u>	<u>19,775,807</u>
DEPRECIABLE CAPITAL ASSETS					
Land improvements	11,942,317	47,062	(67,747)	1,132,179	13,053,811
Buildings	4,272,749	-	(5,848)	24,515	4,291,416
Equipment	6,151,749	266,373	(166,502)	-	6,251,620
Wastewater treatment plant	24,336,768	-	-	54,603	24,391,371
Dams and lines	<u>27,596,061</u>	<u>27,480</u>	<u>-</u>	<u>1,198,590</u>	<u>28,822,131</u>
Total depreciable capital assets	<u>74,299,644</u>	<u>340,915</u>	<u>(240,097)</u>	<u>2,409,887</u>	<u>76,810,349</u>
ACCUMULATED DEPRECIATION					
Land improvements	(2,561,593)	(211,314)	21,985	-	(2,750,922)
Buildings	(2,740,686)	(89,861)	-	-	(2,830,547)
Equipment	(3,525,259)	(286,252)	166,087	-	(3,645,424)
Wastewater treatment plant	(5,060,887)	(538,654)	-	-	(5,599,541)
Dams and lines	<u>(7,108,883)</u>	<u>(551,224)</u>	<u>-</u>	<u>-</u>	<u>(7,660,107)</u>
Total accumulated depreciation	<u>(20,997,308)</u>	<u>(1,677,305)</u>	<u>188,072</u>	<u>-</u>	<u>(22,486,541)</u>
Total depreciable assets	<u>53,302,336</u>	<u>(1,336,390)</u>	<u>(52,025)</u>	<u>2,409,887</u>	<u>54,323,808</u>
NET BUSINESS-TYPE CAPITAL ASSETS	<u>\$ 67,144,951</u>	<u>\$ 7,006,689</u>	<u>\$ (52,025)</u>	<u>\$ -</u>	<u>\$ 74,099,615</u>

Depreciation is allocated as a direct expense to the business-type activities as follows:

Water	\$ 640,408
Wastewater	<u>1,036,897</u>
	<u>\$ 1,677,305</u>

Note 10 – Assets Held-for-Sale

The Urban Renewal Agency acquires and refurbishes assets for the benefit of the City and local businesses, and any assets during this activity would become the property of the benefiting entity. During the year ended June 30, 2024, demolition costs of \$495,562 were incurred on a property held-for-sale with an initial cost of \$423,934 and an assessed value of \$456,200. As such, the difference of \$32,263 was capitalized and the remaining balance of \$463,299 in excess of the estimated net realizable value was recognized as an impairment loss on the Statement of Activities and reported as a special item.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 10 – Assets Held-for-Sale (continued)

The following is a summary of changes in assets held-for-sale during the fiscal year ended June 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Assets held-for-sale	\$ 974,253	\$ 32,263	\$ -	\$ 1,006,516

Note 11 – Investment in Joint Ventures

The QualityLife Intergovernmental Agency (QLife) is jointly owned by the City of The Dalles and Wasco County, Oregon, each party owning 50 percent. QLife operates a fiber optic network to the residents of The Dalles and Wasco County and new Maupin project. The Maupin project was started in fiscal year ended June 30, 2016 and will be a separate operating network from the one that services the City and Wasco County. Revenues earned by the QLife are expended for the continued operations and maintenance of the network. Upon dissolution of QLife, the net position would be shared 50 percent each to the City and Wasco County. The QLife is governed by a five-member board comprised of two appointees from the City, two appointees from Wasco County, and the fifth member is appointed by the other four. The City's net investment and its share of the operating results of the QLife are reported in the City's governmental activities. For the fiscal year ended June 30, 2023, the most recent year audited financial statements were available, the investment in QLife increased by \$124,137 as a result of operations. The City's investment in QLife is \$2,777,842 and is accounted for using the equity method.

The Columbia Gorge Regional Airport (Airport) is a joint venture created to operate the Columbia Gorge Regional Airport and Business Park. The joint venture is between the City of The Dalles and Klickitat County, Washington, each party owning 50 percent. Revenues earned by the Airport are expended for the continued operations and maintenance of the Airport. Upon dissolution of the Airport, the net position would be shared 50 percent each to the City and Klickitat County. The Airport is governed by a seven-member board comprised of three appointees from the City, three appointees from Klickitat County, and the seventh member is appointed by the other six. The City develops and adopts the budget for the Airport. The City's net investment and its share of any net income of the Airport are reported in the City's governmental activities. For the fiscal year ended June 30, the investment in the Airport increased \$1,498,794 resulting from operations. The City's investment in Airport is \$9,367,099 and is accounted for using the equity method.

Complete financial statements for QLife can be obtained from Wasco County administrative offices, 511 Washington Street, Suite 101, The Dalles, OR 97058. The complete financial statements for the Airport can be obtained from the City of The Dalles' administrative offices, 313 Court Street, The Dalles, OR 97058.

Note 12 - Long-term Obligations

Full Faith and Credit Obligation Bonds-Governmental and Business-Type Activities

The City issued \$12,100,000 in Full Faith and Credit Obligations, Series 2009, in October of 2009. \$10,205,000 of the bonds was for the benefit of the Columbia Gateway Urban Renewal Agency and will be repaid from tax increment revenues with the Urban Renewal area with interest rates ranging from 2.0% to 5.0%. The remaining \$1,895,000 of the bonds was issued to finance improvements to the Street, Water, and Wastewater systems and have been split between the benefitting funds. \$1,368,000 was allocated to street improvements and has been reported with the governmental activities.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Full Faith and Credit Obligation Bonds-Governmental and Business-Type Activities (continued)

The bonds are backed by the full faith and credit of the City and carry interest rates ranging from 2.0% to 5.0%. The total bonds were issued to finance construction of public infrastructure improvements, Urban Renewal Projects, to refinance the Urban Renewal Bonds series 2002, to fund an Urban Renewal debt reserve, and to pay the costs of issuance. The City pledged its general non-restricted revenues and other funds, the Urban Renewal Agency has pledged its tax increment revenues and earnings for repayment of the Urban Renewal Portion of the obligation. If the bond is defaulted, by failure to make required principal or interest payments or other covenants, action to enforce the financing agreement may take place for the amount of the obligation then outstanding to its satisfaction.

The future maturities of the full faith and credit obligation bonds – governmental activities are as follows:

**2009 Full Faith and Credit Bonds
Urban Renewal Portion**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 630,000	\$ 171,925	\$ 22,983	\$ 824,908
2026	660,000	142,000	18,802	820,802
2027	695,000	109,000	14,424	818,424
2028	725,000	74,250	9,822	809,072
2029	760,000	38,000	5,022	803,022
Total	<u>\$ 3,470,000</u>	<u>\$ 535,175</u>	<u>\$ 71,053</u>	<u>\$ 4,076,228</u>

**2009 Full Faith and Credit Bonds
Street LID Portion**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 83,030	\$ 22,355	\$ 2,745	\$ 108,130
2026	86,640	18,410	2,246	107,296
2027	90,250	14,078	1,723	106,051
2028	93,860	9,567	1,173	104,600
2029	97,470	4,873	600	102,943
Total	<u>\$ 451,250</u>	<u>\$ 69,283</u>	<u>\$ 8,487</u>	<u>\$ 529,020</u>

**2009 Full Faith and Credit Bonds
Governmental Activities**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 713,030	\$ 194,280	\$ 25,728	\$ 933,038
2026	746,640	160,410	21,048	928,098
2027	785,250	123,078	16,147	924,475
2028	818,860	83,817	10,995	913,672
2029	857,470	42,873	5,622	905,965
Total	<u>\$ 3,921,250</u>	<u>\$ 604,458</u>	<u>\$ 79,540</u>	<u>\$ 4,605,248</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Full Faith and Credit Obligation Bonds-Governmental and Business-Type Activities (continued)

The future maturities of the full faith and credit obligation bonds – business-type activities are as follows:

**2009 Full Faith and Credit Bonds
Wastewater Bonds**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 5,635	\$ 1,517	\$ 177	\$ 7,329
2026	5,880	1,250	145	7,275
2027	6,125	956	111	7,192
2028	6,370	649	76	7,095
2029	6,615	331	39	6,985
Total	<u>\$ 30,625</u>	<u>\$ 4,703</u>	<u>\$ 548</u>	<u>\$ 35,876</u>

**2009 Full Faith and Credit Bonds
Water Bonds**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 26,335	\$ 7,091	\$ 827	\$ 34,253
2026	27,480	5,840	677	33,997
2027	28,625	4,466	519	33,610
2028	29,770	3,034	353	33,157
2029	30,915	1,546	181	32,642
Total	<u>\$ 143,125</u>	<u>\$ 21,977</u>	<u>\$ 2,557</u>	<u>\$ 167,659</u>

**2009 Full Faith and Credit Bonds
Business-type activities**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 31,970	\$ 8,608	\$ 1,004	\$ 41,582
2026	33,360	7,090	822	41,272
2027	34,750	5,422	630	40,802
2028	36,140	3,683	429	40,252
2029	37,530	1,877	220	39,627
Total	<u>\$ 173,750</u>	<u>\$ 26,680</u>	<u>\$ 3,105</u>	<u>\$ 203,535</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Airport Debt

In April 2015, the City issued \$2,000,000 in certificates of participation to finance the acquisition of two hangar buildings and a flex space building at the Airport to be leased for business purposes. Bond principal is due annually and interest is due semiannually with interest rates ranging from 2.0% to 4.5%. The City pledged its full faith and credit and taxing power to pay the amounts due under the obligation. Additionally, the City has pledged rent revenues generated from the lease of the flex space and other properties located at the Airport. As of June 30, 2024, the City has recorded a liability for the bonds of \$1,305,000 and an offsetting receivable of \$1,311,183 from the Airport which includes the unamortized premium balance.

Future maturities of the certificates payable are as follows:

**2015B Certificates of Participation
Governmental Activities**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Premium</u>	<u>Total</u>
2025	\$ 95,000	\$ 58,725	\$ 962	\$ 154,687
2026	100,000	54,450	891	155,341
2027	105,000	49,950	816	155,766
2028	105,000	45,225	741	150,966
2029	110,000	40,500	663	151,163
2030-2034	645,000	122,400	2,002	769,402
2035	145,000	6,525	109	151,634
Total	<u>\$ 1,305,000</u>	<u>\$ 377,775</u>	<u>\$ 6,184</u>	<u>\$ 1,688,959</u>

Bonds Payable-Business-Type Activities (Direct Borrowings)

The City issued \$12,176,563 in Water and Wastewater Revenue and Refunding Bond, Series 2018, in January 2018. This bond was used to refund the Wastewater Revenue Bonds, Series 2003, Water Revenue Bonds, Series 2007, and fund additional wastewater projects. The bond principal is payable annually and the interest is payable semiannually with an interest rate of 2.67%. Final payment is due June 1, 2032. The City has pledged the net revenues to the payment of principal, premium (if any) and interest on direct borrowings related to business activities of \$9,224,516. This pledge is from the time of the adoption of the master plan and shall be maintained as long as the bonds are outstanding. The bond is subject to redemption prior to maturity in whole or in part at the option of the City on any day on or after June 1, 2025, at par (100%) plus accrued interest thereon to the date of redemption. If the bonds are defaulted, by failure to make required principal or interest payments or other covenants, actions to enforce the financing agreement may take place for the amount of the obligations then outstanding to its satisfaction. However, the bonds shall not be subject to acceleration.

Annual debt service requirements to maturity for the revenue bond is as follows:

<u>Revenue Bond</u>	<u>Revenue Stream</u>	<u>For the Year Ending June 30, of Final Payments</u>	<u>Future Pledged Revenue Debt Outstanding</u>	<u>Revenue, Net of Related Expenses For the Year Ending June 30, 2024</u>	<u>For the Year Ending June 30, 2024, Debt Payments</u>
Utility Revenue and Refunding Bonds	Water and Wastewater net operating income	2032	\$ 5,748,064	\$ 4,480,051	\$ 807,447

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Bonds Payable-Business-Type Activities (Direct Borrowings) (continued)

Future maturities of the bonds payable are as follows:

Utility Revenue

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 652,611	\$ 153,473	\$ 806,084
2026	673,235	136,048	809,283
2027	688,571	118,073	806,644
2028	708,686	99,688	808,374
2029	727,588	80,766	808,354
2030-2032	<u>2,297,373</u>	<u>123,771</u>	<u>2,421,144</u>
Total	<u>\$ 5,748,064</u>	<u>\$ 711,819</u>	<u>\$ 6,459,883</u>

Loan Payable-Business-Type Activities (Direct Borrowings)

Water Fund - The City received approvals of two loans from the State of Oregon through its Oregon Infrastructure Finance Authority (OIFA) of the Business Development Department for water system improvements. The loans consist of the America Recovery and Reinvestment Act (ARRA) Loan for up to \$1,025,149 and the Safe Drinking Water Revolving Loan Fund (SDWRLF-A) Loan for up to \$2,553,101. The loan proceeds are disbursed on an expense reimbursement basis and the associated projects were completed with final loan values of \$1,025,149 and \$3,546,469, for ARRA and SDWRLF-A, respectively. The ARRA Loan bears interest at 3% per annum. The SDWRLF-A loan originally carried interest at 3.83% but was reduced to 3% when the State received EPA approval of an amended Oregon Safe Drinking Water Intended Use Plan that allows the interest rate to be reduced. Repayment of the ARRA and SDWRLF-A began December 1, 2014. The principal and interest of these two loans is payable from the Net Revenues of the Water System and the full faith and credit of the City. The City pledged its full faith and credit and taxing power to pay the amounts due under the loan agreement and note. If the loan is defaulted, by failure to make required principal or interest payments, the State could declare all principal and interest and all other amounts due immediately. It could also prevent the City from applying for future state assistance. These loans are aggregated in a single amortization as managed by the State in the table below.

The City also received approval for a loan from the State of Oregon through its Department of Environmental Quality for wastewater system improvements. The Clean Water State Revolving Fund (CWSRF) Loan is for an amount up to \$2,000,000. Of this, \$500,000 is forgivable upon completion of the project with no defaults occurring. The loan proceeds are disbursed on an expense reimbursement basis. Loan proceeds have been accrued in the amount of \$1,929,998 to match the budgetary revenues to the federal expenditures reported. The City complied with the loan terms, completed the project as budgeted, and no defaults occurred. This resulted in \$500,000 of the loan being forgiven in FY18/19. The CWSRF Loan bears interest at 2.14% per annum and repayment began September 1, 2019. The principal and interest of the loan shall be payable from the Net Revenue of the Wastewater system. If the loan is defaulted, by failure to make required principal or interest payments, the State could declare all principal and interest and all other amounts due immediately.

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Loan Payable-Business-Type Activities (Direct Borrowings)

During fiscal year 2022 the City was awarded an additional SDWRLF Loan (SDWRLF-B) through the OIFA to assist with the Dog River pipeline replacement project. The original loan of \$4,030,000 was increased to \$8,030,000 in April of 2022 with a forgivable amount of \$530,000. The loan term is 30 years at an interest rate of 1.00%. To date the City has drawn \$6,712,802 of the available balance. Repayment terms have not yet been established.

Future maturities of the loans payable are as follows:

Fiscal Year	ARRA/SDWRLF-A Loan		CWSRF Loan		SDWRLF-B Loan		Total Principal	Total Interest
	Principal	Interest	Principal	Interest	Principal	Interest		
2025	\$ 177,375	\$ 61,002	\$ 66,514	\$ 23,568	\$ -	\$ -	\$ 243,889	\$ 84,570
2026	182,697	55,681	67,945	22,137	-	-	250,642	77,818
2027	188,178	50,200	69,407	20,675	-	-	257,585	70,875
2028	193,823	44,554	70,900	19,182	-	-	264,723	63,736
2029	199,638	38,740	72,425	17,657	-	-	272,063	56,397
2030-2034	1,091,703	100,189	386,181	64,229	-	-	1,477,884	164,418
2035-2039	-	-	384,491	20,861	-	-	384,491	20,861
Undetermined	-	-	-	-	6,712,802	-	6,712,802	-
Total	<u>\$ 2,033,414</u>	<u>\$ 350,366</u>	<u>\$ 1,117,863</u>	<u>\$ 188,309</u>	<u>\$ 6,712,802</u>	<u>\$ -</u>	<u>\$ 9,864,079</u>	<u>\$ 538,675</u>

Long-term obligation activity for the year ended June 30, 2024, is as follows:

	Balance at June 30, 2023	Additions	Reductions	Balance at June 30, 2024	Due Within One Year
Governmental Activities					
Total Full Faith and Credit Bonds	\$ 5,995,670	\$ -	\$ (769,420)	\$ 5,226,250	\$ 808,030
Total Premium on bonds	117,870	-	(32,146)	85,724	26,690
Total governmental activity long-term obligations	<u>\$ 6,113,540</u>	<u>\$ -</u>	<u>\$ (801,566)</u>	<u>\$ 5,311,974</u>	<u>\$ 834,720</u>
Business-Type Activities:					
Revenue Bond (direct borrowing)	\$ 6,385,032	\$ -	\$ (636,968)	\$ 5,748,064	\$ 652,611
Full Faith and Credit Bonds	204,330	-	(30,580)	173,750	31,970
Premium on Bonds	5,993	-	(2,888)	3,105	1,005
Loans Payable (direct borrowing)	6,527,315	3,574,090	(237,326)	9,864,079	243,889
Total business-type activity long-term obligations	<u>\$ 13,122,670</u>	<u>\$ 3,574,090</u>	<u>\$ (907,762)</u>	<u>\$ 15,788,998</u>	<u>\$ 929,475</u>

Lease Liability

At June 30, 2024, the City had nine lease agreements for the rental of copiers and cameras that qualified under GASB Statement No.87. Incremental borrowing rates of 1.2 percent to 2.8 percent were used to measure lease payables. Lease liabilities recorded under lease contracts as of June 30, 2024 were \$55,490.

The lease liability currently outstanding as of June 30, 2024 is as follows:

	Balance at June 30, 2023	Additions	Reductions	Balance at June 30, 2024	Due Within One Year
Governmental Activities					
Lease liability	\$ 78,862	\$ -	\$ (23,372)	\$ 55,490	\$ 22,040

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 12 - Long-term Obligations (continued)

Lease Liability (continued)

Future minimum payments required, on an annual basis, are as follows:

**Lease Liability
Governmental Activities**

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 22,040	\$ 386	\$ 22,426
2026	22,084	206	22,290
2027	10,488	57	10,545
2028	878	9	887
Total	<u>\$ 55,490</u>	<u>\$ 658</u>	<u>\$ 56,148</u>

Subscription Liability

The City has entered into 1 non-cancellable lease agreement as the subscriber for software. The agreement is qualified as subscription-based information technology agreements under GASB Statement No. 96 covering a period of July 11, 2023 through July 11, 2026. The agreement does not include extensions. Payments made for the current year totaled \$20,638 with an interest rate of 4.52%.

The subscription liability currently outstanding as of June 30, 2024 is as follows:

	Balance at June 30, 2023	Additions	Reductions	Balance at 30-Jun-24	Due Within One Year
Governmental Activities					
Lease subscription	\$ -	\$ 60,633	\$ (18,418)	\$ 42,215	\$ 19,807

Future annual subscription commitments as of June 30, 2024 are as follows:

**Subscription Liability
Governmental Activities**

Ending June 30,	Principal	Interest	Total
2025	\$ 19,807	\$ 1,421	\$ 21,228
2026	22,408	507	22,915
Total	<u>\$ 42,215</u>	<u>\$ 1,928</u>	<u>\$ 44,143</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 13 – Accrued Compensated Absences

The changes in accrued compensated absences for the year ended June 30, 2024 are as follows:

	Accrued June 30, 2023	Net Change	Accrued June 30, 2024	Due Within One Year
Governmental Activities	\$ 424,996	\$ 48,633	\$ 473,629	\$ 473,629
Business-Type Activities	216,969	28,767	245,736	245,736
	<u>\$ 641,965</u>	<u>\$ 77,400</u>	<u>\$ 719,365</u>	<u>\$ 719,365</u>

It is the City’s opinion that the liability is current in nature as it has capped amounts which can be earned to encourage employees to take their vacation annually.

Note 14 - Other Post-Employment Benefits (OPEB)

Plan Description

The government does not have a formal post-employment benefits plan for any employee groups; however, the government is required by Oregon Revised Statutes 243.303 to provide retirees with group health and dental insurance from the date of retirement to age 65 at the same rate provided to current employees. GASB 75 is applicable to the government due only to the implicit rate subsidy. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare.

This “plan” is a single employer defined benefit plan. This plan is a not considered a trust or equivalent arrangement as there are no plan assets. It is not a stand-alone plan and therefore does not issue its own financial statements.

Benefits Provided

All employees of the government retiring from active service with a pension benefit payable immediately under Oregon PERS is eligible. Retirees and their dependents under age 65 are allowed to continue the health care coverage received prior to retirement. Premiums for retirees are tiered and based upon the premium rate available to active employees. The retiree is responsible for payment of the premiums.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the implicit benefit terms:

Active members	105
Inactive members currently receiving benefits	1
Inactive members entitled to but not yet receiving benefits	<u>0</u>
Total	<u><u>106</u></u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 14 - Other Post-Employment Benefits (OPEB) (continued)

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

As of June 30, 2024, the government reported an OPEB liability of \$290,566. Total OPEB liability is determined using the entry age normal actuarial cost allocation method. In addition, GASB 75 requires that the allocation of costs for accounting purposes be made as a level percentage of employees' projected pay, including future anticipated pay increases. This measurement is based on the June 30, 2024 valuation date and a June 30, 2024 measurement date.

	<u>Total OPEB Liability</u>
Balance as of June 30, 2023	\$ 415,534
Changes for the year:	
Service Cost	34,655
Interest on total OPEB liability	15,734
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	(38,570)
Effect of assumptions changes or inputs	(125,336)
Benefit payments	<u>(11,451)</u>
Balance as of June 30, 2024	<u>\$ 290,566</u>

For the year ended June 30, 2024, the City recognized a reduction to OPEB expense of \$58,097. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 218,882
Change of assumptions	-	<u>568,054</u>
Total	<u>\$ -</u>	<u>\$ 786,936</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Net Deferred Outflow/(Inflow) of Resources</u>
2025	\$ (139,989)
2026	(139,989)
2027	(139,989)
2028	(139,989)
2029	(139,989)
Thereafter	<u>(86,991)</u>
Total	<u>\$ (786,936)</u>

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 14 - Other Post-Employment Benefits (OPEB) (continued)

Actuarial methods and assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2024 actuarial valuation, the entry age normal cost method was used. Demographic assumptions regarding retirement, mortality, and turnover are based on RP 2014 annuitant district mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement.

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.50 percent
Salary Increases	2.90 percent
Withdrawal, retirement, and mortality rates	RP 2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement.
Election and Lapse Rates	25% of eligible employees 20% of male members and 20% of female members will elect spouse coverage.

Discount rate. Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for the June 30, 2024 reporting date is 3.93 percent.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$ 314,774	\$ 290,566	\$ 267,981

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate 5.25% decreasing to 5.0%	1% Increase
Total OPEB Liability	\$ 258,396	\$ 290,566	\$ 327,998

**CITY OF THE DALLES
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 14 - Other Post-Employment Benefits (OPEB) (continued)

Changes in Assumptions and Methods

A summary of key changes implemented since the June 30, 2022 valuation are noted below.

Discount Rate

- Updated to reflect the current 20-year tax-exempt municipal bond yield which increased from 3.54% to 3.93%.

Retiree Participation Rate

- The future retiree participation rate decreased from 35% to 25% based on the City's recent experience.

Note 15 - Commitments - Construction in Progress

The City has various active construction obligations at June 30, 2024. The total project costs of these obligations are as follows:

Project	Contract Amount	Completed to Date	Remaining Commitment
Washinton Street Underpass	\$ 8,100,000	\$ 2,307,632	\$ 5,792,368
3rd Street Streetscape	3,000,000	52,668	2,947,332
Downtown Parking Structure	3,300,000	19,680	3,280,320
Granada Block	570,000	284,774	285,226
W 2nd Street Utility Improvements - Phase 2	2,149,783	1,693,820	455,963
1st Street Parking	3,720,000	42,866	3,677,134
Total	<u>\$ 20,839,783</u>	<u>\$ 4,401,440</u>	<u>\$ 16,438,343</u>

Note 16 - Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Note 17 - Risk Management

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; and errors and omissions for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for the past five years.

Note 18 - Tax Abatements

The City has authorized tax-exempt status for three qualified firms within the City: HIX The Dalles LLC, PowderPure, and Design, LLC. All properties are required to meet State and Federal funding requirements which include annual physical inspections and an annual audit of financial activity and programmatic compliance. The property tax exemption may be removed if the property is no longer eligible under the stated provisions of ORS 307.540 to 307.548. Section E of the renewal application requires the applicant to acknowledge compliance with the requirements annually. For fiscal year ending June 30, 2024, the foregone property tax revenue is \$4,529,613.



| **REQUIRED SUPPLEMENTARY
INFORMATION**

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Property taxes	\$ 4,502,041	\$ 4,502,041	\$ 4,947,513	\$ 445,472
Other taxes	1,897,801	1,897,801	1,866,178	(31,623)
Franchise fees	299,270	299,270	284,535	(14,735)
Licenses and fees	41,150	41,150	44,818	3,668
Intergovernmental	6,852,813	6,852,813	4,248,346	(2,604,467)
Fines and forfeitures, net	60,300	60,300	85,350	25,050
System development charges	45,000	45,000	146,229	101,229
Rental income	75,775	75,775	81,553	5,778
Interest on investments	101,020	101,020	416,147	315,127
Miscellaneous	213,000	213,000	263,934	50,934
Total revenues	14,088,170	14,088,170	12,384,603	(1,703,567)
EXPENDITURES				
General government	3,873,102	3,993,217	3,588,511	404,706
Public safety	5,584,593	5,723,503	4,855,369	868,134
Planning and economic development	944,138	953,423	664,407	289,016
Special payments	879,300	879,300	891,446	(12,146)
Capital outlay	7,694,350	7,694,350	762,902	6,931,448
Debt service				
Principal	21,112	21,112	22,153	(1,041)
Interest	416	416	516	(100)
Contingency	1,062,247	793,937	-	793,937
Total expenditures	20,059,258	20,059,258	10,785,304	9,273,954
Revenues over (under) expenditures	(5,971,088)	(5,971,088)	1,599,299	7,570,387
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	-	-	560	560
Transfers in	3,947,299	3,947,299	2,464,152	(1,483,147)
Transfers out	(3,814,192)	(3,814,192)	(3,444,269)	369,923
Total other financing sources (uses)	133,107	133,107	(979,557)	(1,112,664)
Net changes in fund balances	(5,837,981)	(5,837,981)	619,742	6,457,723
FUND BALANCE, beginning of year	8,318,794	8,318,794	9,399,759	1,080,965
FUND BALANCE, end of year	\$ 2,480,813	\$ 2,480,813	\$ 10,019,501	\$ 7,538,688

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STREET FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Other taxes	\$ 475,000	\$ 475,000	\$ 504,942	\$ 29,942
Franchise fees	81,402	81,402	113,957	32,555
Intergovernmental	1,326,576	1,326,576	1,299,032	(27,544)
Interest on investments	30,000	30,000	65,143	35,143
Miscellaneous	750	750	45,181	44,431
Total revenues	1,913,728	1,913,728	2,028,255	114,527
EXPENDITURES				
Highway and streets				
Personal service	1,245,888	1,245,888	1,088,874	157,014
Materials and services	726,282	904,134	1,101,084	(196,950)
Capital outlay	1,475,120	1,525,120	160,879	1,364,241
Contingency	111,128	111,128	-	111,128
Total expenditures	3,558,418	3,786,270	2,350,837	1,435,433
Revenues over (under) expenditures	(1,644,690)	(1,872,542)	(322,582)	1,549,960
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	8,000	8,000	7,406	(594)
Transfers in	1,089,125	1,089,125	1,089,125	-
Transfers out	(930,118)	(930,118)	(930,118)	-
Total other financing sources (uses)	167,007	167,007	166,413	(594)
Net changes in fund balances	(1,477,683)	(1,705,535)	(156,169)	1,549,366
FUND BALANCE, beginning of year	1,477,683	1,705,535	1,705,535	-
FUND BALANCE, end of year	\$ -	\$ -	\$ 1,549,366	\$ 1,549,366

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL GRANTS FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Intergovernmental	\$ 2,130,255	2,130,255	\$ 2,262,973	\$ 132,718
Interest on investments	55,000	55,000	201,600	146,600
Total revenues	<u>2,185,255</u>	<u>2,185,255</u>	<u>2,464,573</u>	<u>279,318</u>
EXPENDITURES				
Highways and streets				
Materials and services	3,191,861	3,191,861	2,016,840	1,175,021
Capital outlay	3,875,137	3,875,137	284,911	3,590,226
Total expenditures	<u>7,066,998</u>	<u>7,066,998</u>	<u>2,301,751</u>	<u>4,765,247</u>
Revenues over (under) expenditures	<u>(4,881,743)</u>	<u>(4,881,743)</u>	<u>162,822</u>	<u>5,044,565</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(1,549,147)</u>	<u>(1,549,147)</u>	<u>(100,000)</u>	<u>1,449,147</u>
Total other financing sources (uses)	<u>(1,549,147)</u>	<u>(1,549,147)</u>	<u>(100,000)</u>	<u>1,449,147</u>
Net changes in fund balances	(6,430,890)	(6,430,890)	62,822	6,493,712
FUND BALANCE, beginning of year	<u>6,430,890</u>	<u>6,430,890</u>	<u>3,293,378</u>	<u>(3,137,512)</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,356,200</u>	<u>\$ 3,356,200</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LIBRARY FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Property taxes	\$ 1,944,428	\$ 1,944,428	\$ 2,416,377	\$ 471,949
Intergovernmental	259,010	259,010	9,147	(249,863)
Fines and forfeitures, net	5,000	5,000	8,415	3,415
Contributions	100	100	-	(100)
Interest on investments	33,812	33,812	90,603	56,791
Miscellaneous	-	-	11,157	11,157
Total revenues	<u>2,242,350</u>	<u>2,242,350</u>	<u>2,535,699</u>	<u>293,349</u>
EXPENDITURES				
Culture and recreation				
Personnel service	1,130,545	1,130,545	1,071,002	59,543
Materials and services	1,031,866	1,031,866	635,813	396,053
Capital outlay	718,000	718,000	-	718,000
Contingency	250,455	250,455	-	250,455
Total expenditures	<u>3,130,866</u>	<u>3,130,866</u>	<u>1,706,815</u>	<u>1,424,051</u>
Revenues over (under) expenditures	(888,516)	(888,516)	828,884	1,717,400
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(193,000)</u>	<u>(193,000)</u>	<u>(159,000)</u>	<u>34,000</u>
Net changes in fund balances	(1,081,516)	(1,081,516)	669,884	1,751,400
FUND BALANCE, beginning of year	<u>1,977,178</u>	<u>1,977,178</u>	<u>2,084,798</u>	<u>107,620</u>
FUND BALANCE, end of year	<u>\$ 895,662</u>	<u>\$ 895,662</u>	<u>\$ 2,754,682</u>	<u>\$ 1,859,020</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL ENTERPRISE ZONE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Intergovernmental	\$ 907,133	\$ 907,133	\$ 2,407,133	\$ 1,500,000
Interest on investments	43,000	43,000	103,882	60,882
Total revenues	<u>950,133</u>	<u>950,133</u>	<u>2,511,015</u>	<u>1,560,882</u>
EXPENDITURES				
Highways and streets				
Materials and services	<u>2,608,832</u>	<u>2,608,832</u>	<u>250,000</u>	<u>2,358,832</u>
Revenues over (under) expenditures	<u>(1,658,699)</u>	<u>(1,658,699)</u>	<u>2,261,015</u>	<u>3,919,714</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	<u>-</u>
Net changes in fund balances	<u>(2,108,699)</u>	<u>(2,108,699)</u>	<u>1,811,015</u>	<u>3,919,714</u>
FUND BALANCE, beginning of year	<u>2,108,699</u>	<u>2,108,699</u>	<u>2,130,617</u>	<u>21,918</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,941,632</u>	<u>\$ 3,941,632</u>

CITY OF THE DALLES, OREGON
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST SEVEN FISCAL YEARS ENDING JUNE 30, 2024

Total OPEB Liability	2024	2023	2022	2021
Service cost	\$ 34,655	\$ 33,678	\$ 33,790	\$ 32,838
Interest	15,734	14,276	10,664	9,837
Differences between expected and actual experience	(38,570)	-	(73,476)	-
Changes of assumption	(125,336)	-	(43,715)	-
Benefit payments	(11,451)	(4,046)	(8,770)	(3,610)
Net change in total OPEB liability	(124,968)	43,908	(81,507)	39,065
Total OPEB liability - beginning	415,534	371,626	453,133	414,068
Total OPEB liability - ending	\$ 290,566	\$ 415,534	\$ 371,626	\$ 453,133
Covered-employee payroll	\$ 8,468,300	\$ 6,746,262	\$ 6,556,134	\$ 6,456,317
Total OPEB liability as a percentage of covered-employee payroll	3.43%	6.16%	5.67%	7.02%
	2020	2019	2018	
Service cost	\$ 110,586	\$ 99,156	\$ 102,501	
Interest	45,989	-	-	
Differences between expected and actual experience	(265,631)	-	-	
Changes of assumption	(849,813)	-	-	
Benefit payments	-	(96,302)	(83,554)	
Net change in total OPEB liability	(958,869)	2,854	18,947	
Total OPEB liability - beginning	1,372,937	1,370,083	1,351,136	
Total OPEB liability - ending	\$ 414,068	\$ 1,372,937	\$ 1,370,083	
Covered-employee payroll	\$ 6,274,361	\$ 5,548,044	\$ 4,823,785	
Total OPEB liability as a percentage of covered-employee payroll	6.60%	24.75%	28.40%	

Significant Methods and Assumptions:

The amounts presented for each fiscal year were actuarially determined at July 1 and rolled forward to the measurement date. A summary of assumptions used in the July 1, 2024 valuation are outlined briefly in Note 14 in the notes to the basic financial statements.

Other Information:

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF THE DALLES, OREGON
SCHEDULE OF CONTRIBUTIONS - OPEB
LAST EIGHT FISCAL YEARS ENDING JUNE 30, 2024**

City of the Dalles Contributions

	2024	2023	2022	2021
Contractually required contributions	\$ 11,451	\$ 4,046	\$ 8,770	\$ 3,610
Contribution in relation to the contractually required	<u>(11,451)</u>	<u>(4,046)</u>	<u>(8,770)</u>	<u>(3,610)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered - employee payroll	\$ 8,468,300	\$ 6,746,262	\$ 6,556,134	\$ 6,456,317
Contributions as a percentage of covered-employee payroll	0.14%	0.06%	0.13%	0.06%
	2020	2019	2018	2017
Contractually required contributions	\$ -	\$ 96,302	\$ 83,554	\$ 143,658
Contribution in relation to the contractually required	<u>-</u>	<u>(96,302)</u>	<u>(83,554)</u>	<u>(143,658)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered - employee payroll	\$ 6,274,361	\$ 5,548,044	\$ 4,823,785	\$ 5,340,702
Contributions as a percentage of covered-employee payroll	0.00%	1.74%	1.73%	2.69%

Significant Methods and Assumptions:

The amounts presented for each fiscal year were actuarially determined at July 1 and rolled forward to the measurement date. A summary of assumptions used in the July 1, 2024 valuation are outlined briefly in Note 14 in the notes to the basic financial statements.

Other Information:

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.



| OTHER SUPPLEMENTARY
INFORMATION

**CITY OF THE DALLES, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Fund	Total
ASSETS				
Cash and cash equivalents	\$ 312,280	\$ 804,925	\$ 8,881,199	\$ 9,998,404
Receivables				
Accounts	23,517	-	50,960	74,477
Property taxes	-	-	74,294	74,294
Notes	-	-	307,445	307,445
TOTAL ASSETS	\$ 335,797	\$ 804,925	\$ 9,313,898	\$ 10,454,620
LIABILITIES				
Accounts payable and accrued expenses	\$ 1,036	\$ -	\$ 96,679	\$ 97,715
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	65,480	65,480
Unavailable revenue - assessments	-	-	26,044	26,044
Unavailable revenue - notes	-	-	307,445	307,445
Total deferred inflows of resources	-	-	398,969	398,969
FUND BALANCE				
Restricted for				
Grant / contributor specific intent	5,307	-	-	5,307
Debt service	-	804,925	-	804,925
Capital projects	-	-	5,575,669	5,575,669
Committed for				
Major capital facilities and associated debt	-	-	3,242,581	3,242,581
Agreements with state agencies	329,454	-	-	329,454
Total fund balances	334,761	804,925	8,818,250	9,957,936
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 335,797	\$ 804,925	\$ 9,313,898	\$ 10,454,620

**CITY OF THE DALLES, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Fund	Total
REVENUES				
Property taxes	\$ -	\$ 794,712	\$ 875,568	\$ 1,670,280
Intergovernmental			60,000	60,000
Franchise fees	-	-	35,789	35,789
Assessments	-	-	27,179	27,179
Rental income	253,231	-	224,824	478,055
Interest on investments	14,520	4,900	405,404	424,824
Miscellaneous	-	-	5,022	5,022
Total revenues	267,751	799,612	1,633,786	2,701,149
EXPENDITURES				
General government	-	-	549,004	549,004
Public safety	258,552	-	-	258,552
Culture and recreation	702	-	-	702
Capital outlay	34,680	-	1,205,720	1,240,400
Debt service				
Principal	-	679,420	-	679,420
Interest	-	226,553	-	226,553
Total expenditures	293,934	905,973	1,754,724	2,954,631
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(26,183)	(106,361)	(120,938)	(253,482)
OTHER FINANCING SOURCES (USES)				
Transfer in	11,643	946,613	2,940,435	3,898,691
Transfer out	-	(841,065)	(127,191)	(968,256)
Total other financing sources (uses)	11,643	105,548	2,813,244	2,930,435
NET CHANGE IN FUND BALANCE	(14,540)	(813)	2,692,306	2,676,953
FUND BALANCES, beginning of year	349,301	805,738	6,125,944	7,280,983
FUND BALANCES, end of year	\$ 334,761	\$ 804,925	\$ 8,818,250	\$ 9,957,936

**CITY OF THE DALLES, OREGON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024**

	Community Benevolence Fund	State Office Building Fund	Total
ASSETS			
Cash and cash equivalents	\$ 5,307	\$ 306,973	\$ 312,280
Receivables:			
Accounts	-	23,517	23,517
TOTAL ASSETS	<u>\$ 5,307</u>	<u>\$ 330,490</u>	<u>\$ 335,797</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ -	\$ 1,036	\$ 1,036
FUND BALANCES			
Restricted for			
Grant / contributor specific intent	5,307	-	5,307
Committed for			
Agreements with state agencies	-	329,454	329,454
Total fund balances	<u>5,307</u>	<u>329,454</u>	<u>334,761</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,307</u>	<u>\$ 330,490</u>	<u>\$ 335,797</u>

**CITY OF THE DALLES, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2024**

	Community Benevolence Fund	State Office Building Fund	Total
REVENUES			
Rental income	\$ -	\$ 253,231	\$ 253,231
Interest on investments	240	14,280	14,520
Total revenues	240	267,511	267,751
EXPENDITURES			
Public safety	-	258,552	258,552
Culture and recreation	702	-	702
Capital outlay	-	34,680	34,680
Total expenditures	702	293,232	293,934
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(462)	(25,721)	(26,183)
OTHER FINANCING SOURCES (USES)			
Transfer in	-	11,643	11,643
Total other financing sources (uses)	-	11,643	11,643
NET CHANGE IN FUND BALANCE	(462)	(14,078)	(14,540)
FUND BALANCES, beginning of year	5,769	343,532	349,301
FUND BALANCES, end of year	\$ 5,307	\$ 329,454	\$ 334,761

**CITY OF THE DALLES, OREGON
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2024**

	FFCO 2008 Bond Fund	2009 FFCO Bond Fund	Urban Renewal Debt Fund	Totals
ASSETS				
Cash and cash equivalents	\$ 3,000	\$ -	\$ 801,925	\$ 804,925
FUND BALANCES				
Restricted for:				
Debt service	\$ 3,000	\$ -	\$ 801,925	\$ 804,925

**CITY OF THE DALLES, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	FFCO 2008 Bond Fund	2009 FFCO Bond Fund	Urban Renewal Debt Fund	Totals
REVENUES				
Property taxes	\$ -	\$ -	\$ 794,712	\$ 794,712
Interest on investments	-	-	4,900	4,900
Total revenues	-	-	799,612	799,612
EXPENDITURES				
Debt service				
Principal	-	679,420	-	679,420
Interest	-	226,553	-	226,553
Total expenditures	-	905,973	-	905,973
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	-	(905,973)	799,612	(106,361)
Other financing sources (uses)				
Transfers in	-	946,613	-	946,613
Transfers out	-	(40,640) *	(800,425) **	(841,065)
Total other financing sources (uses)	-	905,973	(800,425)	105,548
NET CHANGE IN FUND BALANCE	-	-	(813)	(813)
FUND BALANCE, beginning of year	<u>3,000</u>	<u>-</u>	<u>802,738</u>	<u>805,738</u>
FUND BALANCE, end of year	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 801,925</u>	<u>\$ 804,925</u>

* Amount represents transfers to business-type funds for debt service in the amounts of \$30,580 and \$10,060 in principal and interest, respectively. Amounts are reported as debt service expenditures for budgetary purposes and transfers out for GAAP financial reporting purposes.

** Amount represents transfers to the 2009 FFCO Bond Fund for \$600,000 and \$200,425 in debt service of principal and interest, respectively, as reported for budgetary purposes but reclassified above for GAAP financial reporting purposes.

**CITY OF THE DALLES, OREGON
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2024**

	Capital Projects Fund	Special Assessment Fund	Urban Renewal Capital Projects Fund	Total
ASSETS				
Cash and cash equivalents	\$ 2,834,745	\$ 419,983	\$ 5,626,471	\$ 8,881,199
Receivables:				
Accounts	-	50,960	-	50,960
Property taxes	-	-	74,294	74,294
Notes	-	-	307,445	307,445
TOTAL ASSETS	\$ 2,834,745	\$ 470,943	\$ 6,008,210	\$ 9,313,898
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenses	\$ 3,724	\$ 33,339	\$ 59,616	\$ 96,679
Deferred inflows of resources				
Unavailable revenue - property taxes	-	-	65,480	65,480
Unavailable revenue - assessments	-	26,044	-	26,044
Unavailable revenue - notes receivable	-	-	307,445	307,445
Total deferred inflows of resources	-	26,044	372,925	398,969
Fund balances				
Restricted for				
Capital projects	-	-	5,575,669	5,575,669
Committed for				
Major capital facilities and associated debt	2,831,021	411,560	-	3,242,581
Total fund balances	2,831,021	411,560	5,575,669	8,818,250
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,834,745	\$ 470,943	\$ 6,008,210	\$ 9,313,898

**CITY OF THE DALLES, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2024**

	Capital Projects Fund	Special Assessment Fund	Urban Renewal Capital Projects Fund	Total
REVENUES				
Property taxes	\$ -	\$ -	\$ 875,568	\$ 875,568
Intergovernmental	-	-	60,000	60,000
Franchise fees	-	35,789	-	35,789
Assessments	-	27,179	-	27,179
Rental income	224,824	-	-	224,824
Interest on investments	73,215	20,566	311,623	405,404
Miscellaneous	5	-	5,017	5,022
Total revenues	298,044	83,534	1,252,208	1,633,786
EXPENDITURES				
General government	7,205	48,723	493,076	549,004
Capital outlay	574,368	115,940	515,412	1,205,720
Total expenditures	581,573	164,663	1,008,488	1,754,724
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(283,529)	(81,129)	243,720	(120,938)
OTHER FINANCING SOURCES (USES)				
Transfer in	2,690,435	250,000	-	2,940,435
Transfer out	(11,643)	(115,548)	-	(127,191)
Total other financing sources (uses)	2,678,792	134,452	-	2,813,244
NET CHANGE IN FUND BALANCE	2,395,263	53,323	243,720	2,692,306
FUND BALANCE, beginning of year	435,758	358,237	5,331,949	6,125,944
FUND BALANCE, end of year	\$ 2,831,021	\$ 411,560	\$ 5,575,669	\$ 8,818,250

**CITY OF THE DALLES, OREGON
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2024**

	General Fund - Budgetary Basis	Public Works Reserve Fund	Transportation System Reserve Fund	Unemployment Reserve Fund	Total General Fund
ASSETS					
Cash and cash equivalents	\$ 6,422,454	\$ 412,018	\$ 2,262,601	\$ 61,354	\$ 9,158,427
Receivables:					
Accounts	1,163,931	-	-	-	1,163,931
Leases	279,263	-	-	-	279,263
Fines and forfeitures	489,479	-	-	-	489,479
Property taxes	181,087	-	-	-	181,087
Prepaid items	18,452	-	-	-	18,452
TOTAL ASSETS	\$ 8,554,666	\$ 412,018	\$ 2,262,601	\$ 61,354	\$ 11,290,639
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenses	\$ 302,840	\$ -	\$ 44,660	\$ 6,618	\$ 354,118
Deferred inflows of resources					
Unavailable revenue - property taxes	181,087	-	-	-	181,087
Unavailable revenue - court	456,670	-	-	-	456,670
Unavailable revenue - leases	279,263	-	-	-	279,263
Total deferred inflows of resources	917,020	-	-	-	917,020
Fund balances					
Nonspendable					
Prepays	18,452	-	-	-	18,452
Committed for					
Committed by ordinance or resolution	-	412,018	2,217,941	54,736	2,684,695
Unassigned	7,316,354	-	-	-	7,316,354
Total fund balances	7,334,806	412,018	2,217,941	54,736	10,019,501
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 8,554,666	\$ 412,018	\$ 2,262,601	\$ 61,354	\$ 11,290,639

**CITY OF THE DALLES, OREGON
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	General Fund - Budgetary Basis	Public Works Reserve Fund	Transportation System Reserve Fund	Unemployment Reserve Fund	Total General Fund
REVENUES					
Property taxes	\$ 4,947,513	\$ -	\$ -	\$ -	\$ 4,947,513
Other taxes	1,866,178	-	-	-	1,866,178
Franchise fees	284,535	-	-	-	284,535
Licenses and fees	44,818	-	-	-	44,818
Intergovernmental	3,839,816	-	408,530	-	4,248,346
Fines and forfeitures, net	85,350	-	-	-	85,350
System development charges	-	-	146,229	-	146,229
Rental income	81,553	-	-	-	81,553
Interest on investments	312,942	17,795	83,276	2,134	416,147
Miscellaneous	263,934	-	-	-	263,934
Total revenues	11,726,639	17,795	638,035	2,134	12,384,603
EXPENDITURES					
General government	3,575,719	-	-	12,792	3,588,511
Public Safety	4,855,369	-	-	-	4,855,369
Planning and economic development	664,407	-	-	-	664,407
Special payments	891,446	-	-	-	891,446
Capital outlay	366,879	234,159	161,864	-	762,902
Debt service					
Principal	22,153	-	-	-	22,153
Interest	516	-	-	-	516
Total expenditures	10,376,489	234,159	161,864	12,792	10,785,304
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,350,150	(216,364)	476,171	(10,658)	1,599,299
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of property	560	-	-	-	560
Transfer in	1,253,412	275,000	900,000	35,740	2,464,152
Transfer out	(3,444,269)	-	-	-	(3,444,269)
Total other financing sources (uses)	(2,190,297)	275,000	900,000	35,740	(979,557)
NET CHANGE IN FUND BALANCE	(840,147)	58,636	1,376,171	25,082	619,742
FUND BALANCE, beginning of year	8,174,953	353,382	841,770	29,654	9,399,759
FUND BALANCE, end of year	\$ 7,334,806	\$ 412,018	\$ 2,217,941	\$ 54,736	\$ 10,019,501

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Property taxes	\$ 4,502,041	\$ 4,502,041	\$ 4,947,513	\$ 445,472
Other taxes	1,897,801	1,897,801	1,866,178	(31,623)
Franchise fees	299,270	299,270	284,535	(14,735)
Licenses and fees	41,150	41,150	44,818	3,668
Intergovernmental	3,561,797	3,561,797	3,839,816	278,019
Fines and forfeitures, net	60,300	60,300	85,350	25,050
Rental income	75,775	75,775	81,553	5,778
Interest on investments	90,000	90,000	312,942	222,942
Miscellaneous	213,000	213,000	263,934	50,934
Total revenues	10,741,134	10,741,134	11,726,639	985,505
EXPENDITURES				
General government	3,801,517	3,921,632	3,575,719	345,913
Public safety	5,584,593	5,723,503	4,855,369	868,134
Planning and economic development	944,138	953,423	664,407	289,016
Special payments	879,300	879,300	891,446	(12,146)
Capital outlay	391,341	391,341	366,879	24,462
Debt service				
Principal	21,112	21,112	22,153	(1,041)
Interest	416	416	516	(100)
Contingency	1,062,247	793,937	-	793,937
Total expenditures	12,684,664	12,684,664	10,376,489	2,308,175
Revenues over (under) expenditures	(1,943,530)	(1,943,530)	1,350,150	3,293,680
OTHER FINANCING SOURCES (USES)				
Gain on sale of fixed assets	-	-	560	560
Transfers in	1,289,412	1,289,412	1,253,412	(36,000)
Transfers out	(3,814,192)	(3,814,192)	(3,444,269)	369,923
Total other financing sources (uses)	(2,524,780)	(2,524,780)	(2,190,297)	334,483
Net changes in fund balances	\$ (4,468,310)	\$ (4,468,310)	\$ (840,147)	\$ 3,628,163
FUND BALANCE, beginning of year	6,949,123	6,949,123	8,174,953	1,225,830
FUND BALANCE, end of year	<u>\$ 2,480,813</u>	<u>\$ 2,480,813</u>	<u>\$ 7,334,806</u>	<u>\$ 4,853,993</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
General government				
City council				
Personnel services	\$ 9,721	\$ 9,721	\$ 9,711	\$ 10
Materials and services	390,172	390,172	282,297	107,875
Subtotal	399,893	399,893	292,008	107,885
City clerk				
Personnel services	183,474	183,474	160,174	23,300
Materials and services	29,385	33,985	21,376	12,609
Subtotal	212,859	217,459	181,550	35,909
City manager				
Personnel services	343,984	343,984	417,856	(73,872)
Materials and services	33,477	33,477	23,379	10,098
Subtotal	377,461	377,461	441,235	(63,774)
Legal				
Personnel services	276,579	276,579	233,949	42,630
Materials and services	399,161	399,161	210,126	189,035
Subtotal	675,740	675,740	444,075	231,665
Finance / utility billing / judicial				
Personnel services	736,658	736,658	707,412	29,246
Materials and services	281,397	281,397	196,922	84,475
Subtotal	1,018,055	1,018,055	904,334	113,721
Human resources				
Personnel services	294,576	294,576	258,556	36,020
Materials and services	204,183	204,183	130,326	73,857
Subtotal	498,759	498,759	388,882	109,877
Technology				
Personnel services	235,297	340,332	287,686	52,646
Materials and services	127,544	128,024	142,561	(14,537)
Capital outlay	38,300	38,300	14,912	23,388
Subtotal	\$ 401,141	\$ 506,656	\$ 445,159	\$ 61,497

**CITY OF THE DALLES, OREGON
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Continued				
City hall/transportation center department				
Personnel services	\$ 144,773	\$ 147,773	\$ 107,898	\$ 39,875
Materials and services	389,177	396,177	385,490	10,687
Capital outlay	75,000	75,000	75,342	(342)
Subtotal	<u>608,950</u>	<u>618,950</u>	<u>568,730</u>	<u>50,220</u>
Total general government	<u>\$ 4,192,858</u>	<u>\$ 4,312,973</u>	<u>\$ 3,665,973</u>	<u>\$ 647,000</u>
Planning and economic development				
Personnel services	\$ 695,798	\$ 705,083	\$ 493,981	\$ 211,102
Materials and services	248,340	248,340	170,426	77,914
Subtotal	<u>944,138</u>	<u>953,423</u>	<u>664,407</u>	<u>289,016</u>
Public safety				
Police/codes enforcement				
Police				
Personnel services	4,175,863	4,280,863	3,804,509	476,354
Materials and services	814,881	824,881	745,663	79,218
Capital outlay	233,926	233,926	232,711	1,215
Subtotal	<u>5,224,670</u>	<u>5,339,670</u>	<u>4,782,883</u>	<u>556,787</u>
Code enforcement				
Personnel services	96,430	96,430	94,546	1,884
Materials and services	93,992	108,992	78,932	30,060
Subtotal	<u>190,422</u>	<u>205,422</u>	<u>173,478</u>	<u>31,944</u>
Total police/codes enforcement	<u>5,415,092</u>	<u>5,545,092</u>	<u>4,956,361</u>	<u>588,731</u>
Animal control				
Personnel services	93,666	93,666	99,712	(6,046)
Materials and services	31,720	40,630	32,007	8,623
Capital outlay	44,115	44,115	43,914	201
Subtotal	<u>169,501</u>	<u>178,411</u>	<u>175,633</u>	<u>2,778</u>
Total public safety	<u>5,584,593</u>	<u>5,723,503</u>	<u>5,131,994</u>	<u>591,509</u>
Special payments	<u>879,300</u>	<u>879,300</u>	<u>891,446</u>	<u>(12,146)</u>
Debt service				
Principal	21,112	21,112	22,153	(1,041)
Interest	416	416	516	(100)
Subtotal	<u>21,528</u>	<u>21,528</u>	<u>22,669</u>	<u>(1,141)</u>
Interfund transfers	<u>3,814,192</u>	<u>3,814,192</u>	<u>3,444,269</u>	<u>369,923</u>
Contingency	<u>1,062,247</u>	<u>793,937</u>	<u>-</u>	<u>793,937</u>
Total expenditures	<u>\$ 16,498,856</u>	<u>\$ 16,498,856</u>	<u>\$ 13,820,758</u>	<u>\$ 2,678,098</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC WORKS RESERVE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Interest on investments	\$ -	\$ -	\$ 17,795	\$ 17,795
EXPENDITURES				
Capital outlay	708,007	708,007	234,159	473,848
Revenues over (under) expenditures	(708,007)	(708,007)	(216,364)	491,643
OTHER FINANCING SOURCES (USES)				
Transfers in	275,000	275,000	275,000	-
Net changes in fund balances	(433,007)	(433,007)	58,636	491,643
FUND BALANCE, beginning of year	433,007	433,007	353,382	(79,625)
FUND BALANCE, end of year	\$ -	\$ -	\$ 412,018	\$ 412,018

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TRANSPORTATION SYSTEM RESERVE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Intergovernmental	\$ 3,291,016	\$ 3,291,016	\$ 408,530	\$ (2,882,486)
System development charges	45,000	45,000	146,229	101,229
Interest on investments	10,000	10,000	83,276	73,276
Total revenues	<u>3,346,016</u>	<u>3,346,016</u>	<u>638,035</u>	<u>(2,707,981)</u>
EXPENDITURES				
Capital outlay	<u>6,595,002</u>	<u>6,595,002</u>	<u>161,864</u>	<u>6,433,138</u>
Revenues over (under) expenditures	<u>(3,248,986)</u>	<u>(3,248,986)</u>	<u>476,171</u>	<u>3,725,157</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>2,347,147</u>	<u>2,347,147</u>	<u>900,000</u>	<u>(1,447,147)</u>
Net changes in fund balances	<u>(901,839)</u>	<u>(901,839)</u>	<u>1,376,171</u>	<u>2,278,010</u>
FUND BALANCE, beginning of year	<u>901,839</u>	<u>901,839</u>	<u>841,770</u>	<u>(60,069)</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,217,941</u>	<u>\$ 2,217,941</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
UNEMPLOYMENT RESERVE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Interest on investments	\$ 1,020	\$ 1,020	\$ 2,134	\$ 1,114
EXPENDITURES				
Personnel service	71,585	71,585	12,792	58,793
Revenues over (under) expenditures	(70,565)	(70,565)	(10,658)	59,907
OTHER FINANCING SOURCES (USES)				
Transfers in	35,740	35,740	35,740	-
Net changes in fund balances	(34,825)	(34,825)	25,082	59,907
FUND BALANCE, beginning of year	34,825	34,825	29,654	(5,171)
FUND BALANCE, end of year	\$ -	\$ -	\$ 54,736	\$ 54,736

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COMMUNITY BENEVOLENCE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Interest on investments	\$ 82	\$ 82	\$ 240	\$ 158
EXPENDITURES				
Materials and services	5,153	5,153	702	4,451
Revenues over (under) expenditures	(5,071)	(5,071)	(462)	4,609
FUND BALANCE, beginning of year	5,071	5,071	5,769	698
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,307	\$ 5,307

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE OFFICE BUILDING FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Rental income	\$ 581,077	\$ 581,077	\$ 253,231	\$ (327,846)
Interest on investments	2,400	2,400	14,280	11,880
Total revenues	<u>583,477</u>	<u>583,477</u>	<u>267,511</u>	<u>(315,966)</u>
EXPENDITURES				
Personnel service	88,906	88,906	107,003	(18,097)
Materials and services	120,343	120,343	151,549	(31,206)
Capital outlay	281,945	281,945	34,680	247,265
Contingency	265,302	265,302	-	265,302
Total expenditures	<u>756,496</u>	<u>756,496</u>	<u>293,232</u>	<u>463,264</u>
Revenues over (under) expenditures	(173,019)	(173,019)	(25,721)	147,298
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>11,643</u>	<u>11,643</u>	<u>11,643</u>	<u>-</u>
Net changes in fund balances	(161,376)	(161,376)	(14,078)	147,298
FUND BALANCE, beginning of year	<u>161,376</u>	<u>161,376</u>	<u>343,532</u>	<u>182,156</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 329,454</u>	<u>\$ 329,454</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FFCO 2008 BOND FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
FUND BALANCE, beginning of year	-	-	3,000	3,000
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
2009 FFCO BOND FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
EXPENDITURES				
Debt service				
Principal	\$ 710,000	\$ 710,000	\$ 710,000	\$ -
Interest	236,616	236,616	236,613	3
Total expenditures	946,616	946,616	946,613	3
OTHER FINANCING SOURCES (USES)				
Transfers in	946,612	946,612	946,613	(1)
Net changes in fund balances	(4)	(4)	-	4
FUND BALANCE, beginning of year	4	4	-	(4)
FUND BALANCE, end of year	\$ -	\$ -	\$ -	\$ -

*Debt service transfers from the Water Capital Reserve Fund of \$33,477 and Wastewater Capital Reserve Fund of \$7,163 were made for debt service principal and interest of \$30,580 and \$10,060, respectively.

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
URBAN RENEWAL DEBT FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Property taxes	\$ 794,712	\$ 794,712	\$ 794,712	\$ -
Interest on investments	4,900	4,900	4,900	-
Total revenues	<u>799,612</u>	<u>799,612</u>	<u>799,612</u>	<u>-</u>
EXPENDITURES				
Debt service:				
Principal	600,000	600,000	600,000	-
Interest	200,425	200,425	200,425	-
Total expenditures	<u>800,425</u>	<u>800,425</u>	<u>800,425</u>	<u>-</u>
Revenues over (under) expenditures	<u>(813)</u>	<u>(813)</u>	<u>(813)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(813)	(813)	(813)	-
FUND BALANCE, beginning of year	<u>802,738</u>	<u>802,738</u>	<u>802,738</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 801,925</u>	<u>\$ 801,925</u>	<u>\$ 801,925</u>	<u>\$ -</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Rental income	\$ 259,017	\$ 259,017	\$ 224,824	\$ (34,193)
Interest on investments	10,000	10,000	73,215	63,215
Miscellaneous	-	-	5	5
Total revenues	<u>269,017</u>	<u>269,017</u>	<u>298,044</u>	<u>29,027</u>
EXPENDITURES				
Materials and services	10,000	10,000	7,205	2,795
Capital outlay	<u>3,237,766</u>	<u>3,237,766</u>	<u>574,368</u>	<u>2,663,398</u>
Total expenditures	<u>3,247,766</u>	<u>3,247,766</u>	<u>581,573</u>	<u>2,666,193</u>
Revenues over (under) expenditures	<u>(2,978,749)</u>	<u>(2,978,749)</u>	<u>(283,529)</u>	<u>2,695,220</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,690,435	2,977,443	2,690,435	(287,008)
Transfers out	<u>(11,643)</u>	<u>(298,651)</u>	<u>(11,643)</u>	<u>287,008</u>
Total other financing sources (uses)	2,678,792	2,678,792	2,678,792	-
Net changes in fund balances	(299,957)	(299,957)	2,395,263	2,695,220
FUND BALANCE, beginning of year	<u>299,957</u>	<u>299,957</u>	<u>435,758</u>	<u>135,801</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,831,021</u>	<u>\$ 2,831,021</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL ASSESSMENT FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Franchise fees	\$ 26,858	\$ 26,858	\$ 35,789	\$ 8,931
Assessments	22,238	22,238	27,179	4,941
Interest on investments	4,800	4,800	20,566	15,766
Total revenues	53,896	53,896	83,534	29,638
EXPENDITURES				
Materials and services	28,658	28,658	48,723	(20,065)
Capital outlay	451,520	517,927	115,940	401,987
Total expenditures	480,178	546,585	164,663	381,922
Revenues over (under) expenditures	(426,282)	(492,689)	(81,129)	411,560
OTHER FINANCING SOURCES (USES)				
Transfers in	250,000	250,000	250,000	-
Transfers out	(115,548)	(115,548)	(115,548)	-
Total other financing sources (uses)	134,452	134,452	134,452	-
Net changes in fund balances	(291,830)	(358,237)	53,323	411,560
FUND BALANCE, beginning of year	291,830	358,237	358,237	-
FUND BALANCE, end of year	\$ -	\$ -	\$ 411,560	\$ 411,560

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
URBAN RENEWAL CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Property taxes	\$ 888,276	\$ 888,276	\$ 875,568	\$ (12,708)
Intergovernmental	-	-	60,000	60,000
Interest on investments	29,010	29,010	311,622	282,612
Miscellaneous	25,000	25,000	5,017	(19,983)
Total revenues	942,286	942,286	1,252,207	309,921
EXPENDITURES				
Materials and services	2,975,595	2,975,595	493,076	2,482,519
Capital outlay	2,583,382	2,583,382	515,412	2,067,970
Total expenditures	5,558,977	5,558,977	1,008,488	4,550,489
Revenues over (under) expenditures	(4,616,691)	(4,616,691)	243,719	4,860,410
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	2,824	2,824	-	(2,824)
Total other financing sources (uses)	2,824	2,824	-	(2,824)
Net changes in fund balances	(4,613,867)	(4,613,867)	243,719	4,857,586
FUND BALANCE, beginning of year	4,613,867	4,613,867	5,331,950	718,083
FUND BALANCE, end of year	\$ -	\$ -	\$ 5,575,669	\$ 5,575,669

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
ALL WATER FUNDS COMBINED
YEAR ENDED JUNE 30, 2024**

	Water Utility	Water Capital Reserve	Total All Water Funds
REVENUES			
Charges for services	\$ 6,263,929	\$ -	\$ 6,263,929
Intergovernmental	5,662	-	5,662
System development charges	-	58,218	58,218
Rental income	4,428	-	4,428
Interest on investments	22,834	137,786	160,620
Miscellaneous	246,004	16,925	262,929
Total revenues	<u>6,542,857</u>	<u>212,929</u>	<u>6,755,786</u>
EXPENDITURES			
Personnel service	2,669,232	-	2,669,232
Materials and services	1,595,934	-	1,595,934
Capital outlay	153,485	6,596,810	6,750,295
Debt service			
Principal	-	172,210	172,210
Interest	-	66,169	66,169
Total expenditures	<u>4,418,651</u>	<u>6,835,189</u>	<u>11,253,840</u>
Revenues over (under) expenditures	<u>2,124,206</u>	<u>(6,622,260)</u>	<u>(4,498,054)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of property	2,599	-	2,599
Loan proceeds	-	3,574,087	3,574,087
Transfers in	-	1,541,667	1,541,667
Transfers out	(2,330,880)	(536,188)	(2,867,068)
Total other financing sources (uses)	<u>(2,328,281)</u>	<u>4,579,566</u>	<u>2,251,285</u>
Net changes in fund balances	(204,075)	(2,042,694)	(2,246,769)
FUND BALANCE, beginning budgetary basis	<u>1,297,316</u>	<u>4,721,740</u>	<u>6,019,056</u>
FUND BALANCE, ending budgetary basis	<u>\$ 1,093,241</u>	<u>\$ 2,679,046</u>	<u>3,772,287</u>
Change in fund balance			(2,246,769)
Expenditures capitalized			6,500,243
Debt service principal payments			197,400
Other post-employment benefits			25,003
Depreciation			(640,408)
Loan proceeds			(3,574,087)
Premium amortization and accrued interest			5,493
Net book value of disposed assets			(45,762)
Compensated absences			(16,863)
Change in net position			<u>\$ 204,250</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
WATER UTILITY
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Charges for services	\$ 6,057,403	\$ 6,057,403	\$ 6,263,929	\$ 206,526
Intergovernmental	42,219	42,219	5,662	(36,557)
Rental income	4,428	4,428	4,428	-
Interest on investments	5,000	5,000	22,834	17,834
Miscellaneous	105,450	105,450	246,004	140,554
Total revenues	<u>6,214,500</u>	<u>6,214,500</u>	<u>6,542,857</u>	<u>328,357</u>
EXPENDITURES				
Personnel service	2,889,021	2,889,021	2,669,232	219,789
Materials and services	1,558,684	1,648,543	1,595,934	52,609
Capital outlay	421,870	471,870	153,485	318,385
Contingency	63,269	63,269	-	63,269
Total expenditures	<u>4,932,844</u>	<u>5,072,703</u>	<u>4,418,651</u>	<u>654,052</u>
Revenues over (under) expenditures	1,281,656	1,141,797	2,124,206	982,409
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	100	100	2,599	2,499
Transfers out	(1,639,213)	(2,439,213)	(2,330,880)	108,333
Total other financing sources (uses)	<u>(1,639,113)</u>	<u>(2,439,113)</u>	<u>(2,328,281)</u>	<u>110,832</u>
Net changes in fund balance	(357,457)	(1,297,316)	(204,075)	1,093,241
FUND BALANCE, beginning budgetary basis	<u>357,457</u>	<u>1,297,316</u>	<u>1,297,316</u>	<u>-</u>
FUND BALANCE, ending budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,093,241</u>	<u>\$ 1,093,241</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
WATER CAPITAL RESERVE
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Intergovernmental	\$ 705,857	\$ 915,635	\$ -	\$ (915,635)
System development charges	69,510	69,510	58,218	(11,292)
Interest on investments	30,000	30,000	137,786	107,786
Miscellaneous	-	-	16,925	16,925
Total revenues	<u>805,367</u>	<u>1,015,145</u>	<u>212,929</u>	<u>(802,216)</u>
EXPENDITURES				
Capital outlay	9,399,786	11,509,603	6,596,810	4,912,793
Debt service				
Principal	174,210	174,210	172,210 *	2,000
Interest	66,169	66,169	66,169 *	-
Total expenditures	<u>9,640,165</u>	<u>11,749,982</u>	<u>6,835,189</u>	<u>4,914,793</u>
Revenues over (under) expenditures	<u>(8,834,798)</u>	<u>(10,734,837)</u>	<u>(6,622,260)</u>	<u>4,112,577</u>
OTHER FINANCING SOURCES (USES)				
Loan proceeds	4,899,285	4,899,285	3,574,087	(1,325,198)
Transfers in	850,000	1,650,000	1,541,667	(108,333)
Transfers out	<u>(536,188)</u>	<u>(536,188)</u>	<u>(536,188) *</u>	-
Total other financing sources (uses)	<u>5,213,097</u>	<u>6,013,097</u>	<u>4,579,566</u>	<u>(1,433,531)</u>
Net changes in fund balance	(3,621,701)	(4,721,740)	(2,042,694)	2,679,046
FUND BALANCE, beginning budgetary basis	<u>3,621,701</u>	<u>4,721,740</u>	<u>4,721,740</u>	-
FUND BALANCE, ending budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,679,046</u>	<u>\$ 2,679,046</u>

* Debt service transfers from the Water Capital Reserve fund of \$33,477 were made to the 2009 FFCO Debt Service Fund for principal and interest of \$25,190 and \$8,287, respectively.

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
ALL WASTEWATER FUNDS COMBINED
YEAR ENDED JUNE 30, 2024**

	Wastewater	Wastewater Capital Reserve	Sewer Plant Construction	Total All Wastewater Funds
REVENUES				
Charges for services	\$ 5,600,564	\$ -	\$ -	\$ 5,600,564
Intergovernmental	40,171	-	-	40,171
System development charges	503,343	5,107,039	-	5,610,382
Interest on investments	17,464	162,466	137,029	316,959
Total revenues	<u>6,161,542</u>	<u>5,269,505</u>	<u>137,029</u>	<u>11,568,076</u>
EXPENDITURES				
Personnel service	1,514,779	-	-	1,514,779
Materials and services	2,205,543	-	-	2,205,543
Capital outlay	67,905	1,910,280	116,720	2,094,905
Debt service				
Principal	-	-	65,113	65,113
Interest	-	-	30,884	30,884
Total expenditures	<u>3,788,227</u>	<u>1,910,280</u>	<u>212,717</u>	<u>5,911,224</u>
Revenues over (under) expenditures	<u>2,373,315</u>	<u>3,359,225</u>	<u>(75,688)</u>	<u>5,656,852</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	7,620	-	-	7,620
Transfers in	-	750,000	850,000	1,600,000
Transfers out	<u>(2,211,112)</u>	<u>(7,163)</u>	<u>(304,737)</u>	<u>(2,523,012)</u>
Total other financing sources (uses)	<u>(2,203,492)</u>	<u>742,837</u>	<u>545,263</u>	<u>(915,392)</u>
Net changes in fund balances	169,823	4,102,062	469,575	4,741,460
FUND BALANCE, beginning budgetary basis	<u>1,190,438</u>	<u>3,214,470</u>	<u>2,860,593</u>	<u>7,265,501</u>
FUND BALANCE, ending budgetary basis	<u>\$ 1,360,261</u>	<u>\$ 7,316,532</u>	<u>\$ 3,330,168</u>	<u>12,006,961</u>
Change in fund balance				4,741,460
Expenditures capitalized				2,185,174
Debt service principal payments				70,503
Other post-employment benefits				18,206
Depreciation				(1,036,897)
Premium amortization and accrued interest				1,093
Net book value of disposed assets				(7,686)
Compensated absences				(11,904)
Change in net position				<u>\$ 5,959,949</u>

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
WASTEWATER
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Charges for services	\$ 5,483,776	\$ 5,483,776	\$ 5,600,564	\$ 116,788
Intergovernmental	36,930	36,930	40,171	3,241
System development charges	360,000	360,000	503,343	143,343
Interest on investments	4,000	4,000	17,464	13,464
Total revenues	5,884,706	5,884,706	6,161,542	276,836
EXPENDITURES				
Personnel service	1,668,734	1,668,734	1,514,779	153,955
Materials and services	2,374,419	2,389,419	2,205,543	183,876
Capital outlay	403,667	779,203	67,905	711,298
Contingency	26,676	26,676	-	26,676
Total expenditures	4,473,496	4,864,032	3,788,227	1,075,805
Revenues over (under) expenditures	1,411,210	1,020,674	2,373,315	1,352,641
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of property	-	-	7,620	7,620
Transfers out	(2,211,112)	(2,211,112)	(2,211,112)	-
Total other financing sources (uses)	(2,211,112)	(2,211,112)	(2,203,492)	7,620
Net changes in fund balance	(799,902)	(1,190,438)	169,823	1,360,261
FUND BALANCE, beginning budgetary basis	799,902	1,190,438	1,190,438	-
FUND BALANCE, ending budgetary basis	\$ -	\$ -	\$ 1,360,261	\$ 1,360,261

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
WASTEWATER CAPITAL RESERVE
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
System development charges	\$ 63,930	\$ 63,930	\$ 5,107,039	\$ 5,043,109
Interest on investments	35,000	35,000	162,466	127,466
Total revenues	98,930	98,930	5,269,505	5,170,575
EXPENDITURES				
Capital outlay	3,529,705	4,056,237	1,910,280	2,145,957
Revenues over (under) expenditures	(3,430,775)	(3,957,307)	3,359,225	7,316,532
OTHER FINANCING SOURCES (USES)				
Transfers in	750,000	750,000	750,000	-
Transfers out	(7,163)	(7,163)	(7,163)	-
Total other financing sources (uses)	742,837	742,837	742,837	-
Net changes in fund balance	(2,687,938)	(3,214,470)	4,102,062	7,316,532
FUND BALANCE, beginning budgetary basis	2,687,938	3,214,470	3,214,470	-
FUND BALANCE, ending budgetary basis	\$ -	\$ -	\$ 7,316,532	\$ 7,316,532

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SEWER PLANT CONSTRUCTION
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Interest on investments	\$ 25,000	\$ 25,000	\$ 137,029	\$ 112,029
EXPENDITURES				
Capital outlay	3,199,520	3,334,857	116,720	3,218,137
Debt service				
Principal	65,113	65,113	65,113 *	-
Interest	30,884	30,884	30,884 *	-
Total expenditures	3,295,517	3,430,854	212,717	3,218,137
Revenues over (under) expenditures	(3,270,517)	(3,405,854)	(75,688)	3,330,166
OTHER FINANCING SOURCES (USES)				
Transfers in	850,000	850,000	850,000	-
Transfers out	(304,737)	(304,737)	(304,737) *	-
Total other financing sources (uses)	545,263	545,263	545,263	-
Net changes in fund balance	(2,725,254)	(2,860,591)	469,575	3,330,166
FUND BALANCE, beginning budgetary basis	2,725,254	2,860,593	2,860,593	-
FUND BALANCE, ending budgetary basis	\$ -	\$ 2	\$ 3,330,168	\$ 3,330,166

* Debt service transfers from the Sewer Plant Construction fund of \$7,163 were made to the 2009 FFCO Debt Service Fund for principal and interest of \$5,390 and \$1,773, respectively.

**CITY OF THE DALLES, OREGON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
2018 UTILITY BOND FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
EXPENDITURES				
Debt service				
Principal	\$ 636,967	\$ 636,967	\$ 636,967	\$ -
Interest	170,480	170,480	170,157	323
Total expenditures	807,447	807,447	807,124	323
OTHER FINANCING SOURCES (USES)				
Transfers in	807,448	807,448	807,448	-
Net changes in fund balance	1	1	324	323
FUND BALANCE, beginning budgetary basis	3,367	3,367	4,449	1,082
FUND BALANCE, ending budgetary basis	<u>\$ 3,368</u>	<u>\$ 3,368</u>	<u>4,773</u>	<u>\$ 1,405</u>
Change in fund balance			324	
Debt service principal payments			636,967	
Accrued interest			1,418	
Change in net position			<u>\$ 638,709</u>	



City of
The Dalles
OREGON



| **STATISTICAL SECTION**

**CITY OF THE DALLES
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets										
Restricted	\$ 30,336,432	\$ 30,243,503	\$ 30,550,494	\$ 29,105,204	\$ 28,892,637	\$ 27,758,527	\$ 27,204,175	\$ 26,770,740	\$ 25,619,762	\$ 23,781,454
Unrestricted	10,626,638	5,086,329	14,416,982	11,658,332	10,893,307	9,270,588	8,309,364	7,364,590	6,606,540	6,591,609
	35,278,086	27,632,630	20,970,990	20,203,765	16,802,396	15,268,799	14,499,406	13,033,689	11,480,666	4,480,644
Total governmental activities net position	\$ 76,241,156	\$ 62,962,462	\$ 65,938,466	\$ 60,967,301	\$ 56,588,340	\$ 52,297,914	\$ 50,012,945	\$ 47,169,019	\$ 43,706,968	\$ 34,853,707
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets										
Restricted	\$ 58,310,617	\$ 60,407,312	\$ 56,803,356	\$ 54,696,758	\$ 54,091,260	\$ 52,230,058	\$ 48,435,897	\$ 27,336,873	\$ 23,686,429	\$ 31,902,082
Unrestricted	15,067,393	6,167,790	3,915,118	3,391,775	1,825,510	1,170,201	4,996,649	15,889,368	12,505,094	10,418,116
	\$ 73,378,010	\$ 66,575,102	\$ 64,377,974	\$ 61,315,668	\$ 56,308,536	\$ 52,246,626	\$ 47,896,733	\$ 42,174,471	\$ 36,837,321	\$ 44,693,359
Total business-type activities in net position										
PRIMARY GOVERNMENT										
Net investments in capital assets										
Restricted	\$ 88,647,049	\$ 90,650,815	\$ 87,353,850	\$ 83,801,962	\$ 82,983,897	\$ 79,988,585	\$ 75,640,072	\$ 54,107,613	\$ 49,306,191	\$ 55,683,536
Unrestricted	10,626,638	5,086,329	18,332,100	15,050,107	12,718,817	10,440,789	13,306,013	23,253,958	19,111,634	17,009,725
	50,345,479	33,800,420	24,630,490	23,430,900	17,194,162	14,115,166	8,963,593	11,981,919	12,126,464	6,853,805
Total primary government net position	149,619,166	129,537,564	130,316,440	\$ 122,282,969	\$ 112,896,876	\$ 104,544,540	\$ 97,909,678	\$ 89,343,490	\$ 80,544,289	\$ 79,547,066

**CITY OF THE DALLES
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
PROGRAM REVENUES										
Governmental activities										
Charges for services, fees and fines										
General government	\$ 913,778	\$ 827,472	\$ 795,571	\$ 639,682	\$ 1,869,609	\$ 945,631	\$ 662,698	\$ 1,207,216	\$ 1,111,793	\$ 895,831
Public Safety	85,350	80,198	166,977	109,656	201,241	223,699	241,242	243,128	235,252	222,585
Highways and streets	45,182	29,031	16,547	6,579	16,346	19,731	12,928	28,342	33,944	12,424
Culture and recreation	8,415	7,425	10,308	5,785	4,528	4,588	18,346	21,681	20,605	18,740
Operating grants and contributions	1,315,302	1,345,197	1,531,413	1,147,662	1,114,743	1,098,952	960,217	2,169,009	2,790,732	1,988,624
Capital grants and contributions	8,971,329	5,226,194	6,246,040	5,579,603	3,192,842	2,680,626	2,077,651	2,739,012	1,970,505	2,318,755
Total governmental activities program revenues	11,339,356	7,515,517	8,766,856	7,488,967	6,399,309	4,973,227	3,973,082	6,408,388	6,162,831	5,456,959
Business-type activities										
Charges for services										
Water	6,326,575	6,460,016	6,495,686	6,362,649	5,937,310	5,911,987	5,890,309	5,719,228	5,820,678	5,707,603
Wastewater	11,210,946	5,976,749	5,759,046	7,641,449	7,130,096	6,024,501	5,862,797	6,137,909	5,733,933	5,533,259
Airport	-	-	-	-	-	-	-	-	-	199,548
Operating grants	-	-	-	175,000	-	-	-	-	-	65,000
Capital grants	45,833	233,780	811,538	11,964	3,696	515,897	1,061,609	1,174,329	-	406,533
Total business-type activities program revenues	17,583,354	12,670,545	13,066,270	14,191,062	13,071,102	12,452,385	12,814,715	13,031,466	11,554,611	11,911,943
Total primary government program revenues	28,922,710	20,186,062	21,833,126	21,680,029	19,470,411	17,425,612	16,787,797	19,439,854	17,717,442	17,368,902
EXPENSES										
Governmental activities										
General government	7,552,360	1,548,226	4,495,163	4,772,981	4,163,662	4,539,162	3,763,261	3,661,829	4,043,194	4,643,056
Public safety and justice	5,451,433	5,357,961	5,294,311	4,543,577	4,362,967	4,218,386	3,951,495	3,841,288	3,764,858	3,599,408
Highways and streets	2,899,545	1,958,157	2,515,564	1,961,529	1,909,414	1,987,711	1,803,579	1,765,029	1,614,145	1,505,435
Culture and recreation	2,678,460	2,383,508	2,127,335	1,925,942	1,984,052	1,861,808	1,690,671	1,716,486	1,579,320	1,451,383
Interest on long term obligations	207,201	119,572	268,057	306,935	341,850	380,417	412,621	443,633	453,321	517,776
Total governmental activities expenses	18,788,999	11,367,424	14,700,430	13,510,964	12,761,945	12,987,484	11,621,627	11,428,265	11,454,838	11,717,058
Business-type activities										
Water	5,259,612	4,510,105	4,464,661	3,598,702	3,753,063	3,503,705	3,655,523	3,714,854	3,778,964	3,659,726
Wastewater	4,692,278	4,541,607	3,912,610	3,861,783	3,704,777	3,083,208	3,293,026	2,806,274	3,139,369	2,993,590
2018 utility bond	168,739	184,599	263,984	293,864	321,923	349,447	211,414	-	-	-
Airport	-	-	-	-	-	-	-	-	-	260,659
Total business-type activities expenses	10,120,629	9,236,311	8,641,255	7,754,349	7,779,763	6,936,360	7,159,963	6,521,128	6,918,333	6,913,975
Total primary government expenses	28,909,628	20,603,735	23,341,685	21,265,313	20,541,708	19,923,844	18,781,590	17,949,393	18,373,171	18,631,033
NET EXPENSE										
Governmental activities	(7,449,643)	(3,851,907)	(5,933,574)	(6,021,997)	(6,362,636)	(8,014,257)	(7,648,545)	(5,019,877)	(5,292,007)	(6,260,099)
Business-type activities	7,462,725	3,434,234	4,425,015	6,436,713	5,291,339	5,516,025	5,654,752	6,510,338	4,636,278	4,997,968
Total primary government net expense	\$ 13,082	\$ (417,673)	\$ (1,508,559)	\$ 414,716	\$ (1,071,297)	\$ (2,498,232)	\$ (1,993,793)	\$ 1,490,461	\$ (655,729)	\$ (1,262,131)

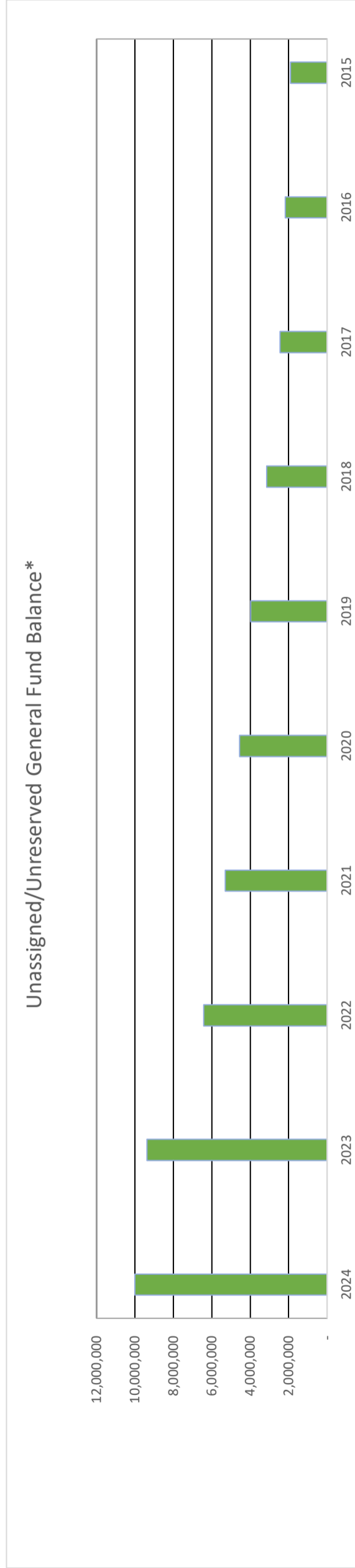
**CITY OF THE DALLES
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
(continued)										
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
General Revenues										
Property taxes levied for										
General purposes	\$ 7,367,924	\$ 6,107,761	\$ 5,046,652	\$ 4,884,325	\$ 4,722,441	\$ 4,511,219	\$ 4,311,291	\$ 2,950,205	\$ 2,714,277	\$ 2,753,785
Urban renewal purposes	1,670,280	1,673,417	1,569,114	1,487,631	1,663,728	1,645,481	1,525,864	1,485,852	1,378,487	1,407,564
Franchise and public service taxes	2,805,401	2,805,489	2,749,746	2,361,131	2,458,295	2,413,494	2,366,189	2,132,956	2,101,776	1,757,480
Interest and investment earnings	1,301,968	767,129	101,961	141,450	356,466	326,932	206,646	111,660	54,106	49,936
Miscellaneous	198,460	267,476	-	-	-	-	-	-	-	-
Transfers	1,400,325	1,742,002	1,437,266	1,526,421	1,452,132	1,402,100	1,300,986	1,334,452	1,299,746	1,473,387
Total governmental activities	14,744,358	13,363,274	10,904,739	10,400,958	10,653,062	10,299,226	9,710,976	8,015,125	7,548,392	7,442,152
Business-type activities										
Interest and investment earnings	477,579	324,818	74,557	96,840	222,703	235,968	202,863	161,264	73,317	50,440
Miscellaneous	262,929	178,634	-	-	-	-	705,604	-	-	-
Gain (loss) on sale of property	-	13,467	-	-	-	-	-	-	-	-
Transfers	(1,400,325)	(1,742,002)	(1,437,266)	(1,526,421)	(1,452,132)	(1,402,100)	(1,300,986)	(1,334,452)	(1,299,746)	(1,473,387)
Total business-type activities	(659,817)	(1,225,083)	(1,362,709)	(1,429,581)	(1,229,429)	(1,166,132)	(392,519)	(1,173,188)	(1,226,429)	(1,422,947)
Total primary government	14,084,541	12,138,191	9,542,030	8,971,377	9,423,633	9,133,094	9,318,457	6,841,937	6,321,963	6,019,205
CHANGE IN NET POSITION										
Governmental activities	8,454,347	3,749,047	4,971,165	4,378,961	4,290,426	2,284,969	2,062,431	2,995,248	2,256,385	1,182,053
Prior period adjustments ***	-	(1,900,704)	-	-	-	-	781,495	-	6,596,876	-
Governmental activities, as adjusted	8,454,347	1,848,343	4,971,165	4,378,961	4,290,426	2,284,969	2,843,926	2,995,248	8,853,261	1,182,053
Business-type activities	6,802,908	2,209,151	3,062,306	5,007,132	4,061,910	4,349,893	5,262,233	5,337,150	3,409,849	3,575,021
Prior period adjustments***	-	441,577	-	-	-	-	460,029	-	(11,265,887)	-
Business-type activities, as adjusted	6,802,908	2,650,728	3,062,306	5,007,132	4,061,910	4,349,893	5,722,262	5,337,150	(7,856,038)	3,575,021
Total primary government change in net position	15,257,255	4,499,071	8,033,471	9,386,093	8,352,336	6,634,862	8,566,188	8,332,398	997,223	4,757,074
NET POSITION BEGINNING										
Governmental activities	67,786,809	64,037,762	60,967,301	56,588,340	52,297,914	50,012,945	47,169,019	44,173,771	34,853,707	33,671,654
Business-type activities	66,575,102	64,819,551	61,315,668	56,308,536	52,246,626	47,896,733	42,174,471	36,837,321	44,693,359	41,118,338
Total primary government net position-beginning	134,361,911	128,857,313	122,282,969	112,896,876	104,544,540	97,909,678	89,343,490	81,011,092	79,547,066	74,789,992
NET POSITION ENDING										
Governmental activities	76,241,156	67,786,809	65,938,466	60,967,301	56,588,340	52,297,914	50,012,945	47,169,019	43,706,968	34,853,707
Business-type activities	73,378,010	66,575,102	64,377,974	61,315,668	56,308,536	52,246,626	47,896,733	42,174,471	36,837,321	44,693,359
Total primary government net position	\$ 149,619,166	\$ 134,361,911	\$ 130,316,440	\$ 122,282,969	\$ 112,896,876	\$ 104,544,540	\$ 97,909,678	\$ 89,343,490	\$ 80,544,289	\$ 79,547,066

** 2016 prior period adjustments are due to the Airport being reclassified as a joint venture, and being separated from the City as a business activity, and one half of the Airport assets being added to the governmental activities.
***Net position has been restated in relation to implementation of new accounting pronouncements issued by GASB as well as correction of accounting errors.

**CITY OF THE DALLES
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL FUND										
Nonspendable	\$ 18,452	\$ 17,222	\$ 175,113	\$ 174,542	\$ 168,235	\$ 163,833	\$ 159,388	\$ 146,177	\$ 144,028	\$ 132,551
Prepays	-	-	1,467,341	1,411,470	1,490,141	1,438,545	1,352,126	1,369,385	1,107,207	1,169,225
Committed	10,001,049	9,382,537	6,424,835	5,300,328	4,562,820	3,982,784	3,143,704	2,451,502	2,169,062	1,898,698
Unassigned	10,019,501	9,399,759	8,067,289	6,886,340	6,221,196	5,585,162	4,655,218	3,967,064	3,420,297	3,200,474
Total general fund	123,484	148,059	139,892	119,006	106,913	165,400	159,269	154,151	140,366	177,245
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	3,361,507	3,299,147	4,968,292	3,456,315	3,483,429	3,464,591	3,400,816	3,365,712	3,411,321	3,508,935
Inventory	-	-	7,225,698	6,098,116	5,492,459	4,072,925	3,298,134	2,510,012	1,847,330	1,831,201
Restricted	804,925	808,738	-	-	-	-	-	-	-	-
Grant / contributor specific intent	7,001,551	2,192,793	-	-	-	-	-	-	-	-
State statute	-	-	2,222,992	-	-	-	14,370	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Capital projects	2,754,682	2,084,798	-	2,103,901	1,917,329	1,718,702	1,596,044	1,488,866	1,347,889	1,251,473
Full faith and credit debt	3,242,581	793,995	827,941	463,283	391,520	302,474	299,191	242,548	163,729	219,734
Intergovernmental agreement	-	-	-	469,219	521,904	574,631	535,675	565,598	458,063	107,657
Committed	4,271,086	2,474,149	1,729,452	1,852,606	652,118	91,412	110,105	82,867	37,689	43,449
Major capital facilities and associated debt	21,559,816	11,801,679	17,114,267	14,562,446	12,565,672	10,404,505	9,413,604	8,409,754	7,406,387	7,139,694
Local improvements and associated debt	\$ 31,579,317	\$ 21,201,438	\$ 25,181,556	\$ 21,448,786	\$ 18,786,868	\$ 15,989,667	\$ 14,068,822	\$ 12,376,818	\$ 10,826,684	\$ 10,340,168
Agreements with state agencies										
Total all other governmental funds										
Total governmental funds										



CITY OF THE DALLES
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
REVENUES										
Taxes	\$ 11,405,290	\$ 10,122,971	\$ 8,995,455	\$ 8,414,578	\$ 8,451,478	\$ 8,179,210	\$ 7,825,266	\$ 6,308,619	\$ 6,025,127	\$ 5,661,611
Inter-governmental	10,286,631	6,571,391	7,814,189	5,527,689	3,905,841	3,105,605	2,722,194	3,899,215	3,848,504	4,235,990
Franchise fees	434,281	447,569	403,523	394,694	383,959	378,063	371,027	258,417	227,827	266,968
Fines and forfeitures	138,583	141,580	177,280	113,110	215,730	242,550	257,822	258,049	249,906	234,947
Charges for services	-	-	-	-	-	67,227	45,992	66,595	49,250	40,507
System development charges	146,229	154,740	77,564	95,504	79,764	261,020	72,261	239,963	84,850	35,334
Special assessments	27,179	20,347	33,040	31,151	117,138	111,132	50,493	191,204	469,501	82,657
Principal and interest repayments	-	128,709	-	-	-	-	-	-	-	-
Rents and interest	1,861,807	1,394,588	512,972	557,003	807,320	753,549	477,694	544,083	502,604	485,684
Other revenue	325,294	339,525	495,448	175,912	1,315,761	456,517	586,857	447,791	922,148	502,387
Total revenues	<u>24,625,294</u>	<u>19,321,420</u>	<u>18,509,471</u>	<u>15,309,641</u>	<u>15,276,991</u>	<u>13,554,873</u>	<u>12,409,606</u>	<u>12,213,936</u>	<u>12,379,717</u>	<u>11,546,085</u>
EXPENDITURES										
Current										
General government	4,137,515	3,502,657	3,949,134	4,027,857	3,566,200	3,372,562	3,256,199	3,260,351	3,237,110	3,363,935
Public safety	5,363,921	5,357,961	5,256,853	4,397,450	4,279,586	4,150,222	3,884,806	3,738,742	3,685,123	3,526,407
Planning and economic development	664,407	506,230	-	-	-	-	-	-	-	-
Highways and streets	4,206,798	2,731,497	1,735,174	1,927,801	1,388,614	1,396,492	1,218,883	1,179,016	1,082,520	1,021,840
Culture and recreation	2,598,963	2,383,508	2,044,379	1,325,371	1,860,359	1,811,394	1,646,012	1,680,709	1,543,977	1,414,754
Capital outlay	2,449,092	3,050,774	2,202,833	1,377,988	1,711,648	1,188,912	916,391	1,013,464	2,516,214	2,413,193
Debt service										
Principal	701,573	849,444	809,455	767,318	732,644	697,970	671,906	642,232	617,558	596,494
Interest	227,069	265,468	319,809	358,565	393,387	432,293	464,393	495,557	524,654	548,296
Total expenditures	<u>20,349,338</u>	<u>18,647,539</u>	<u>16,317,637</u>	<u>14,182,350</u>	<u>13,932,438</u>	<u>13,049,845</u>	<u>12,058,590</u>	<u>12,010,071</u>	<u>13,207,156</u>	<u>12,884,919</u>
Revenues over (under) expenditures	<u>4,275,956</u>	<u>673,881</u>	<u>2,191,834</u>	<u>1,127,291</u>	<u>1,344,553</u>	<u>505,028</u>	<u>351,016</u>	<u>203,865</u>	<u>(827,439)</u>	<u>(1,338,834)</u>
OTHER FINANCING SOURCES (USES)										
Proceeds of financing agreement	7,966	39,345	-	-	-	-	-	-	-	-
Lease inception	-	22,108	87,072	-	-	-	-	-	-	-
Sale of fixed capital assets	-	-	16,599	8,116	606	13,717	40,002	11,817	6,719	11,985
Transfers in	7,451,968	4,389,310	3,310,515	3,394,762	3,287,752	2,830,004	2,874,161	2,885,047	3,193,664	3,504,190
Transfers out	(6,051,643)	(1,844,570)	(1,873,249)	(1,868,341)	(1,835,620)	(1,427,904)	(1,573,175)	(1,550,595)	(1,893,918)	(2,030,803)
Total other financing sources (uses)	<u>1,408,291</u>	<u>2,606,193</u>	<u>1,540,937</u>	<u>1,534,537</u>	<u>1,452,738</u>	<u>1,415,817</u>	<u>1,340,988</u>	<u>1,346,269</u>	<u>1,306,465</u>	<u>1,485,372</u>
Net change in fund balances	<u>\$ 5,684,247</u>	<u>\$ 3,280,074</u>	<u>\$ 3,732,771</u>	<u>\$ 2,661,828</u>	<u>\$ 2,797,291</u>	<u>\$ 1,920,845</u>	<u>\$ 1,692,004</u>	<u>\$ 1,550,134</u>	<u>\$ 479,026</u>	<u>\$ 146,538</u>
Debt service as a percentage of noncapital expenditures	<u>4.9%</u>	<u>6.7%</u>	<u>8.0%</u>	<u>8.5%</u>	<u>9.0%</u>	<u>9.1%</u>	<u>10.0%</u>	<u>10.2%</u>	<u>10.2%</u>	<u>10.1%</u>

**CITY OF THE DALLES
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

FUNCTION/PROGRAM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
General government	\$ 9,885,107	\$ 6,053,666	\$ 7,041,611	\$ 6,219,285	\$ 5,062,451	\$ 3,626,257	\$ 2,740,349	\$ 3,946,228	\$ 3,082,298	\$ 3,214,586
Public safety	92,473	137,998	190,609	113,914	213,002	223,699	241,242	243,128	235,252	222,585
Highways and streets	1,344,214	1,312,418	20,966	9,419	1,026,143	1,096,920	969,448	900,410	891,733	854,032
Culture and recreation	17,562	11,435	1,513,670	1,146,349	97,713	26,351	22,043	1,318,622	1,953,548	1,165,756
Total governmental activities	11,339,356	7,515,517	8,766,856	7,488,967	6,399,309	4,973,227	3,973,082	6,408,388	6,162,831	5,456,959
Business-type activities										
Water	6,332,237	6,678,006	7,297,957	6,362,649	5,937,448	5,915,183	6,838,940	6,893,557	5,820,678	5,730,696
Waste water	11,251,117	5,992,539	5,768,313	7,828,413	7,133,654	6,537,202	5,875,775	6,137,909	5,733,933	5,533,259
Airport *	-	-	-	-	-	-	-	-	-	647,988
Total business-type activities	17,583,354	12,670,545	13,066,270	14,191,062	13,071,102	12,452,385	12,814,715	13,031,466	11,554,611	11,911,943
Total primary government	\$ 28,922,710	\$ 20,186,062	\$ 21,833,126	\$ 21,680,029	\$ 19,470,411	\$ 17,425,612	\$ 16,787,797	\$ 19,439,854	\$ 17,717,442	\$ 17,368,902

* The Airport has been reclassified as a "joint venture" and so has been removed from the City's business activities as of 2016

**CITY OF THE DALLES
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

Year	Property Taxes	Transient Room Taxes	City Gasoline Taxes
2015	3,965,710	699,538	476,807
2016	3,914,828	774,459	485,409
2017	4,253,171	794,439	501,456
2018	4,359,755	807,020	518,183
2019	4,680,759	825,988	507,552
2020	4,856,548	673,223	475,432
2021	5,002,897	689,146	479,619
2022	5,085,775	997,209	505,837
2023	6,211,599	1,016,827	492,181
2024	6,390,713	1,025,601	504,942

**CITY OF THE DALLES
 ASSESSED VALUATION AND ACTUAL VALUES
 OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Year	Real Property Assessed Value	Personal Property Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value
2015	949,356,866	99,175,645	1,048,532,511	3.0155	1,298,752,196
2016	976,761,450	102,771,898	1,079,533,348	3.0155	1,625,848,326
2017	101,779,141	106,663,306	208,442,447	3.0155	1,795,227,733
2018	1,061,276,720	110,567,256	1,171,843,976	3.0155	1,933,064,130
2019	1,123,378,702	121,282,394	1,244,661,096	3.0155	241,184,802
2020	1,167,757,354	117,462,023	1,285,219,377	3.0155	2,426,595,157
2021	1,227,829,800	121,443,646	1,349,273,446	3.0155	2,884,325,345
2022	1,255,787,540	125,449,933	1,381,237,473	3.0155	2,741,337,003
2023	1,407,174,151	369,090,384	1,776,264,535	3.0155	3,435,429,142
2024	1,502,277,054	332,074,179	1,834,351,233	3.0155	3,625,526,076

CITY OF THE DALLES
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN FISCAL YEARS

Year	City				Overlapping Governments										Total Direct and Overlapping Rates
	District Adjusted Tax Rate	Urban Renewal Tax Rate	City of The Dalles Direct Rate	Wasco County	Port of The Dalles	Mid-Columbia Fire and Rescue	Northern Wasco County Parks and Recreation Bond	Northern Wasco Co Parks and Recreation District Bond	Wasco County Library District	School District No. 12	School District No. 21	Columbia Gorge Educational Service District	Columbia Gorge Community College	Norcor	
2015	2.7945	0.221	3.0155	4.2523	0.2007	2.2449	0.6799	0.3228	0.68	1.7588	5.2399	0.4678	0.2703	0.245	19.3779
2016	2.7961	0.2194	3.0155	4.2523	0.2007	2.2656	0.6799	0.2953	0.68	1.7052	5.2399	0.4678	0.2703	0.2487	19.3212
2017	2.7952	0.2203	3.0155	4.2523	0.2007	2.2588	0.6799	0.2824	0.68	1.6991	5.2399	0.4678	0.2703	0.0196	19.0663
2018	2.797	0.2185	3.0155	4.2523	0.2007	2.1841	0.6799	0.2954	0.68	1.6485	5.2399	0.4678	0.2703	-	18.9344
2019	2.7909	0.2246	3.0155	4.2523	0.2007	2.2687	0.6799	0.288	0.68	1.6268	5.2399	0.4678	0.2703	-	18.9899
2020	2.7988	0.2167	3.0155	4.2523	0.2007	2.2734	0.6799	0.3227	0.68	1.5589	5.2399	0.4678	0.2703	-	18.9614
2021	2.8069	0.2086	3.0155	4.2523	0.2007	2.1004	0.6799	0.3067	0.68	1.5589	5.2399	0.4678	0.2703	-	18.7724
2022	2.8055	0.21	3.0155	4.2523	0.2007	2.1004	0.6799	-	0.68	1.5589	5.2399	0.4678	0.2703	-	18.4657
2023	2.8388	0.1767	3.0155	4.2523	0.2007	2.1004	0.6799	-	0.68	1.5589	5.2399	0.4678	0.2703	-	18.4657
2024	2.8475	0.168	3.0155	4.2523	0.2007	2.1004	0.6799	-	0.68	1.5589	5.2399	0.4678	0.2703	-	18.4657

**CITY OF THE DALLES
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year Ended June 30,	Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy			Amount	Percentage of Levy
		Amount	Percentage of Levy	Collections in Subsequent Years		
2015	4,236,498	3,914,828	92.41%	139,069	4,053,897	95.69%
2016	4,162,816	3,965,710	95.27%	100,490	4,066,200	97.68%
2017	4,533,590	4,253,171	93.81%	68,096	4,321,267	95.32%
2018	4,679,644	4,359,755	93.16%	140,498	4,500,253	96.17%
2019	5,006,827	3,879,906	77.49%	157,243	4,037,149	80.63%
2020	5,158,457	4,856,548	94.15%	212,171	5,068,719	98.26%
2021	5,258,745	5,003,897	95.15%	40,708	5,044,605	95.93%
2022	5,371,349	5,085,775	94.68%	136,416	5,222,191	97.22%
2023	6,520,444	6,211,599	95.26%	92,884	6,304,483	96.69%
2024	6,722,178	6,390,713	95.07%	210,628	6,601,341	98.20%

**CITY OF THE DALLES
PRINCIPAL TAXPAYERS
DECEMBER 31, 2023 AND DECEMBER 31, 2013**

	December 31, 2023		
Taxpayer	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Google LLC	\$ 908,470,400	1	51.14%
Design LLC	987,249,700	2	55.58%
Avangrid Renewables LLC	81,159,000	3	4.57%
Union Pacific Railroad CO	53,415,849	4	3.01%
Oregon Cherry Growers LLC	21,979,465	5	1.24%
Northern Wasco County PUD	53,459,346	6	3.01%
BNSF Railway Co	58,594,268	7	3.30%
Hydro Extrusion USA LLC	25,220,470	8	1.42%
Lumen Technologies Inc	18,116,186	9	1.02%
American Cruise Lines Inc	13,928,879	10	0.78%
Total principal taxpayers	2,221,593,563		125.07%
Total assessed valuation	\$ 1,776,264,535		

	December 31, 2013		
Taxpayer	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Oregon Cherry Growers, Inc.	\$ 12,189,922	1	1.20%
Metropolitan Life Insurance Cc	12,026,474	2	1.19%
Northern Wasco County PUD	10,452,860	3	1.03%
Home Depot USA, Inc.	10,192,380	4	1.01%
CenturyLink	9,553,500	5	0.94%
Union Pacific Railroad Co.	7,974,494	6	0.79%
Wasco Assisted Living, LLC	7,334,020	7	0.72%
Safeway, Inc	7,244,211	8	0.72%
Charter Communications	6,939,700	9	0.69%
Cascade Square, LLC	6,843,115	10	0.68%
Total principal taxpayers	90,750,676		8.96%
Total assessed valuation	\$ 1,012,652,257		

**CITY OF THE DALLES
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-type Activities					Total Primary Government	Percentage of Personal Income *	Per Capita	Percentage of Actual Taxable Value of Property
	FFCO Bonds	Loans Payable	Leases Payable	Revenue Bonds	FFCO Bonds	Dog River Pipeline Loan	Loans Payable					
2015	11,014,790	50,890	-	10,033,307	3,250,301	-	4,266,008	28,615,296	N/A	1,976	2.73%	
2016	10,348,138	25,846	-	9,331,642	3,090,198	-	4,065,974	26,861,798	N/A	1,851	2.49%	
2017	9,656,812	-	-	8,604,977	1,008,856	-	3,138,518	22,409,163	N/A	1,439	1.99%	
2018	8,935,812	-	-	11,329,860	888,986	-	4,428,222	25,582,880	N/A	1,635	2.18%	
2019	8,188,748	-	-	10,289,977	765,181	-	4,275,743	23,519,649	N/A	1,512	1.89%	
2020	7,407,010	-	-	9,224,516	636,048	-	4,082,939	21,330,513	N/A	1,309	1.66%	
2021	6,590,598	-	7,537	8,129,511	501,590	-	3,845,545	19,074,781	N/A	1,189	1.41%	
2022	7,062,393	-	77,144	7,006,140	347,664	-	4,823,850	19,317,191	N/A	1,158	1.38%	
2023	6,113,540	-	78,862	6,385,032	210,323	3,138,715	6,527,315	22,453,787	N/A	1,189	1.08%	
2024	4,320,825	-	121,077	5,748,065	171,974	5,073,115	6,289,992	21,725,048	N/A	1,375	1.18%	

Note: Presented net of original issuance discounts and premiums

**CITY OF THE DALLES
RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Total Taxable Assessed Value	Percentage of Actual Taxable Value of Property	Per Capita
2015	-	1,048,532,511	0.00%	-
2016	-	1,079,533,348	0.00%	-
2017	-	1,128,442,447	0.00%	-
2018	-	1,179,634,596	0.00%	-
2019	-	1,240,914,769	0.00%	-
2020	-	1,285,219,377	0.00%	-
2021	-	1,349,273,446	0.00%	-
2022	-	1,381,237,473	0.00%	-
2023	-	1,776,264,535	0.00%	-
2024	-	1,834,351,233	0.00%	-

**CITY OF THE DALLES
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2024**

Governmental Unit	Gross Property-tax Backed Debt (a)	Percentage Applicable to City of The Dalles	Amount Applicable to City of The Dalles
Debt repaid with property taxes			
Columbia Gorge Comm. Coll (Treaty-Oak AED)	\$ 16,194,834	20.7912%	\$ 3,367,104
Mid-Columbia Fire and Rescue	470,000	76.5104%	359,599
Northern OR Regional Corrections	1,330,000	0.0000%	-
Northern Wasco Co. Parks & Rec District	3,660,108	7.1193%	260,574
Port of The Dalles	2,137,500	66.3953%	1,419,200
Wasco CTY SD 12 (The Dalles) Bonds	17,160,513	84.0903%	14,430,327
Wasco CTY SD 21 (The Dalles/Watonka)	4,590,000	69.6591%	3,197,353
Wasco CTY SD 29	1,138,664	0.8376%	9,537
Subtotal, overlapping debt			23,043,694 (b)
City direct debt			4,320,825 (c)
Total direct and overlapping debt			<u>\$ 27,364,519</u>

NOTE:

- a) "Gross Property-tax Backed Debt" includes all General Obligation (GO) bonds and Full Faith & Credit Bonds, but excludes self-supporting Bancroft bonds and self-supporting revenue bonds.
- b) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlap is determined by how much of the real market value is shared by each entity with the City of the Dalles. This information is provided by the Oregon Department of Revenue and used by the Oregon State Treasury Department to develop the Overlapping Debt Reports for the City.
- c) City Direct Debt includes property-tax backed debt for the Full Faith & Credit Bonds, but excludes self-supporting revenue bonds.

**CITY OF THE DALLES
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Real Market Value	Debt Limit Rate	Debt Limit	Less General Bonded Debt June 30	Legal Debt Margin	Total Net Bonded Debt Applicable to the Limit as a Percentage of Debt Limit
2015	1,298,752,196	3%	38,962,566	-	38,962,566	0.00%
2016	1,625,848,326	3%	48,775,450	-	48,775,450	0.00%
2017	1,795,227,733	3%	53,856,832	-	53,856,832	0.00%
2018	1,933,064,130	3%	57,991,924	-	57,991,924	0.00%
2019	2,411,848,062	3%	72,355,442	-	72,355,442	0.00%
2020	2,426,595,157	3%	72,797,855	-	72,797,855	0.00%
2021	2,884,325,345	3%	86,529,760	-	86,529,760	0.00%
2022	2,741,337,003	3%	82,240,110	-	82,240,110	0.00%
2023	3,435,429,142	3%	103,062,874	-	103,062,874	0.00%
2024	3,625,526,076	3%	108,765,782	-	108,765,782	0.00%

Note: The City has not had any general obligation bonds subsequent to 2000.

**CITY OF THE DALLES
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	Population	Personal Income	Per Capita Income	Unemployment Rate
2015	14,480	N/A	N/A	4.30%
2016	14,515	N/A	N/A	4.00%
2017	15,572	N/A	N/A	4.30%
2018	15,646	N/A	N/A	3.70%
2019	15,554	N/A	N/A	3.40%
2020	16,290	N/A	N/A	9.30%
2021	16,031	N/A	N/A	4.20%
2022	16,488	N/A	N/A	3.30%
2023	16,157	N/A	N/A	4.20%
2024	15,711	N/A	N/A	3.50%

N/A Information at City level not available.

Note: The only personal income information available for the City is based on tax returns filed with the State of Oregon.

**CITY OF THE DALLES
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

2023-24		Rank	Percent of Total Employment
Employers	Employees	Rank	Percent of Total Employment
Mid Columbia Medical Center	792	1	10.03%
School District #21	385	2	4.88%
Fred Meyer	260	3	3.29%
State of Oregon	259	4	3.28%
Google	205	5	2.60%
Oregon Veterans Home	180	6	2.28%
Wasco County	151	7	1.91%
Columbia Gorge Community College	149	9	1.89%
Pacific Coast Producers	119	8	1.51%
U.S. Army Corps of Engineers	113	10	1.43%
	<u>2,613</u>		<u>33.10%</u>
Total employment	<u>7,894</u>		

* Counts are FTE equivalents and do not include short-term seasonal positions

2013-14		Rank	Percent of Total Employment
Employers	Employees	Rank	Percent of Total Employment
Mid Columbia Medical Center	766	1	8.96%
School District #21	328	2	4.16%
Oregon Cherry Growers, Inc	310	3	4.01%
State of Oregon	197	4	2.45%
Oregon Veterans Home	192	5	2.39%
Wasco County	120	6	1.55%
City of The Dalles	103	7	1.22%
Columbia Gorge Community College	93	8	1.06%
Safeway Food and Drug	83	9	1.06%
Sunshine Mill	73	10	0.96%
	<u>2,265</u>		<u>27.03%</u>
Total employment	<u>8,379</u>		

CITY OF THE DALLES
 FULL-TIME EQUIVALENT CITY EMPLOYEES
 BY FUNCTION/PROGRAM AND BARGAINING UNIT
 LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
General government	17.00	16.00	13.80	13.80	13.80	16.00	15.00	15.00	14.00	19.00
Public safety	30.50	27.50	27.25	28.25	26.25	26.25	26.25	25.25	27.25	28.50
Community services	5.00	4.00	4.00	5.00	5.00	5.00	3.00	4.50	4.00	4.50
Streets and highways	9.00	8.00	9.00	8.00	9.00	11.00	10.00	7.00	9.00	8.50
Library	12.50	10.40	11.40	10.90	10.90	9.90	10.00	10.90	11.40	9.50
Total governmental activities	74.00	65.90	65.45	65.95	64.95	68.15	64.25	62.65	65.65	70.00
Business-type activities										
Water	23.00	23.00	22.50	22.50	22.50	22.50	20.50	18.00	21.00	22.00
Wastewater	12.00	13.00	13.50	13.50	13.50	14.50	13.50	12.00	13.00	12.00
Total business-type activities	35.00	36.00	36.00	36.00	36.00	37.00	34.00	30.00	34.00	34.00
Total primary government budgeted FTE	109.00	101.90	101.45	101.95	100.95	105.15	98.25	92.65	99.65	104.00
City of The Dalles employees										
Management and exempt	48.00	41.90	39.45	39.95	39.95	37.90	34.75	34.65	33.65	37.00
Bargaining units										
SEIU (Local 503)	44.00	46.00	44.00	44.00	44.00	45.75	45.50	43.00	44.00	44.00
Police association	17.00	14.00	18.00	18.00	17.00	17.00	17.00	14.00	19.00	19.00
Total bargaining units	61.00	60.00	62.00	62.00	61.00	62.75	62.50	57.00	63.00	63.00
Temporary City employees	-	-	-	-	-	4.50	1.00	1.00	1.00	4.00
Total actual City employees	109.00	101.90	101.45	101.95	100.95	105.15	98.25	92.65	97.65	104.00

**CITY OF THE DALLES
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

FUNCTION/PROGRAM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
FUNCTION/PROGRAM										
Governmental activities										
Public safety and justice										
Police (1)										
Calls for service	19,395	17,693	17,720	16,787	16,648	15,756	13,375	12,218	N/A*	11,166
Crime reports	2,490	2,564	2,495	2,583	2,621	2,559	2,060	2,220	N/A*	2,600
Number of arrests	826	814	823	922	1,125	919	837	1,793	N/A*	1,371
Municipal court										
Traffic cases	614	558	545	940	1,544	1,692	1,374	1,720	1,467	1,504
Criminal cases	-	-	-	6	-	235	372	279	429	364
Ordinance violations	17	12	12	22	1	9	1	30	19	40
Parking violations	7	21	1	17	3	109	81	47	99	57
Code enforcement cases	2	-	-	-	-	-	5	6	4	9
Library										
Number of registered borrowers	8,236	8,885	9,680	10,563	15,411	15,665	15,562	15,651	14,538	13,534
Total circulation	205,903	161,552	137,234	74,924	182,523	236,571	219,628	197,620	190,785	164,106
Public programs	1,434	1,627	349	299	670	784	362	340	472	264
Program attendance	20,825	24,924	4,118	23,620	10,168	14,023	4,194	3,617	5,759	4,706
Books added	5,296	5,224	4,821	5,695	6,632	6,113	6,315	5,425	6,563	8,995
Business-type activities										
Water										
Average active metered connections	5,135	5,103	5,023	4,864	4,640	4,773	4,443	4,825	4,617	4,590
Average daily water consumption	3,393,316	3,249,117	3,295,441	3,221,860	2,983,584	3,005,304	2,994,521	3,121,860	2,969,589	3,475,890
Average number of assistance accounts	148	179	190	218	196	159	139	134	183	149
Average daily water production	3,672,120	3,682,507	3,677,962	4,294,605	3,370,000	3,456,900	3,341,700	3,300,000	3,360,415	3,303,658

(1) Police statistics are for the calendar year.
* N/A: Data was not available for this year.

CITY OF THE DALLES
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
General government										
Buildings owned	12	13	13	13	13	13	13	13	13	13
Vehicles (excluding automobiles)	44	44	44	44	44	45	41	41	41	41
Heavy equipment	20	20	20	20	19	19	18	18	18	18
Public safety and justice										
Police	21	20	20	20	19	19	18	18	17	17
Police vehicles	27.75	24.4	27.25	25	26	26	26.25	21	25.75	25.5
Streets and highways										
Miles of streets maintained by City										
Paved	81.19	81.19	81.19	81.19	85.4	85.1	87.5	85.1	69.2	69.2 *
Unpaved	8.3	8.3	8.3	8.3	16.24	13.2	10.8	13.2	16.4	16.4 *
Bridges and underpasses	6	6	6	6	6	6	6	6	6	6
Business-type activities										
Water										
Miles of water lines (estimated)	105.57	105.11	104.89	104.89	104.79	104.75	104	101.3	101.3	101.3 *
Reservoirs	5	5	5	5	5	5	5	5	5	5
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Wells	3	3	3	3	3	3	3	3	3	3
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Miles of sewer lines (estimated)	101.8	101.8	101.0	100.6	100.4	100.0	100	100	98.8	95.7 *
Lift stations	8	8	8	8	8	9	9	9	9	9
Airport										
Terminal	1	1	1	1	1	1	1	1	1	1
Maintenance and T-hangers	42	42	42	42	42	42	42	42	42	42
Other buildings	4	4	4	4	4	4	4	2	2	2

* 2015 Purchased "D" hanger with 9 T-hangers.
* 2018 Flex space and acquired the Shearer Hanger

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| COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS**

Mayor and City Council
City of The Dalles, Oregon
The Dalles, Oregon

We have audited the basic financial statements of the City of The Dalles, Oregon (the City) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 4, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures but were not limited to the following:

- Deposit of public funds with financial institutions under ORS Chapter 295.
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required under ORS Chapter 294.
- Insurance and fidelity under bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing under (ORS Chapters 279A, 279B, 279C).

In connection with our testing, nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-010-0000 through 162-010-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as disclosed in *Note 2* of the financial statements.

OAR 162-010-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Restrictions on Use

This report is intended solely for the information and use of the Honorable Mayor and City Council, Management of the City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
December 4, 2024



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council
City of the Dalles
The Dalles, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of the Dalles, Oregon, (the City) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Jeny Grupe". The signature is written in a cursive, flowing style.

Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
December 4, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Council
City of The Dalles, Oregon
The Dalles, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of the Dalles, Oregon's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2024. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

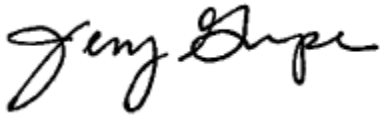
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Jeny Grupe". The signature is written in a cursive, flowing style.

Jeny Grupe, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
December 4, 2024

**CITY OF THE DALLES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Grant/Contract Number	Federal Expenditures
U.S. Department of the Treasury			
Passed through State of Oregon Department of Administrative Services:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 1,090,946
Total Coronavirus State and Local Fiscal Recovery Funds			<u>1,090,946</u>
		Total U.S. Department of the Treasury	\$ 1,090,946
U.S. Department of Housing and Urban Development			
Passed through State of Oregon Department of Administrative Services:			
Coronavirus Community Service Development Block Grant	14.218	N/A	\$ 71,453
Total Coronavirus Community Service Development Block Grant			<u>71,453</u>
		U.S. Department of Housing and Urban Development	\$ 71,453
		Total Expenditures of Federal Awards	\$ 1,162,399

**CITY OF THE DALLES
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of City of The Dalles (the City) under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, change in net position/fund balance or cash flows of the City.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 – Subrecipients

The City did not have any awards that were passed through to subrecipients for the year ended June 30, 2024.

**CITY OF THE DALLES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
#21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

| COLUMBIA GORGE REGIONAL AIRPORT
CITY OF THE DALLES, OREGON

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2024
WITH
INDEPENDENT AUDITOR'S REPORT



**COLUMBIA GORGE REGIONAL AIRPORT
CITY OF THE DALLES, OREGON
JUNE 30, 2024**

Board of Directors

Jim Wilcox
416 W. 7th Street
The Dalles OR 97058

Randy Anderson
2409 E 17th Street
The Dalles, OR 97058

Tim Urness
PO Box 326
Dallesport WA 98617

Terry Trapp
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Lori Zoller
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PO Box 790
Stevenson WA 98648

Tim McGlothlin
328 West 21st Place
The Dalles OR 97058

Address of Columbia Gorge Regional Airport
Administrative Offices
313 Court Street
The Dalles, OR 97058



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Columbia Gorge Regional Airport

June 30, 2024

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| Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Columbia Gorge Regional Airport
The Dalles, Oregon

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Columbia Gorge Regional Airport (the Airport) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Airport, as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards*, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport's basic financial statements. The supplementary information as listed in the Table of Contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the Table of Contents and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2024 on our consideration of the Airport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Airport's internal control over financial reporting and compliance.

Other Reporting Required by Oregon State Regulations

In accordance with Oregon State Regulations, we have also issued our report dated November 25, 2024 on our consideration of the Airport's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*. The purpose of that report is to describe the scope of our testing necessary to address the required provisions of ORS, and not to provide an opinion on compliance with such provisions.



Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
November 25, 2024



| Management's Discussion and Analysis

**COLUMBIA GORGE REGIONAL AIRPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

This Management Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the Columbia Gorge Regional Airport (the Airport) for the fiscal year ended June 30, 2024. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

HIGHLIGHTS

- The assets of the Airport exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,734,197 (net position).
- The Airport's total net position increased by \$2,997,588 primarily associated with an increase in capital grants through U.S. Department of Transportation's Airport Improvement Program (AIP) funding.
- The Airport's total liabilities decreased by \$83,338. This was primarily the result of debt service payments of \$115,000, offset by an increase in other liabilities associated with accounts payable.

REPORT CONTENTS

The report consists of enterprise fund financial statement notes to the financial statements and individual fund schedules. The enterprise fund financial statements include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

STATEMENT OF NET POSITION

The Statement of Net Position focuses on the unrestricted net position of the Airport's proprietary activities. The Statement reflects all assets and liabilities for the Airport.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position focuses on the revenues and program costs of providing airport services to the region.

STATEMENT OF CASH FLOW

The Statement of Cash Flows presents information on the transactions resulting in cash being provided or used. The statement presents this information for operating activities, non-capital financing activities, capital and related financing activities and investing activities.

**COLUMBIA GORGE REGIONAL AIRPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

Summary statements of net position for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Assets		
Current and other assets	\$ 1,892,043	\$ 1,654,232
Capital assets	<u>19,734,200</u>	<u>16,575,950</u>
Total assets	<u>21,626,243</u>	<u>18,230,182</u>
Liabilities		
Long-term liabilities	1,586,184	1,702,214
Other liabilities	<u>71,143</u>	<u>38,451</u>
Total liabilities	<u>1,657,327</u>	<u>1,740,665</u>
Deferred inflows of resources	<u>1,234,719</u>	<u>752,908</u>
Net position		
Net investment in capital assets	18,148,016	14,873,736
Restricted for debt service	74,236	51,637
Unrestricted	<u>511,945</u>	<u>811,236</u>
Total net position	<u>\$ 18,734,197</u>	<u>\$ 15,736,609</u>

The net position of the Airport is primarily invested in capital assets, net of related accumulated depreciation. New construction is primarily related to the South Apron Tarmac Design Project. Unrestricted net position decreased to \$511,945 by \$299,291 or 36.9% primarily due to Airport costs associated with the aforementioned project. This balance represents the portion of net position which may be used to meet the Airport's ongoing obligations.

**COLUMBIA GORGE REGINAL AIRPORT
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

Summary statements of activities for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Revenues		
Operating revenues	\$ 471,960	\$ 431,288
Intergovernmental	84,923	130,000
Capital grants and contributions	3,119,102	115,006
Other	56,899	18,377
	<u>3,732,884</u>	<u>694,671</u>
Expenses		
Operating expenses	669,742	628,008
Interest on long-term debt	65,554	66,256
	<u>735,296</u>	<u>694,264</u>
Change in net position	<u>2,997,588</u>	<u>407</u>
Net position - beginning of year	<u>15,736,609</u>	<u>15,736,202</u>
Net position - ending	<u>\$ 18,734,197</u>	<u>\$ 15,736,609</u>

Net position increased during the year by \$2,997,588 from operations. The change in net position increased from fiscal 2023 due to increases in capital related grant funding.

BUDGETARY HIGHLIGHTS

The original legal appropriations for the Airport General Fund totaled \$8,296,298 which included a contingency of \$532,489. Expenditures were \$4,470,806 under budget. The original legal appropriations for the Airport Debt Service Fund totaled \$207,634. Expenditures were \$22,859 under budget.

CAPITAL ASSETS

As of June 30, 2024 the Airport had \$19,734,200 invested in capital assets, consisting of land, construction in progress, and land improvements. Currently, the Airport has \$4,022,089 in construction in progress which includes the following projects: South Apron Tarmac Design Project – South Apron Rehab, Hangar Expansion Grading Plan, Fuel Apron, Fuel Tank and Airport Hangar F Improvements. For further information regarding capital assets refer to Note 5.

DEBT ADMINISTRATION

As of June 30, 2024, the Airport had \$1,586,184 in debt outstanding compared to \$1,702,214 in the prior year. The decrease of \$116,030 resulted from \$115,000 in scheduled principal payments and \$1,030 from amortization of the bond premium. For further information regarding debt refer to Note 6.

**COLUMBIA GORGE REGIONAL AIRPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS

The Columbia Gorge Regional Airport will continue to be an important partner in economic development within the City of The Dalles and Klickitat County, providing a necessary gateway to air transportation for the Columbia Gorge Region. As the Airport expands their facilities, and develops their business park, the economic viability of the region will increase. In addition, the airport houses Life Flight services, providing emergency medical services to the region.

FINANCIAL CONTACT

The Airport's financial statements are designed to present citizens, taxpayers, investors, and creditors with a general overview of the Airport's finances and to demonstrate the Airport's accountability. If you have questions about the report or need additional financial information, please contact the Airport's Finance Director at 313 Court Street, The Dalles, Oregon 97058.



| **Basic Financial Statements**

**COLUMBIA GORGE REGIONAL AIRPORT
STATEMENT OF NET POSITION
JUNE 30, 2024**

ASSETS

Current assets

Cash and cash equivalents	\$ 624,803
Receivables	
Trade accounts, net	32,521
Current lease receivables	<u>131,168</u>
Total current assets	<u>788,492</u>

NONCURRENT ASSETS

Lease receivable, net of current portion	1,103,551
Capital assets	
Land	1,498,200
Construction in progress	4,022,089
Depreciable assets, net	<u>14,213,911</u>
Total noncurrent assets	<u>20,837,751</u>

TOTAL ASSETS

21,626,243

LIABILITIES

Current liabilities

Accounts payable	62,862
Accrued interest payable	8,281
Current portion of long-term debt, net of unamortized premium	<u>120,962</u>
Total current liabilities	<u>192,105</u>

NON-CURRENT LIABILITIES

Bonds and notes payable, net of current portion and unamortized premium	<u>1,465,222</u>
Total non-current liabilities	<u>1,465,222</u>
Total liabilities	<u>1,657,327</u>

DEFERRED INFLOWS OF RESOURCES

Deferred lease resources	<u>1,234,719</u>
--------------------------	------------------

NET POSITION

Net investment in capital assets	18,148,016
Restricted for debt service	74,236
Unrestricted	<u>511,945</u>

TOTAL NET POSITION

18,734,197

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND NET POSITION**

\$ 21,626,243

**COLUMBIA GORGE REGIONAL AIRPORT
STATEMENT REVENUES, EXPENSES AND
CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

OPERATING REVENUES	
Charges for services	\$ 22,230
Rental income	426,381
Miscellaneous	<u>23,349</u>
Total operating revenues	<u>471,960</u>
OPERATING EXPENSES	
Materials and services	336,396
Depreciation	<u>333,346</u>
Total operating expenses	<u>669,742</u>
OPERATING INCOME (LOSS)	<u>(197,782)</u>
NONOPERATING REVENUES (EXPENSE)	
Interest on investments	56,899
Interest expense	(65,554)
Intergovernmental	<u>84,923</u>
Total nonoperating revenues (expenses)	<u>76,268</u>
Net income before capital grants and contributions	<u>(121,514)</u>
CAPITAL GRANTS AND CONTRIBUTIONS	
Grant	<u>3,119,102</u>
Total capital contributions	<u>3,119,102</u>
CHANGE IN NET POSITION	2,997,588
NET POSITION, beginning of year	<u>15,736,609</u>
NET POSITION, end of year	<u><u>\$ 18,734,197</u></u>

**COLUMBIA GORGE REGIONAL AIRPORT
STATEMENT CASH FLOWS
YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 462,672
Payments to suppliers	<u>(293,839)</u>
Net cash provided (used) by operating activities	<u>168,833</u>
CASH FLOWS FROM NON-CAPITAL FINANCING	
Proceeds from intergovernmental revenue	<u>84,923</u>
Net cash provided (used) by noncapital financing activities	<u>84,923</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from grants	3,119,102
Acquisition of capital assets	(3,491,596)
Principal paid on long-term obligations	(115,000)
Interest paid on long-term obligations	<u>(67,275)</u>
Net cash provided (used) by capital and related financing	<u>(554,769)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	<u>56,899</u>
Net cash provided (used) by investing activities	<u>56,899</u>
Net change in cash and cash equivalents	(244,114)
Cash and cash equivalents - beginning of year	<u>868,917</u>
Cash and cash equivalents - end of year	<u><u>\$ 624,803</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (197,782)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	333,346
Change in assets and deferred outflows of resources and liabilities and deferred inflows of resources	
Receivables	(113)
Accounts payable	42,557
Unearned revenue	<u>(9,175)</u>
Total adjustments	<u>366,615</u>
Net cash provided by operating activities	<u><u>\$ 168,833</u></u>



| **Notes to Basic Financial Statements**

**COLUMBIA GORGE REGIONAL AIRPORT
 NOTES TO BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Columbia Gorge Regional Airport (the Airport) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant of the Airport’s accounting policies are described below.

Reporting Entity

In June, 1999, the City of the Dalles and Klickitat County entered into an Intergovernmental agreement establishing a Regional Management Authority for the Columbia Gorge Regional Airport (the Airport), which had previously been owned and operated by the City of the Dalles. The Regional Board consists of seven members; three positions appointed by the City, three positions appointed by the County, and one position appointed by the collective board members. In 2002, the City of the Dalles and Klickitat County entered into a joint operating agreement, establishing that the City and the County would each have a one-half undivided interest in the Columbia Gorge Regional Airport and that future costs and benefits would be split accordingly. The City of the Dalles remains fiscally responsible for the outstanding debt of the Columbia Gorge Regional Airport and the Columbia Gorge Regional Airport remains fiscally dependent on the grant revenues provided through administrative services of the City of the Dalles.

The accompanying financial statements present all funds for which the Airport is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of these criteria, the Airport is a primary government with no includable component units.

Financial Statement Presentation, Measurement Focus and Basis of Accounting

The Airport is accounted for as a business-type activity for financial reporting purposes and its basic financial statements are prepared on the accrual basis of accounting. Under this method, revenues were recorded when earned and expenses are recorded at the time liabilities are incurred.

The Airport distinguishes operating revenues and expenses from non-operation items. Operating revenues generally result from providing services in connection with ongoing operations. Operating expenses include the cost of services in connection with ongoing operations and administrative expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenue and expense.

When both restricted and unrestricted resources are available, it is the Airport’s policy to use restricted resources first, then, unrestricted resources, as they are needed.

For financial reporting purposes, management considers the activities relating to the operation of the Airport as those of a unitary nature and those activities are reported as such. For operating and budgetary purposes, the accounts of the Airport are organized on the basis of funds, each of which is considered a separate accounting entity.

The funds of the Airport are as follows:

<u>Fund Type – Enterprise</u>	<u>Principal Revenue Source</u>	<u>Primary Expenditure Purpose</u>
General	Grants and service fees	General operating expenses
Debt Service	Interest and property rental fees	Loan payments

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The Airport's cash and investments include demand deposits, and investments in the Oregon State Treasury Local Government Investment Pool (LGIP).

The Airport maintains merged bank accounts and investments for its funds in a central pool of cash and investments that are commingled with the City of The Dalles. The investment policy of the Airport is to invest in LGIP and interest-bearing demand deposits with local banks and to transfer resources to the general checking account as the need arises. This policy is in accordance with ORS 294.035, which specifies the types of investments authorized for municipal corporations. The Airport allocates earnings on investments to each fund based on average monthly cash balances throughout the year.

Trade Accounts Receivables

Trade accounts receivable are stated at the amount management expects to collect on balances outstanding at year end. As of June 30, 2024, allowance for doubtful accounts was \$0.

Lease Receivables

Lease receivables are recorded at the net present value of total expected lease payments to be received over the life of the lease, discounted at the Airport's estimated incremental borrowing rate at lease inception. Payments due in more than one year are considered to be noncurrent.

Capital Assets

Capital assets are defined by the Airport as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Maintenance and repairs are expensed as incurred. Replacements that improve or extend the lives of property are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in income. The estimated useful lives of capital assets are as follows:

The estimated useful lives of the various categories of assets are as follows:

Land Improvements	50 years
Buildings	50 years
Equipment	5-20 years

It is the Airport's policy to record no depreciation on capital assets in the year of acquisition and a full year of depreciation in the capital asset's last year of estimated useful life, unless previously disposed.

Long-term Debt and Bond Issuance Costs

Long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts (if applicable) are deferred and amortized over the life of the bonds using the effective interest method. Long-term debt is reported net of the applicable bond premium or discount. Bond issue costs are recognized as an expense in the period incurred.

Deferred Lease Resources

Deferred lease resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position and Fund Balances

Net position comprises the various net earnings from operating and non-operating revenues, expenses, and contributions of capital. Net position is classified in the following three components: net investment in capital assets; restricted net position; and unrestricted net position.

Net investment in capital assets consists of all capital assets, net of accumulated depreciation, and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets. Restricted net position consists of net earnings for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations, or enabling legislation. Unrestricted net position consists of all other net earnings not included in the above categories.

Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2024, the District implemented the following GASB Pronouncement:

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement clarifies the presentation and disclosures requirements for prior period adjustments to beginning net position.

Future GASB Pronouncements

The following GASB pronouncements have been issued, but are not effective as of June 30, 2024:

GASB Statement No. 101, *Compensated Absences*. Issued in June 2022, this Statement updates recognition and measurement guidelines for compensated absences and is effective for the Airport for the fiscal year ending June 30, 2025.

GASB Statement No. 102, *Certain Risk Disclosures*. Issued in December 2023, this Statement requires governments to provide essential information about risks related to vulnerabilities due to certain concentrations or constraints that may limit the ability to acquire resources or control spending. This Statement will be effective for the Airport for the fiscal year ending June 30, 2025.

GASB Statement No. 103, *Financial Reporting Model Improvements*. Issued in April 2024, this Statement updates key components of the financial reporting model to enhance the effectiveness of providing information essential for decision making and assessing accountability. This Statement will be effective for the Airport for the fiscal year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Issued in September 2024, this Statement requires certain information regarding capital assets to be presented by major class. This Statement will be effective for the Airport for the fiscal year ending June 30, 2026.

The Airport will implement new GASB pronouncements no later than the required effective date. The Airport is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to the Airport's financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 2 – BUDGETARY INFORMATION

Annual budgets are adopted as part of the City of The Dalles on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for all funds, except for the proprietary funds. The annual budget for proprietary funds is adopted on the modified accrual basis of accounting, which is not consistent with GAAP, in order to comply with Oregon Local Budget Law.

NOTE 3 – CASH AND INVESTMENTS

Deposits

All deposits are held by the City of The Dalles on behalf of the Airport. The Airport considers these items as a demand deposit account, whereby funds may be deposited or withdrawn without prior notice or penalty. Additional disclosure on deposits can be found in the Annual Comprehensive Financial Report of the City.

Investments

The Airport has invested funds in the State Treasurer's Oregon Short-term Fund Local Government Investment Pool during fiscal year 2023-2024. Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. Investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the Airport's cash position.

Investments in the Oregon State Treasury LGIP are made under the provisions of ORS 194.180. These funds are held in the Airport's name and are not subject to collateralization requirements of ORS 295.015. Investments are stated at amortized cost, which approximated fair value.

As of June 30, 2024, the Airport was in compliance with the aforementioned State of Oregon statutes.

Credit Risk - State Statutes authorize the Airport to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, banker's acceptances, certain commercial papers, and the State Treasurer's Investment Pool, among others. The Airport has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk - The Airport is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The Airport has no such investments.

Interest Rate Risk - The Airport has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 3 – CASH AND INVESTMENTS (continued)

Investments (continued)

Fair Value of Assets

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 - Unadjusted inputs using quoted prices in active markets for identical investments.

Level 2 - Other significant observable inputs other than level 1 prices, including, but are not limited to, quoted prices for similar investments, inputs other than quoted prices that are observable for investments (such as interest rates, prepayment speeds, credit risk, etc.) or other market corroborated inputs.

Level 3 - Significant inputs based on the best information available in the circumstances, to the extent observable inputs are not available.

As of June 30, 2024, the Airport had the following investments:

Investments Measured at Fair Value:	Total as of 6/30/2024	Level One	Level Two	Level Three	Amortized Cost Measurement Not Measured at Fair Value
Local Government Investment Pool	\$ 361,711	\$ -	\$ -	\$ -	\$ 361,711
Total	<u>\$ 361,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 361,711</u>

Cash and investments are comprised of the following as of June 30, 2024:

Demand deposits	\$ 263,092
Investments - LGIP	<u>361,711</u>
Total	<u>\$ 624,803</u>

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 4 – RECEIVABLES

Trade receivables represent amounts due to the Airport at June 30, 2024, from service charges. Lease receivables represent amounts due from leases.

Receivables are comprised of the following as of June 30, 2024:

General Fund:			
Trade accounts receivable, net	\$	31,242	
Interest receivable		524	
Lease receivable		1,210,740	
Debt Service Fund:			
Trade accounts receivable, net		755	
Lease receivable		23,979	
Total	\$	<u>1,267,240</u>	

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, are as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets, non-depreciable:					
Land	\$ 1,498,200	\$ -	\$ -	\$ -	\$ 1,498,200
Construction in progress	530,493	3,491,596	-	-	4,022,089
Total capital assets, non-depreciable	<u>2,028,693</u>	<u>3,491,596</u>	<u>-</u>	<u>-</u>	<u>5,520,289</u>
Capital assets, depreciable:					
Land improvements	16,893,288	-	-	-	16,893,288
Buildings	3,585,236	-	-	-	3,585,236
Equipment	74,174	-	-	-	74,174
Total capital assets, depreciable	<u>20,552,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,552,698</u>
Less accumulated depreciation					
Land improvements	(5,284,491)	(257,845)	-	-	(5,542,336)
Buildings	(655,807)	(71,798)	-	-	(727,605)
Equipment	(65,143)	(3,703)	-	-	(68,846)
Total accumulated depreciation	<u>(6,005,441)</u>	<u>(333,346)</u>	<u>-</u>	<u>-</u>	<u>(6,338,787)</u>
Net depreciable capital assets	<u>14,547,257</u>	<u>(333,346)</u>	<u>-</u>	<u>-</u>	<u>14,213,911</u>
Net capital assets	<u>\$ 16,575,950</u>	<u>\$ 3,158,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,734,200</u>

Construction in progress consists of the following as of the year ended June 30, 2024:

The Airport Improvements Project – Costs incurred to date are \$254,782. The project is currently on hold waiting for completion of an agreement with Dallesport Water District.

The S. Apron Tarmac Design Project – Costs incurred to date are \$3,669,345 and total estimated costs are \$3,681,184

F Hangar at the Airport – Costs incurred to date are \$8,902 and total estimated costs are \$1,250,000.

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 5 – CAPITAL ASSETS (continued)

Hangar Expansion Grading Plan – Costs incurred to date are \$12,602. This project is currently on hold and costs to date are for engineering only.

Fuel Apron – Costs incurred to date are \$64,551 and are in excess of contract commitments by \$17,951.

Fuel Tank – Costs incurred to date are \$11,907 and no contracts are in place to complete this project.

NOTE 6 – LONG-TERM LIABILITIES

The following presents current year changes in long-term debt obligations:

	Balance at June 30, 2023	Additions	Reductions	Balance at June 30, 2024	Due Within One Year
Long-Term Debt					
Klickitat CERB Loan	\$ 300,000	\$ -	\$ (25,000)	\$ 275,000	\$ 25,000
Airport Taxable LOCAP Bond	1,395,000	-	(90,000)	1,305,000	95,000
	<u>1,695,000</u>	<u>-</u>	<u>(115,000)</u>	<u>1,580,000</u>	<u>120,000</u>
Unamortized Premium	7,214	-	(1,030)	6,184	962
Total Long-Term Debt	<u>\$ 1,702,214</u>	<u>\$ -</u>	<u>\$ (116,030)</u>	<u>\$ 1,586,184</u>	<u>\$ 120,962</u>

City of the Dalles Bond Agreement

The City issued full faith and credit obligation bonds for the Airport in February 2015 in the amount of \$2,017,682, with interest ranging from 2.0% to 4.50%. The funds were to be used for the purchase of Hanger D, the construction of Hanger F, and the design and construction of a new Flex Hanger. The bonds were issued in return for a loan agreement issued on behalf of the City requiring payments by the Airport to the City sufficient to pay the semi-annual bond payments required by the full faith and credit obligation. Payments will be repaid from the Airport rental income. Principal payments will be made annually, while interest payments will be made semiannually, with the final payments due June 1, 2035. The bonds are direct obligations and pledge the full faith and credit of the City of The Dalles. If the bond is defaulted, by failure to make required principal or interest payments or other covenants, action to enforce the covenant or agreement may take place.

Future maturities of bonds payable and the associated premium are as follows:

Year Ending June 30,	Principal	Interest	Premium	Total
2025	\$ 95,000	\$ 58,725	\$ 962	\$ 154,687
2026	100,000	54,450	891	155,341
2027	105,000	49,950	816	155,766
2028	105,000	45,225	741	150,966
2029	110,000	40,500	663	151,163
2030-2034	645,000	122,400	2,002	769,402
2035	145,000	6,525	109	151,634
	<u>\$ 1,305,000</u>	<u>\$ 377,775</u>	<u>\$ 6,184</u>	<u>\$ 1,688,959</u>

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 6 – LONG-TERM LIABILITIES (continued)

Loans Payable

In February 2011, the Airport entered into a loan agreement with Klickitat County in the amount of \$500,000 to make improvements to the Airport Industrial Park with an interest rate of 1.50%. The loan term is for twenty years, with annual principal payments of \$25,000 to be paid by July 31 of each year. This loan is funded by the Community Economic Revitalization Board (CERB) of the Washington State Department of Commerce. While Klickitat County received the funds and administered the project, the Airport recorded the loan proceeds, assumed the debt and capitalized the portion of the project funded by the loan. As agreed upon by the City, payments are funded by Airport rent revenues. The final payment will be due in 2035. If the loan is defaulted on by failure to make required principal or interest payments, CERB could declare all principal and interest and all other amounts due immediately.

Future maturities of loans payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 25,000	\$ 4,125	\$ 29,125
2026	25,000	3,750	28,750
2027	25,000	3,375	28,375
2028	25,000	3,000	28,000
2029	25,000	2,625	27,625
2030-2034	125,000	7,500	132,500
2035	25,000	375	25,375
	<u>\$ 275,000</u>	<u>\$ 24,750</u>	<u>\$ 299,750</u>

NOTE 7 – AIRPORT LEASE RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

The Airport's main revenue stream comes from aircraft hangar rentals. The Airport has a total of 66 aircraft hangers in various sizes. Most leases are 12-month terms with payments ranging between \$190-\$1,600 per month. The Airport has a number of other real property leases with terms of up to 40 years and payments up to \$56,400. As of June 30, 2024, all properties were occupied producing a total revenue of \$426,381. Future maturities of leases receivable are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 131,168	\$ 33,151	\$ 164,319
2026	147,503	30,856	178,359
2027	142,710	28,323	171,033
2028	123,801	26,457	150,258
2029	55,496	24,933	80,429
2030-2034	85,441	118,040	203,481
2035-2039	103,923	101,370	205,293
2040-2044	158,166	75,680	233,846
2045-2049	130,819	46,714	177,533
2050-2054	155,692	13,910	169,602
Total	<u>\$ 1,234,719</u>	<u>\$ 499,434</u>	<u>\$ 1,734,153</u>

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024**

NOTE 7 – AIRPORT LEASE RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES (continued)

The following presents current year changes in lease receivables:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Leases recievable	\$ 752,907	\$ 638,161	\$ (156,349)	\$ 1,234,719

Lease inflows of resources for the year ended June 30, 2024 are as follows:

	<u>Governmental Activities</u>
Lease revenue	\$ 156,349
Lease interest income	<u>34,975</u>
Total lease inflows	<u>\$ 191,324</u>

NOTE 8 – RELATED PARTY TRANSACTIONS

The City of the Dalles, Oregon and Klickitat County are considered related parties of the Airport. Each party pays the airport \$65,000 per year per an intergovernmental agreement.

NOTE 9 – RISK MANAGEMENT

The Airport is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions for which the City of The Dalles carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for the past five years.



| **Supplementary Information**

**COLUMBIA GORGE REGIONAL AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2024**

	<u>Airport General Fund</u>	<u>Airport Debt Service Fund</u>	<u>Total All Airport Funds</u>
REVENUES			
Charges for services	\$ 22,230	\$ -	\$ 22,230
Intergovernmental	84,923	-	84,923
Rental income	226,947	199,434	426,381
Interest on investments	48,959	7,940	56,899
Grants	3,119,102	-	3,119,102
Miscellaneous	23,349	-	23,349
Total revenues	<u>3,525,510</u>	<u>207,374</u>	<u>3,732,884</u>
EXPENDITURES			
Materials and services	333,896	2,500	336,396
Capital outlay	3,491,596	-	3,491,596
Debt service			
Principal	-	115,000	115,000
Interest	-	67,275	67,275
Total expenditures	<u>3,825,492</u>	<u>184,775</u>	<u>4,010,267</u>
Revenues over (under) expenditures and Net changes in fund balances	<u>(299,982)</u>	<u>22,599</u>	<u>(277,383)</u>
FUND BALANCE, beginning budgetary basis	<u>813,930</u>	<u>51,637</u>	<u>865,567</u>
FUND BALANCE, ending budgetary basis	<u>\$ 513,948</u>	<u>\$ 74,236</u>	<u>\$ 588,184</u>
Net change in fund balance			\$ (277,383)
Expenditures capitalized			3,491,596
Debt service principal payments			115,000
Depreciation expense			(333,346)
Interest revenue/expense			<u>1,721</u>
Change in net position			<u>\$ 2,997,588</u>

**COLUMBIA GORGE REGIONAL AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AIRPORT GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES				
Charges for services	\$ 20,000	\$ 20,000	\$ 22,230	\$ 2,230
Intergovernmental	454,153	454,153	84,923	(369,230)
Rental income	181,623	181,623	226,947	45,324
Interest on investments	6,336	6,336	48,959	42,623
Grants	7,064,519	7,064,519	3,119,102	(3,945,417)
Miscellaneous	42,000	42,000	23,349	(18,651)
Total revenues	<u>7,768,631</u>	<u>7,768,631</u>	<u>3,525,510</u>	<u>(4,243,121)</u>
EXPENDITURES				
Materials and services	386,050	386,050	333,896	
Capital outaly	7,377,759	7,716,759	3,491,596	
Contingency	532,489	193,489	-	
Total expenditures	<u>8,296,298</u>	<u>8,296,298 (1)</u>	<u>3,825,492</u>	<u>4,470,806</u>
Revenues over (under) expenditures and Net changes in fund balances	<u>(527,667)</u>	<u>(527,667)</u>	<u>(299,982)</u>	<u>227,685</u>
FUND BALANCE, beginning budgetary basis	<u>790,128</u>	<u>790,128</u>	<u>813,930</u>	<u>23,802</u>
FUND BALANCE, ending budgetary basis	<u>\$ 262,461</u>	<u>\$ 262,461</u>	<u>\$ 513,948</u>	<u>\$ 251,487</u>

(1) Appropriation Level

**COLUMBIA GORGE REGIONAL AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AIRPORT DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES:				
Rental income	\$ 178,670	\$ 178,670	\$ 199,434	\$ 20,764
Interest on investments	639	639	7,940	7,301
Total revenues	<u>179,309</u>	<u>179,309</u>	<u>207,374</u>	<u>28,065</u>
EXPENDITURES				
Materials and services	-	-	2,500	
Debt service				
Principal	115,000	115,000	115,000	
Interest	67,275	67,275	67,275	
Total expenditures	<u>182,275</u>	<u>182,275</u>	<u>184,775</u> (1)	<u>(2,500)</u>
Revenues over (under) expenditures and Net changes in fund balances	<u>(2,966)</u>	<u>(2,966)</u>	<u>22,599</u>	<u>25,565</u>
FUND BALANCE, beginning budgetary basis	<u>28,325</u>	<u>28,325</u>	<u>51,637</u>	<u>23,312</u>
FUND BALANCE, ending budgetary basis	<u>\$ 25,359</u>	<u>\$ 25,359</u>	<u>(1) \$ 74,236</u>	<u>\$ 48,877</u>

(1) Appropriation Level



| Compliance Section



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Columbia Gorge Regional Airport
The Dalles, Oregon

We have audited the basic financial statements of the Columbia Gorge Regional Airport (the Airport) as of and for the year ended June 30, 2024, and have issued our report thereon dated November 25, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Airport's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures but were not limited to the following:

- Deposit of public funds with financial institutions under ORS Chapter 295.
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required under ORS Chapter 294.
- Insurance and fidelity under bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing under (ORS Chapters 279A, 279B, 279C).

In connection with our testing, nothing came to our attention that caused us to believe the Airport was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, including the provisions of Oregon Revised Statutes as specified in Oregon Administration Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Airport's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Airport's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Restrictions on Use

This report is intended solely for the information and use of the City of The Dalles, Oregon, Klickitat County, Washington; Management of the Airport and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
November 25, 2024



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Columbia Gorge Regional Airport
The Dalles, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Columbia Gorge Regional Airport (the Airport) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Airport's basic financial statements, and have issued our report thereon dated November 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Airport's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Airport's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Airport's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Airport's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Jeny Grupe". The signature is written in a cursive, flowing style.

Jeny Grupe, CPA
KDP Certified Public Accountants, LLP
Medford, Oregon
November 25, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Columbia Gorge Regional Airport
The Dalles, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Columbia Gorge Regional Airport's (the Airport) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Airport's major federal program for the year ended June 30, 2024. The Airport's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Airport complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Airport's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Airport's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Airport's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Airport's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Airport 's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Airport 's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Airport 's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

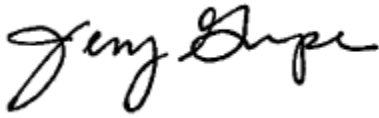
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal controls over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Jeny Grupe". The signature is written in a cursive, flowing style.

Jeny Grupe, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon
November 25, 2024

**COLUMBIA GORGE REGIONAL AIRPORT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Grant/Contract Number	Federal Expenditures
U.S. Department of the Transportation			
Direct Programs:			
Airport Improvement Program	20.106	N/A	\$ 2,829,227
BIL – Airport Improvement Program	20.106	N/A	<u>273,600</u>
Total Airport Improvement Program			<u>3,102,827</u>
Total U.S. Department of the Transportation			\$ 3,102,827
Total Expenditures of Federal Awards			\$ 3,102,827

**COLUMBIA GORGE REGIONAL AIRPORT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of Columbia Gorge Regional Airport (the Airport) under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Airport, it is not intended to and does not present the financial position, changes in net position or cash flows of the Airport.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Indirect Cost Rate

The Airport has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 – Subrecipients

The Airport did not have any awards that were passed through to subrecipients for the year ended June 30, 2024.

**COLUMBIA GORGE REGIONAL AIRPORT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs:

<u>AL Number(s)</u>	<u>Name of Federal Program or Cluster</u>
#20.106	Airport Improvement Program
#20.106	BIL – Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? Yes No

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

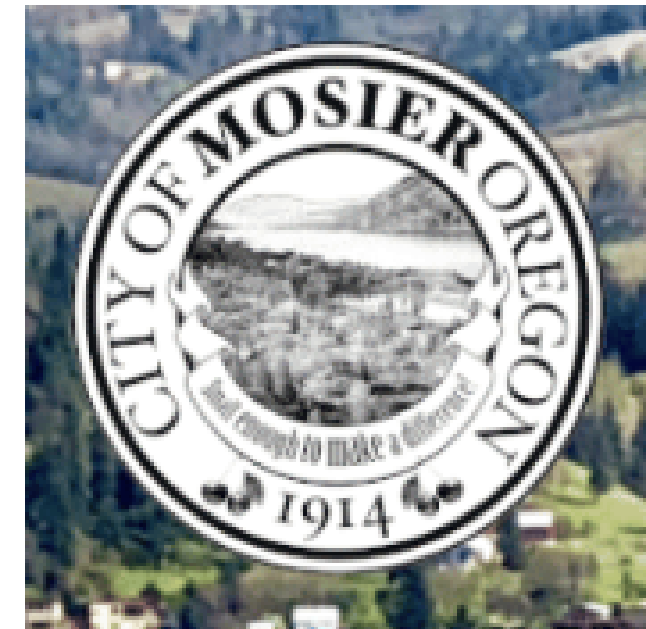
None

Tri-County

Hazardous Waste & Recycling Program



IGA PARTNERS



OUR PROGRAM

Our program holds up to 18 free household hazardous waste events that service agricultural producers, small businesses and households within Hood River, Wasco and Sherman counties. We also provide/participate in the following:

- Clearstream recycling receptacle rentals
- Presereware dinnerware rentals ‘
- Tabling at local farmers markets and fairs
- Recycling education and outreach
- Appliance subsidizing with Freon
- Sharps subsidizing at both permanent hazardous waste locations



2024 COLLECTION

TOTAL OF 167,901 LBS!

1

**FUELS, PETROLEUM
DISTILLATES, & OTHER**

72,878 lbs

2

**PAINTCARE
RECYCLING PAINT**

49,150 lbs

3

AG EVENT

9,255 lbs

EVENTS



WHAT'S NEW?

Tri-County Household Hazardous Waste partnered with AgriPlas on May 29th:

- Collected over 3,000 triple washed containers
- This was supported by a grant from the Oregon Department of Agriculture

Agriplas will go to your property to pick-up triple washed pesticide containers if there are more than 1,000 containers. They also accept: Plastic Binder Twine, Plastic green and clear greenhouse covers, Shrink Wrap Clean and clear shrink wrap, Pesticide/Herbicide Container includes jugs, buckets, and drums, Plastic Drums, IBC TOTES (250 gal), Nursery Pots, Plug Trays, and Crates, and Drip Tube/ Drip Tape (water hose rolls)



NEWSLETTER

TRI-COUNTY HAZARDOUS WASTE & RECYCLING PROGRAM

Reduce Waste + Recycle More

SERVING COUNTIES:
WASCO | SHERMAN | HOOD RIVER

Safely dispose of your hazardous waste!
Mark your calendars for our upcoming collection events – join us in keeping our community safe and clean. ♻️

We are the Tri-County Hazardous Waste & Recycling Program and we serve our community by holding free hazardous waste events in Hood River, Wasco, and Sherman Counties.

Each year our program holds up to 18 events to provide safe and accessible hazardous waste disposal for households, small businesses, and agricultural producers. In addition, we help subsidize the cost of disposal for refrigerators, ACs, freezers, and sharps at our local transfer stations. While we may do the heavy lifting, your participation is the driving force behind our success. Together, we can amplify the impact of our Hazardous Waste Program, ensuring that every event becomes a collective step towards a safer, healthier environment for us all.

Enter to win a \$25 gift card by taking our survey!

Your input matters! Take a moment to participate in our brief survey that focuses on demographics and program preferences, aiming to gather insights that will help us better serve you.

Scan the QR code with your phone or visit surveymonkey.com/r/TriCoHW



Attention Agricultural Producers!

Free Chemical Container Collection Event, May 29th.

RSVP required, containers must be triple rinsed with pamphlets and caps removed!

Register for this event at: tricityrecycle.com/agcontainer

Where can I recycle?

What CAN be recycled curbside?

COMMINGLE (ALL ITEMS GO IN THE SAME CONTAINER)

Paper
Newspapers, magazines, catalogs, junk mail, phone books

Paper
Office paper, colored paper, note pads, letters, paper bags

Boxes
Tissue, shoe, cookie, cereal, and cracker style boxes. Remove liners.

Clean Aluminum Foil

Cardboard Tubes

#1 and #2 Plastic Bottles icon"/>

#1 and #2 Plastic Bottles
Beverage, milk jugs, shampoo, detergent, cleaners. Rinse and remove lids/caps.

Empty Aerosol Cans
Remove caps.

Rinsed Aluminum and Tin Cans

SEPARATE

Glass Bottles and Jars
Rinse, put metal lids in blue bin. Put in separate bucket or container.

Corrugated Cardboard Boxes
Flatten and put next to or underneath your blue bins. No larger than 2' x 2' square.

Motor Oil
Put in clear gallon milk jug with a lid and place next to your recycling.

Electronics Collection, Composting & Shredding

E-Waste Collection
Desktops and laptops, tablets, monitors, TVs, printers, keyboards, mice
The Dalles Disposal: 1317 W 1st Street, The Dalles, 541-298-5149 • Mon-Sat 9am-5pm
Hood River Garbage: 3440 Guignard Drive, Hood River, 541-388-2272 • Mon-Sat 9am-5pm
Sherman County Transfer Station: Weik Road near Siggs Junction • 2nd, 4th Sat 10am-2pm

Composting
Make compost at home. Place fruit and vegetable scraps, paper towels and napkins, lawn clippings and leaves in a compost bin, where they will break down. More composting info at tricityrecycle.com.

Confidential Paper Shredding
Shredding service (priced by the box) offered at Hood River Garbage and The Dalles Disposal. Call for details.

Refrigerators, Freezers and AC Units – \$10

- Hood River Garbage Service
- The Dalles Disposal Service

Sharps Disposal
Free to households. Must be in approved container.

- Hood River Transfer Station
- The Dalles Disposal Service
- Moro Medical Clinic

2024 SCHEDULE

Hazardous Waste Collection Events

FREE!

Get rid of unwanted dangerous and hazardous materials

Oil & Latex Paint • Yard & Garden Products • Household Cleaners & Chemicals • Hair Dye
Automotive Fluids • Old Gas & Kerosene • Pool & Spa Chemicals • Hobby Solvents & Glues
Propane Bottles & Tanks • All Batteries • Ballasts, Fluorescent Tubes & CFL Bulbs • E-Waste
Thermostats & Thermometers • Fire Extinguishers • Cell Phones • Unwanted Medicines

Hood River
Registration: Households and small businesses must pre-register. Small businesses must pre-register at least one week in advance.
Event Location: Hood River Transfer Station • 3440 Guignard Dr
Dates & Times:
Fri, May 17 9am-2pm
Fri, Aug 16 9am-2pm
Fri, Nov 15 9am-2pm

Rural Households & Businesses
Registration: Only small businesses need to pre-register one week in advance.
Dates, Times & Locations:
Sat, Apr 6 10am-2pm **Maupin:** South Wasco High School • 699 4th St
Sat, Apr 13 10am-2pm **Parkdale:** Fire Department • 4895 Baseline Dr
Fri, Apr 26 10am-2pm **Moro:** Road Dept • 4th & Hood St
Sat, Apr 27 10am-2pm **Dufur:** Barlow Ranger District, 780 Court St
Sat, Jun 8 10am-2pm **Cascade Locks:** East Gate Park • 95 Wa Na Pa St
Sat, Sep 7 10am-2pm **Odell:** Mid Valley Market • 3380 Odell Hwy
Sat, Sep 14 10am-2pm **Tygh Valley:** Fire Department • 5773 Fairgrounds Rd
Sat, Sep 28 10am-2pm **Mosier:** Mosier Community School • 3rd Ave
Fri, Oct 25 10am-2pm **Wasco:** Wasco Event Center • 903 Barnett St

The Dalles
Registration: Households and small businesses must pre-register. Small businesses must pre-register at least one week in advance.
Event Location: The Dalles Disposal Service • 1317 West 1st St
Dates & Times:
Sat, May 18 9am-2pm
Sat, Aug 17 9am-2pm
Sat, Nov 16 9am-2pm

Ag Producers and Small Businesses
Registration: Must pre-register one week in advance
Dates, Times & Locations:
Fri, Apr 26 10am-2pm **Moro:** Road Dept • 4th & Hood St
Wed, Oct 23 10am-2pm **Hood River:** Hood River Transfer Station • 3440 Guignard Dr
Thu, Oct 24 10am-2pm **The Dalles:** The Dalles Disposal Service • 1317 West 1st St
Fri, Oct 25 10am-2pm **Wasco:** Wasco Event Center • 903 Barnett St

To Pre-Register: Households – tricityrecycle.com/HR&TD | Businesses – tricityrecycle.com/biz
All Events are open to households and businesses of Hood River, Wasco, and Sherman Counties only.

Guide created by the Tri-County Hazardous Waste & Recycling Program • tricityrecycle.com
along with Hood River Garbage Service • hoodrivergarbage.com
and The Dalles Disposal Service • thedallesdisposal.com

Upcoming Legislation

Additional Extended Producer Responsibility (EPR) Regulations Batteries

Recycling Modernization Act (SB 582)

- Effective Jan. 1, 2022
- Roll out c. 2025
- Expands recycling services
- Upgrade sorting facilities
- Potential new funding for local facilities

MANAGEMENT PLAN & IGA UPDATE

Management Plan 2002

IGA 2003

Possible updates:

- Better defining recycling outreach targets
- Adding more flexibility into the collection events to better meet changing needs
- Update program strategic goals



Your Role

-Appoint Steering Committee Member and Community Representative

***Quarterly Meetings**

***Approve Budget and Work Plan**

***Help Promote Program and Events**

-Participate in Annual DEQ Wasteshed Reporting

***Staff works with local contacts and Waste Connections**

CONTACT US

To find out more information, here are our contact details that you can call or visit.



541-506-2529



2705 E 2nd St. The Dalles, OR



www.tricountyrecycle.com



@Tricountyhazardouswaste



info@tricountyrecycle.com



Tri-County Hazardous Waste & Recycling Program



Our Program

We are the Tri-County Hazardous Waste & Recycling Program and we serve the mid-Columbia community by holding hazardous waste collection events in Hood River, Wasco and Sherman Counties. Each year our program holds up to 18 events to provide safe and accessible hazardous waste disposal for households, small businesses (Very Small Quantity Generators, VSQGs) and agricultural producers. In addition, we help subsidize the cost of disposal for refrigerators, ACs, freezers, and sharps at our local transfer stations.

Our Main Goal

Our goal is to reduce the amount of hazardous waste disposed of in landfills, illegally dumped in sewerage systems and waterways, burned through incineration as well as reducing the risks of accidental poisonings or fires in homes. We also want to help reduce the risk of fire to safety workers associated with storage of hazardous materials. Our program is moving forward to accomplish this through education, collection, continuation of building cooperative relationships among the counties, cities, disposal companies, agricultural and other resource communities and focusing efforts on waste types that pose a higher risk to the environment and health.

Recycling Efforts

Recycling education and outreach is also a staple of the program, and will continue to be vital to the community as rules and regulations are in the process of being finalized for the implementation of the Recycling Modernization Act (RMA) in 2025. The Oregon Opportunity to Recycle Act (1999) gave the Oregon Department of Environmental Quality statutory authority to mandate waste recovery and recycling rates for counties. At the time, each county was assigned a target level of waste recovery/recycling, based upon historical trends and potential for increased recycling efforts. Wasco County has a target rate of 35%; Hood River County has a target rate of 25%; and Sherman County has a target rate of 20%.

Program Staff

- Program Director: Kelly Howsley-Glover
- Solid Waste Specialist: Morgaine Riggins
- Solid Waste Coordinator: Kristina Fiebig

Intergovernmental Agencies

- The Tri-County Program is a partnership between Wasco, Sherman and Hood River counties and the local governments of The Dalles, Hood River, Dufur, Maupin, Mosier and Cascade Locks.

Waste Connections

- Waste Connection's is the Tri-County area's local garbage and recycling hauler.
- Hosts the program's large hazardous waste collection events at Hood River Garbage and The Dalles Disposal, and houses its two permanent hazardous waste storage facilities.
- Waste Connections aids the program in promoting hazardous waste collection events through signage, website, and referrals.

Steering Committee

- Comprised of representatives from the three counties and six cities that our program serves.
- Meet four times annually to provide guidance and set parameters for what the program does.
- Meetings are held the second Wednesday of March, June, September and December from 9:00am-11:00am and are open to the public.

State Government

- Oregon DEQ, provides oversight and regulation.
- Authorizes program at local level.



What is Household Hazardous Waste

Household hazardous waste (HHW) is defined as waste that presents substantial or potential threats to public health or the environment, and is typically ignitable, reactive, corrosive, and/or toxic. Some of the most common hazardous waste items collected at events are paint, batteries, fluorescent lights, CFL bulbs, pesticides, and automotive fluids.

Why Households, VSQGs, and AG Producers

To ensure that hazardous waste was getting properly disposed of in the Tri-County area, the program committed to accepting wastes from households, Very Small Quantity Generators (VSQGs), and Agricultural Producers at its inception. In many other locales, businesses and agriculture producers must pay to have their waste disposed of, which can potentially create a barrier to safe disposal. Through surcharge fees on waste collected from Wasco, Hood River, and Sherman counties at the Wasco County landfill, residents pay into the program at a minimal cost.

Accepted Vs. Non-Accepted Wastes

Some hazardous waste examples that are collected at events are products with “caution”, “warning”, “danger”, and “poison” on their labels, items with heavy metal such as mercury or lead, solvents, and anything that is flammable. Items that are not accepted but can be properly disposed of locally are asbestos, tires, sharps, and refrigerants.

As of 2022, the program has been promoting alternative disposal options for batteries, medicine, paint, and E-Waste, specifically at the Hood River and The Dalles collection events. Because these items can all be disposed of outside of collection events, the program has been focusing on marketing campaigns to inform the public about where to take these items and it has helped decrease attendance volume for drop offs of these items.

What is a Very Small Quantity Generator (VSQG)

A VSQG is a business that generates a small amount of hazardous waste. Most small businesses fall under the category of Very Small Quantity Generator of Hazardous Waste,

- Generate 2.2 lbs or less of acute hazardous waste
- Generate 220 lbs or less of hazardous waste
- Generate 220 lbs or less of spill cleanup debris containing hazardous waste
- Never had on-site more than 2,200 lbs of hazardous waste

Bi-Annual Newsletters

- The program prepares and distributes a bi-annual newsletter to help meet DEQ’s Opportunity to Recycle requirements.
- Each year, the program sends out a newsletter in early spring containing the hazardous waste collection event schedule for the year, and another in the fall that is solely recycling information.
- Newsletters are sent out to all residences in Wasco, Hood River, and Sherman Counties with the purpose to inform residents of what they can and cannot recycle, where to recycle, and when hazardous waste events occur.

Diverting from the Wasteshed

Total poundage of hazardous materials removed from Wasco, Hood River and Sherman Counties since 2019:

- **2024:** 167,901
- **2023:** 182,114
- **2022:** 169,703
- **2021:** 248,528
- **2020:** 186,659
- **2019:** 200,821



Steering Committee

Committee Structure

Composition of the Steering Committee is determined by the program's Intergovernmental Agreement (IGA). At a minimum, it includes the three counties and the six incorporated cities of The Dalles, Hood River, Dufur, Maupin, Mosier, and Cascade Locks.

Committee Responsibilities

- Participating in contract selection
- Review draft(s) of contracts and approval at program level
- Review and approve the annual program budget.
 - This could include decisions regarding how much money to maintain in reserve/contingency funds, as well as any limits on number of household, VSQG, and/or agricultural producer attendees, if needed, in order to control costs.
- Review and approve of decisions regarding pre-registration requirements, scheduling of collection events, and coordination of promotional activities
- Review and approve of alternate waste management options
- Review and approve of user fees (if any) charged to households who use the facilities in-between collection events
- Review of contractor's annual report and review/approval of reimbursement schedules

Meeting Schedule

The Steering Committee meets quarterly on the second Wednesday of March, June, September, and October from 9:00am-11:00am and is open to the public.

Road Show

The program visits its IGA partners yearly, or every other year, to share programmatic updates.

Lead Agency

The Lead Agency for the program is authorized to enter into a contract (or contracts) for the provision of regional collection services on behalf of all the IGA participants. These services include the construction of permanent waste facilities, as well as provision of collection services.

Responsibilities of Lead Agency

- Leading development of the IGA.
- Determining a process for selecting a contractor(s) and conducting a public procurement process.
- Negotiating a contract(s) for services including both construction of facilities and operations.
- Administering the contract(s) for services, including oversight of the contractor(s) to ensure full compliance.
- Reviewing contractor(s) invoices, paying the contractor(s), and settling any disagreements regarding compensation.
- Maintaining accounting records of expenses and funds available.
- Managing the development of an annual budget.
- Coordinating meetings of the Steering Committee and consulting with the Steering Committee on all relevant and program issues.
- Coordinating the education and outreach activities, either, directly or overseeing the activities, of the contractor

Sub-Committees

Comprised of volunteers from the Steering Committee

Work Plan Committee

Determines each year program goals and prioritizes future tasks

Budget Committee

Reviews and approves the program's proposed annual budget and any new costs before placing in front of Steering Committee for final program approval



Upcoming Legislation

Recycling Modernization Act (RMA)

The Recycling Modernization Act (RMA) was passed by the Oregon State legislature and signed by the Governor in 2021 and will take effect in July of 2025. The purpose of the RMA is update the state's recycling systems, aiming to make recycling easier for the public, expand access to recycling services, and reduce environmental harms (Oregon.gov).

Right To Repair Act

Senate Bill 1596, passed by the Oregon Legislature and signed by the Governor in May 2024, will require manufacturers to provide Oregonians and small businesses access to the parts, tools, and service information needed to repair personal electronics and household appliances.

Senate Bill 545

Senate Bill 1596, passed by the Oregon Legislature and signed by the Governor in 2023, directs Oregon Department of Agriculture (ODA) and Oregon Health Authority (OHA) to adopt rules allowing consumers to use their own containers for refilling food at food establishments. The legislation also directs ODA and OHA to adopt rules allowing food establishments to reuse take-home food containers returned to restaurants by the consumer.

Disabled Vehicle Removal Act

The Disabled Vehicle Removal Act allows for the immediate custody and towing of a vehicle constituting a hazard or obstruction, by an appropriate authority. This includes vehicles that are disabled, abandoned, parked, or left standing unattended on a state highway, and have any part of the vehicle which extends within the travel portion of any state highway, median, or shoulder (Oregon.Public.Law)

Elevator Pitch "What We Do"

The Tri-County Household hazardous Waste and Recycling Program (Tri-Co HWRP) holds up to 18 free hazardous waste collection events yearly in Hood River, Wasco, and Sherman Counties. The Program also assists with marketing and outreach efforts to promote proper recycling and disposal of waste items, including batteries, paint, E-Waste, sharps, and medication.

Along with hazardous waste collection and recycling outreach, the program also sells composters within our three county jurisdiction to residents.

Program Financial Structure

The program is primarily funded through a surcharge on solid waste generated in Wasco, Sherman, and Hood River Counties and disposed of at the Wasco County Landfill.

Additional sources of income include:

- DEQ fines
- Compost sales (sold at cost, no net gain)
- Deposits for Clearstreams and Preserveware (covers replacement costs, no net gain)

Volunteer Opportunities

Volunteer opportunities include:

Collection Events

Join staff at a collection event! It is the best way to gain insight of what the program is removing from the waste stream.

Tabling

Join staff at tabling events at local fairs and farmers markets. This is a good way to learn about community needs.

To volunteer, contact kristinaf@co.wasco.or.us or call 541-506-2529



AGENDA STAFF REPORT

AGENDA LOCATION: Items #9 A - D

MEETING DATE: January 27, 2025

TO: Honorable Mayor and City Council

FROM: Amie Ell, City Clerk

ISSUE: Approving items on the Consent Agenda and authorizing City staff to sign contract documents.

- A. **ITEM:** Approval of the January 13, 2025 Regular City Council meeting minutes.

BUDGET IMPLICATIONS: None.

SYNOPSIS: The minutes of the January 13, 2025 Regular City Council meeting have been prepared and are submitted for review and approval.

RECOMMENDATION: That City Council review and approve the minutes of the January 13, 2025 Regular City Council meeting minutes.

- B. **ITEM:** Resolution No. 25-005 A Resolution Concurring with the Mayor's Appointments to Various Committees and Commissions

BUDGET IMPLICATIONS: None.

SYNOPSIS: There are various expired or vacant positions on various committees and commissions. The Mayor has elected to appoint;

- John Nelson – Beautification & Tree Committee
- Jim Wilcox, Randy Anderson, and Timothy McGlothlin – Columbia Gorge Regional Airport Board
- Julie Reynolds – Museum Commission
- Dean Myerson – Urban Renewal Budget Committee

- Serena Smith – City Budget Committee
- Jarod Gosson – City Budget Committee
- Jennifer Jacquard – Urban Renewal Budget Committee

RECOMMENDATION: Adopt Resolution No. 25-005 A Resolution Concurring with the Mayor’s Appointments to Various Committees and Commissions.

C. **ITEM:** Acceptance of Council Committee Assignments for 2025–2027

BUDGET IMPLICATIONS: There are no direct budget implications associated with this item.

SYNOPSIS: This agenda item seeks City Council approval of committee assignments for the 2025–2027 term. Assignments are as follows:

- Councilor McGlothlin: Airport and Urban Renewal Agency (URA)
- Councilor Runyon: Community Outreach and QLife
- Councilor Randall: Historic Landmarks Commission, Local Public Safety Coordinating Council, and Household Hazardous Waste
- Councilor Richardson: URA and Traffic Safety
- Councilor Wring: URA and Sister City Association

These assignments allow Council members to represent the City in key areas and contribute to the advancement of City goals and priorities.

RECOMMENDATION: Approve the Council committee assignments for the 2025–2027 term as presented.

D. **ITEM:** Resolution No. 25-007 A Resolution Establishing an Ad-Hoc Tourism Services Contract Review Committee

BUDGET IMPLICATIONS: There are no direct budget implications associated with the formation of this ad-hoc committee.

SYNOPSIS: This agenda item seeks City Council approval of Resolution No. 25-007 to establish an ad-hoc committee tasked with reviewing submissions received through the City’s solicitation process for tourism services and providing a formal recommendation to the City Manager.

The committee’s duties include evaluating submissions and submitting a recommendation to the City Manager in a timely manner. The committee will consist of five members with subject matter or local expertise, appointed by the Mayor and confirmed by the City Council. Proposed members include:

- | | |
|-----------------|-----------------|
| • Addie Case | • Lee Weinstein |
| • Lizzie Keenan | • Cheryl Ragar |
| • Dan Spatz | |

The City Manager will serve as the staff liaison and may involve additional staff as needed to support the committee's work, though the City Manager will not vote on committee matters. The committee will not have authority to expend funds or obligate the City financially.

The committee will exist for six months from the resolution's effective date unless extended or modified by the City Council.

RECOMMENDATION: Adopt Resolution No. 25-007 Establishing an Ad-Hoc Tourism Services Contract Review Committee.

- E. **ITEM:** Resolution No. 25-009 Temporarily Waiving Improvement Requirements for Certain Parcels to Be Used for Dry Camping and Parking During the 2025 Oregon District 5 Little League All-Star Tournament

BUDGET IMPLICATIONS: No immediate budget impact.

SYNOPSIS: The City is proposing to adopt a resolution temporarily waiving specific improvement requirements for two undeveloped County-owned parcels adjacent to Kramer Field. These parcels would be used for dry camping and parking during the 2025 Oregon District 5 Little League All-Star Tournament and the Little League Softball Northwest Regional Tournament.

RECOMMENDATION: Approve Resolution No. 25-009 Temporarily Waiving Improvement Requirements for Certain Parcels to Be Used for Dry Camping and Parking During the 2025 Oregon District 5 Little League All-Star Tournament

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CITY COUNCIL MEETING
COUNCIL CHAMBER, CITY HALL
JANUARY 13, 2025
5:30 p.m.

VIA ZOOM/ IN PERSON

PRESIDING: Mayor Richard Mays

COUNCIL PRESENT: Darcy Long, Ben Wring, Tim McGlothlin, Rod Runyon, Scott Randall, Dan Richardson

STAFF PRESENT: City Manager Matthew Klebes, City Attorney Jonathan Kara, City Clerk Amie Ell, Public Works Director Dave Anderson, Police Chief Tom Worthy, Finance Director Angie Wilson, Community Development Director Joshua Chandler

CALL TO ORDER

The meeting was called to order by Mayor Mays at 5:30 p.m.

ROLL CALL OF COUNCIL

Roll Call was conducted by City Clerk Ell. Long, Wring, Runyon, Randall, Mays present. McGlothlin, Richardson absent.

PLEDGE OF ALLEGIANCE

Mayor Mays invited the audience to join in the Pledge of Allegiance.

Councilors McGlothlin and Richardson joined the meeting via Zoom.

APPROVAL OF AGENDA

Mayor Mays said Item #10E, Resolution No. 25-004 Concurring with the Mayors' Appointment to the Urban Renewal Agency Board, would be added to the agenda. The

It was moved by Runyon and seconded by Randall to approve the agenda as amended. The

motion carried 4 to 0, Runyon, Randall, McGlothlin, Richardson voting in favor; none opposed; none absent;

PRESENTATION

Mayor Mays presented a gift and words of appreciation to outgoing Councilor Long for her years of service to the City.

OATHS OF OFFICE

Amie Ell, City Clerk conducted the Oaths of Office for Councilor Runyon, Councilor Richardson, and Councilor Wring.

AUDIENCE PARTICIPATION

Leah Hall in behalf the Columbia Gorge Food bank shared information about the work being done in The Dalles and throughout the Gorge. Highlights from 2024 included:

- 7,700 individual visits across the 3 counties
- 46% of the visitors were from the City of The Dalles
- Pantries in The Dalles that receive food included the Salvation Army, Windy River Gleaners, St Vincent DePaul, Wahtonka Pantry, and Chinook Campus Pantry at Columbia Gorge Community College
- The Food Bank had moved to a larger sized warehouse in January 2023
- Operating costs were near \$1 million per year
- The Food Bank also hosts others, such as;
 - A weekly pantry run by Windy River Gleaners
 - Community backpack program to provide meals to students on the weekends
- The Food Bank was also a staging and emergency response location for water, blankets, and food.

Runyon asked if there was a facility in Hood River as well, and if data had been collected on the number of Veterans served.

Hall said there were over 40 locations served including Hood River. She did not know a number of Veterans served.

Richardson thanked Hall for sharing the important work being done and encouraged Councilors to tour the facility.

Mayor Mays asked what Hall's position was.

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Hal said she was the Community Philanthropy Manger.

Erin Willis, resident of The Dalles, asked on behalf of the new business River City Saloon which was scheduled to open around Valentines Day. She asked council for suggestions of resources that may help a business newly opening.

Mayor Mays suggested joining the Chamber of Commerce and Main Street.

Klebes suggested Willis connect with the City's Economic Development Officer.

Richard Wolfe, of The Dalles, said he had been in building trades for his career. He said First Street was a jetty or levee. He described the makeup of the ground under the street and shared history of the location. He said this composition and history lead to there being a lack of storm drain which was needed. He expressed his concern that the City should have a building expert on staff.

CITY MANAGER REPORT

City Manager Matthew Klebes reported;

- Interviewed on KODL radio
- Staff doing final work to prepare presentation of the 2025 City Council Goal document at the next City Council meeting
- Conducted outreach to Union Pacific Railroad in response to stoppages that are impacting crossings. He suggested those stopped call the phone number posted at the crossing to report directly to the railroad as well to help with efforts to collect data that could lead to reduction of the number and length of the stoppages.
- Federal Street Plaza Ad Hoc Committee would be meeting on Wednesday
- Spay and Neuter program with Columbia Gorge Humane Society had kicked off and 91 animals had been spayed or neutered so far.

CITY COUNCIL REPORTS

Councilor McGlothlin had nothing to report;

Councilor Richardson reported;

- Met with City Manager
- Met with City Attorney
- Met with new downtown grocery store co-owners
- Reflected on changes in the last four years since the last time he was sworn in.

Councilor Runyon reported;

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- Met with Citizens
- Met with County Administrator
- Met with McGlothlin
- Met with City Manager
- Reflected on serving on City Council 6 years, 8 years previous with Wasco County, and 8 years previous to that the Port of The Dalles.
- The Veteran's Service Office that had been located on 1st and Federal Streets had been relocated to the new Wasco County Building on East 3rd Street. He hoped the Veteran's Museum could be moved into the now vacant building.

Councilor Randall had nothing to report;

Councilor Wring reported;

- Worked with City Clerk and other staff for onboarding
- Attended the League of Oregon Cities training for new elected at The Dalles Readiness Center in December

Mayor Mays reported;

- A tentative list of which Councilors committee and commission assignments for the next 3 years. This would be confirmed at the next City Council meeting.

CONSENT AGENDA

It was moved by Randall and seconded by Runyon to approve the Consent Agenda as presented. The motion carried 5 to 0, Randall, Runyon, Wring, McGlothlin, Richardson voting in favor; none opposed; none absent.

Items approved on the consent agenda were: 1) The minutes of the December 9, 2024 Regular City Council Meeting; 2) The minutes of the December 16, 2024 Special City Council Meeting; 3) Resolution No. 25-002 A Resolution Assessing the Real Properties Located at 316 West 8th Street the Costs of Nuisance Abatements; 4) Resolution No. 003 A Resolution Concurring with the Mayors' Appointment to the Traffic Safety Commission; 5) Resolution No. 0034 A Resolution Concurring with the Mayors' Appointment to the Urban Renewal Agency Board

PUBLIC HEARING

Resolution No. 25-001 Adopting a Supplemental Budget for Fiscal Year 2024/2025, Making Appropriations and Authorizing Expenditures from and within Various Funds of the City of The Dalles Adopted Budget

Mayor Mays read the rules of the Public Hearing then asked if there were questions

There were none.

Mayor Mays opened the public hearing at 6:05 p.m.

He called for the staff report.

Angie Wilson Finance Director reviewed the staff report.

Runyon clarified that the phrase ‘additional funding’ used did not mean there was additional money, it was referring to funding that needed to be carried over for projects that had not been completed in the previous fiscal year.

Dave Anderson Public Works Director said that was true for most of the items. Exceptions included the water fund that had received about \$250,000 more in utility revenues than what was expected as well as the waste water fund that had received \$125,000 more in revenues.

Mayor Mays asked if there was anyone present or on Zoom who wanted to testify.

There were none.

Mayor Mays closed the public hearing at 6:10 p.m.

Richardson clarified this was housekeeping to move forward and asked what made the City ready for the projects at this time.

Anderson said many projects were already underway but were taking longer than expected, so funds had to be moved forward to the next year when they would be completed. The Safe Routes to School on West 10th Street was to be bid in the spring. The West 6th Street widening project had been awarded as well as the East 12th Street Sidewalk project. These projects were starting 6 months later than had been expected.

It was moved by Randall and seconded by Runyon to adopt Resolution No. 25-001 Adopting a Supplemental Budget for Fiscal Year 2024/2025, Making Appropriations and Authorizing Expenditures within Various Funds of The Dalles Adopted Budget. The motion carried 5 to 0, Randall, Runyon, Wring, McGlothlin, Richardson voting in favor; none opposed; none absent.

CONTRACT REVIEW BOARD ACTIONS

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Award of Wastewater Facilities Master Plan Update contract – Contract No. 2024-006

Dave Anderson Public Works Director reviewed the staff report.

Mayor Mays asked where Consor was from and how close the estimated cost was compared to the contract.

Anderson said Consor was out of Portland, and worked for clients nation and world-wide. He said the estimates were very close to the final contract amount.

Richardson asked how long the plan would take and if it would take a level of complexity similar to the Water Master Plan.

Anderson said it would take about 18 months and the complexity would be a little less than the water mater plan as there would not be analysis on the source of supply. The energy and efforts would instead be spent on the treatment process for both liquids and solids and the structural integrity of the plant. He did not expect a capital improvement plan to the same magnitude as there were not 8 miles of transmission pipeline or a dam like with the water master plan. However, he noted there would be significant capital improvement needs.

It was moved by Wring and seconded by Richardson to authorize the City Manager to enter into contract with Consor North America in an amount not to exceed \$753,888 for Contract No. 2024-006, the Wastewater Facilities Master Plan Update project, including Optional Tasks 7.6 and 7.7. The motion carried 5 to 0, Wring, Richardson, McGlothlin, Randall, Runyon voting in favor; none opposed; none absent.

EXECUTIVE SESSION

In accordance with ORS 192.660(2)(h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Mayor Mays recessed Open Session at 6:25 p.m.

Mayor Mays reconvene Open Session at 6:50 p.m.

ADJOURNMENT

Being no further business, the meeting adjourned at 6:54 p.m.

Submitted by/

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Amie Ell, City Clerk

SIGNED:

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk

DRAFT

RESOLUTION NO. 25-008

**A RESOLUTION CONCURRING WITH THE
MAYOR'S APPOINTMENTS TO VARIOUS
COMMITTEES AND COMMISSIONS**

WHEREAS, there is are expired or vacant positions on various committees and commissions; and

WHEREAS, the Mayor has elected to reappoint John Nelson to the Beautification & Tree Committee, Jim Wilcox, Randy Anderson, and Timothy McGlothlin to the Columbia Gorge Regional Airport Board, Julie Reynolds to the Museum Commission, Dean Myerson to the Urban Renewal Budget Committee, and Serena Smith to the City Budget Committee; and to appoint Jarod Gosson to the City Budget Committee and Jennifer Jacquard to the Urban Renewal Budget Committee.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS
FOLLOWS:**

Section 1. The City Council concurs with the appointments of:

John Nelson to Beautification & Tree Committee, with term expiring June 30, 2028;

Jim Wilcox to Columbia Gorge Regional Airport Board, with term expiring December

31, 2027; Randy Anderson to Columbia Gorge Regional Airport Board, with term

expiring December 31, 2027; Timothy McGlothlin to Columbia Gorge Regional Airport

Board, with term expiring December 31, 2027; Julie Reynolds to Museum Commission;

with term expiring December 31, 2028; Dean Myerson to Urban Renewal Budget

Committee; with term expiring June 30, 2027; Serena Smith to City Budget Committee;

with term expiring June 30, 2027; Jarod Gosson to City Budget Committee; with term

expiring June 30, 2027; and Jennifer Jacquard to Urban Renewal Budget Committee;
with term expiring June 30, 2027.

Section 2. This Resolution shall be effective January 27, 2025.

PASSED AND ADOPTED THIS 27th DAY OF JANUARY, 2025.

Voting Yes, Councilors: _____
Voting No, Councilors: _____
Absent, Councilors: _____
Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 27th DAY OF JANUARY, 2025.

SIGNED:

ATTEST:

Richard A. Mays, Mayor

Amie Ell, City Clerk

RESOLUTION NO. 25-007

**A RESOLUTION ESTABLISHING AN AD-HOC
TOURISM SERVICES CONTRACT REVIEW COMMITTEE**

WHEREAS, the City follows established procurement processes for all services consistent with the Oregon Public Contracting Code and the City’s Local Contract Review Board Rules to promote impartial and open competition and ensure public transparency and fairness; and

WHEREAS, the City intends to conduct a solicitation process consistent with those authorities and all applicable law to identify potential qualified contractors to address the City’s tourism services needs; and

WHEREAS, the City Council finds the formation of an ad-hoc committee comprising experienced professionals with subject matter or other local expertise to review submissions received through that solicitation to make a formal recommendation to the City Manager supports the public health, safety, and welfare.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF THE DALLES
RESOLVES AS FOLLOWS:**

Section 1 Ad-Hoc Committee Established. The City Council hereby establishes an ad-hoc committee (**Committee**) to provide a formal recommendation to the City Manager regarding the selection of the most qualified contractor to fulfill the City’s tourism services needs (**Purpose**).

Section 2 Composition. The Committee shall comprise five (5) positions appointed by the Mayor subject to the City Council’s confirmation. The Mayor shall timely appoint, also subject to the City Council’s confirmation, any vacancy on the Committee. Specifically, the Committee shall comprise the following individual members with subject matter or other local expertise:

- Addie Case
- Lizzie Keenan
- Dan Spatz
- Lee Weinstein
- Cheryl Ragar

Section 3 Duties and Responsibilities. The Committee shall review and evaluate submissions received through the City’s posted solicitation then timely submit its recommendation to the City Manager.

Section 4 Staff Support. The City Manager shall serve as Staff liaison to the Committee and shall have the authority and discretion to involve additional City staff to support the Committee’s Purpose; provided, however, the City Manager shall not vote on any Committee matter but may take part in all Committee discussions.

Section 5 Expenditures. The Committee shall neither have authority to expend funds on behalf of the City nor obligate the City for the expenditure or payment of any sums of money.

Section 6 Dissolution Date. The Committee shall exist for six (6) months from this Resolution’s effective date unless sooner extended or otherwise modified by resolution.

Section 7 Effective Date. This Resolution shall be effective upon adoption.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY, 2025,

Voting Yes	Councilors:	_____
Voting No	Councilors:	_____
Abstaining	Councilors:	_____
Absent	Councilors:	_____

AND APPROVED BY THE MAYOR THIS 27TH DAY OF JANUARY, 2025.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk

RESOLUTION NO. 25-009

**A RESOLUTION TEMPORARILY WAIVING IMPROVEMENT REQUIREMENTS
FOR CERTAIN PARCELS TO BE USED FOR DRY CAMPING AND PARKING
DURING THE 2025 OREGON DISTRICT 5 LITTLE LEAGUE ALL-STAR
TOURNAMENT**

WHEREAS, from June 19 through 29, 2025, The Dalles Little League is expected to host the 2025 Oregon District 5 Little League All-Star Tournament (**Event**) at Kramer Field, a park facility owned by Wasco County (**County**) and addressed 808 Walnut Street in The Dalles, Oregon;

WHEREAS, from June 28 through July 5, 2025, The Dalles Little League is also expected to host the Little League Softball Northwest Regional Tournament (**Tournament**) at Kramer Field;

WHEREAS, the City anticipates the Event and Tournament will attract significant visitors to the community generally and to the West 6th Street area specifically, and the City recognizes the significant positive impact the Event and Tournament are poised to impart on our youths, families, local businesses, and the community as a whole;

WHEREAS, the County owns two undeveloped parcels (**Parcels**) abutting Kramer Fields, as depicted in Assessor's Map No. 2N 13E 33 C as Tax Lots 2N 13E 33 CD 1100 and 2N 13E 33 C 1701;

WHEREAS, the City Council finds the temporary use of the Parcels for parking and dry camping during the Event and Tournament will help mitigate potential impacts to businesses and residents in the area surrounding Kramer Field by reducing congestion and providing designated spaces for visitors;

WHEREAS, in light of the impracticability associated with otherwise complying with certain provisions of the City's Land Use and Development Ordinance requiring improvements to land, and in consideration of both the temporary nature of the Event and Tournament and their associated benefits to the City and our community, the City desires to support the success of these community activities by temporarily waiving certain improvement requirements associated with the use of the Parcels for the limited purpose of facilitating the Event and Tournament; and

WHEREAS, the City Council finds the temporary waiver authorized by this Resolution to support the public health, safety, and welfare.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF THE DALLES
RESOLVES AS FOLLOWS:**

1. Temporary and Conditional Waiver of Improvement Requirements. The City of The Dalles temporarily waives the improvement requirements typically required for development under applicable City ordinances, including TDMC 10.7.030.020(B)

relating to surfacing standards and TDMC 10.12.050(H)(1)-(3) relating to recreational vehicle parks, for the Parcels during the Event and Tournament strictly to facilitate the Parcels' use for parking and dry camping purposes.

2. Conditions. The temporary waiver described in Section 1 is exclusively conditioned on the County ensuring:
 - a. the Parcels are maintained and used during the Event and Tournament in a clean and safe condition and restored to their original state promptly following the Event's and Tournament's conclusions;
 - b. any temporary facilities or signage installed prior to or for the Event or Tournament comply with all applicable City ordinances;
 - c. control of all runoff, surface water, dust, and mud is implemented consistent with industry-standard best practices for similarly sized activities; and
 - d. in accordance with the Oregon Tort Claims Act and Oregon Constitution, the County agrees to indemnify, defend, and hold harmless the City (including its officers, agents, and employees) against all liability, loss, and costs, arising from actions, suits, claims, or demands, for County's (including its agents', contractors', or designees') acts or omissions in the performance of all activities connected with the Parcels and the Event and Tournament.

3. Effective Date. This Resolution shall be effective upon adoption and shall expire July 7, 2025, unless sooner modified or repealed.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY, 2025,

Voting Yes	Councilors:	_____
Voting No	Councilors:	_____
Abstaining	Councilors:	_____
Absent	Councilors:	_____

AND APPROVED BY THE MAYOR THIS 27TH DAY OF JANUARY, 2025.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: Item #10A

MEETING DATE: January 27, 2025

TO: Honorable Mayor and City Council

FROM: Dave Anderson, Public Works Director

ISSUE: Authorization to Purchase a New 10-yard Dump Truck for the Public Works Wastewater Collection Division

BACKGROUND: The current FY2024/25 budget includes funds to purchase a new 10-yard dump truck for the Wastewater Collection Division. Council may recall that some of the funds budgeted for this purchase were used in September last year to prioritize the purchase of a new Biosolids Truck for the wastewater treatment plant. With the Supplemental Budget that was adopted on January 13, 2025, funds for the dump truck purchase were replenished with additional rate revenues collected in the prior fiscal year.

The proposed new dump truck will supplement use of the existing 1992 International 10-yard dump truck. The second truck will significantly improve the efficiency of projects undertaken by the Division to construct and repair sanitary sewer and stormwater collection piping systems. The improved efficiency will come from allowing excavation work to continue and load spoils into a second truck while the first truck goes to a dump site rather than having to wait for the single truck to go, dump, and return. It will improve the efficiency of hauling and stockpiling backfill rock at the Public Works facilities as well as hauling away accumulated excavation spoils, street sweepings and leaves from the Public Works compound for disposal. It will also be used by the Transportation Division to haul asphalt during paving projects.

Purchase of the truck was postponed until adoption of the supplemental budget. In that time, a new DEQ regulation took effect on January 1, 2025. This regulation requires that 7% of new heavy-duty trucks sold must be electric powered. The performance specifications of the electric trucks that are currently available will not meet the City's needs. Apparently no conventionally powered new trucks received after January 1st can be sold until the 7% quota has been met. This supply restriction is driving up the price on used trucks, which are selling rapidly, as well as are new trucks received before the new legislation took effect.

Normally, staff would pursue purchase of a new vehicle through an existing public bid entity like the Oregon State Bid or Sourcewell. Because of the highly competitive market that now exists for the very few new trucks and low-mileage used ones that are available, dealers are now not inclined to sell their limited inventory at discounted prices. Staff was told that the City may not receive a truck purchased through Sourcewell for 3 years. Therefore, staff conducted its own competitive shopping. Three trucks were found that meet the City's specifications, all of which were in Spokane. The three trucks were all the same model; two were used and one was new. The pricing was as follows:

- 2025 Kenworth, new, \$296,270
- 2024 Kenworth, used, 2,573 miles, \$339,500
- 2024 Kenworth, used, 11,563 miles, \$335,000

The 2025 Kenworth has a new truck warranty.

Due to the highly competitive nature of the market, the City has put down a \$5,000 refundable deposit on the new 2025 Kenworth, model T880 10-yard dump truck with a Cummins 565hp engine and 18-speed transmission. The truck is in stock and will be delivered to the City upon payment.

BUDGET ALLOCATION: The adopted FY2024/25 budget, as supplemented on January 13, 2025, includes \$300,000 in the Reserve Fund, Fund 9, allocated for the purchase of a new 10-yard dump truck for the Wastewater Collection Division. The purchase price for a new dump truck will be \$296,270. There are adequate funds available for this purchase.

ALTERNATIVES:

- A. **Staff Recommendation:** *Move to authorize the purchase of a new 2025 Kenworth Model T880 10-yard dump truck from Kenworth Sales Company in an amount not to exceed \$296,270.*
- B. Deny authorization to purchase a new 2025 Kenworth dump truck and provide additional direction to staff.





AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11A

MEETING DATE: January 27, 2025

TO: Honorable Mayor and City Council

FROM: Joshua Chandler
Community Development Director

ISSUE: Adoption of Resolution No. 25-005, a Resolution Adopting the City of The Dalles 2025 Housing Production Strategy

BACKGROUND:

Beginning in spring 2024, the City of The Dalles undertook a coordinated effort to develop a Housing Production Strategy (**HPS**) to address critical housing needs and affordability challenges in the community. Building on the 2023 Housing Needs Analysis (**HNA**) and Residential Buildable Lands Inventory, this initiative reflects a comprehensive approach to planning for the City's housing future. The development of the HPS, led by Oregon based consulting firm Cascadia Partners in collaboration with the City Council, Planning Commission, and a project specific Advisory Committee, is a state requirement under Oregon House Bill 2003, which mandates that cities with populations over 10,000 adopt a strategy for addressing identified housing needs. This effort was made possible through a Housing Need and Technical Assistance grant from the Oregon Department of Land Conservation and Development (**DLCD**), with consultant services provided by Cascadia Partners. As required by state law, the City's HPS must be adopted by the City no later than February 28, 2025.

The HPS outlines a series of actionable tools, policies, and strategies tailored to The Dalles' unique housing challenges. These initiatives are designed to be implemented over an eight-year period and aim to enhance housing affordability and availability while meeting the goals outlined in the HNA. In addition to meeting state mandates, the HPS is a critical step toward creating a sustainable, equitable, and strategic housing framework for the City.

Process Overview

The development of the HPS was informed by robust stakeholder engagement and public input. The Advisory Committee, comprising local realtors, developers, advocates, service providers, employers, and representatives from key organizations—such as the Mid-Columbia Community Action Council, Mid-Columbia Housing Authority, Columbia Cascade Housing Corporation, N’chi Wana Housing, and Columbia Gorge Community College—convened for work sessions on April 22, July 8, and October 1, 2024. These sessions facilitated valuable discussions and input on the framework and refinement of the HPS.

To further ensure alignment with community needs, joint work sessions were held with the Planning Commission and City Council on May 2, July 18, and October 3, 2024. The initial session provided an overview of the HPS process and set expectations, while the second session focused on a draft set of proposed housing strategies and actions. The final session served as a comprehensive review of the draft HPS report, combining feedback and refining the proposed actions.

Public engagement was a cornerstone of the HPS process, incorporating diverse perspectives through various outreach methods. These included interviews with the local housing development community and equity-priority populations, a public forum on September 18 (held both virtually and in-person at City Hall), and a virtual open house and survey available from August 19 to October 31, 2024. In total, the HPS survey received 244 responses. Notifications were distributed through the City’s website, social media platforms, and local media outlets. Survey results are included as Appendix B of the full HPS document (**Attachment 1** of this staff report).

HPS Actions

The HPS identifies 19 specific actions organized into five categories: Partnerships, Regulatory, Incentive, Investment, and Land-Based that were finalized after extensive engagement with the community and direct stakeholders. The final HPS report includes a summary of each action, which details a description of the action, the steps and considerations for implementation, a timeline, an evaluation of its potential impact, and specific impact targets. In addition, the report outlines specific targets for each action, categorized by factors such as housing type (single-family detached, middle housing, and multifamily), affordability (deeply affordable, affordable, workforce, and market rate), tenure (for sale and for rent), and demographics (communities of color, people with disabilities, seniors, and people experiencing homelessness). A detailed chart of all 19 actions is included on the following page.

Action Group	Action Title	Implementation Years				Action Impact
		1-2	3-4	5-6	7-8	
Partnership Actions	Action 1.1: Housing Working Group					High
	Action 1.2: Pre-Approved Plans					High
	Action 1.3: Technical Assistance					Low
Regulatory Actions	Action 2.1: Middle Housing					High
	Action 2.2: Maximum Density					High
	Action 2.3: Zoning Incentives					Medium
	Action 2.4: Alternative Housing Types					Medium
	Action 2.5: Mixed-Use Development					Medium
	Action 2.6: Adaptive Reuse					Medium
Incentive Actions	Action 3.1: Tax Exemption Incentive					High
	Action 3.2: Scaling SDCs					Medium
	Action 3.3: SDC Deferral					Low
Investment Actions	Action 4.1: Tax on New Construction					High
	Action 4.2: Urban Renewal Areas					High
	Action 4.3: Downtown Plan					Medium
	Action 4.4: Infrastructure Prioritization					Medium
Land Based Actions	Action 5.1: Inventory and Assess Land					Medium
	Action 5.2: Land Agreements					Medium
	Action 5.3: Land Banking					High

Alignment with Policies and Goals

In accordance with ORS 197A.103, the adoption of a Housing Production Strategy (HPS) is not considered a land use decision. However, its adoption and implementation must be consistent with a range of state and local policies, goals, and strategies. Below is a non-exhaustive list of the standards that are or will be met through the adoption and eventual implementation of the 19 actions outlined in the HPS.

The Dalles Comprehensive Plan

Goal 10 Housing

Policies

1. Plan for a full range of housing types, including multi-family and affordable home ownership opportunities, single-family residential, duplexes and other middle housing types, townhomes, cottage cluster housing, accessory dwelling units, and manufactured housing development consistent with findings of the City's Housing Needs Analysis.
10. Allow for and encourage development of housing types to meet the needs of people with a full range of low, medium, and high incomes.
14. Development standards in residential and mixed use areas shall provide for flexibility in site planning and development. Standards shall consider flexibility

for lot sizes, setbacks, accessory residential uses on the same lot, parking, alleyways and other development features

21. *Continue to maintain and expand partnerships with non-profit housing developers and other affordable housing providers and agencies that preserve or provide new low- to moderate-income housing units, create opportunities for first-time homeownership, and help vulnerable homeowners stay in their homes.*

Implementing Measures

- *Complete a Housing Production Strategy and regularly update the strategy to address community need and priorities.*
- *Review the City's System Development Charges (SOC) and other fees and consider implementing tiered fees based on home size and affordability targets.*
- *Continue to expand the range of housing options that can be developed in residential areas throughout the City.*
- *Evaluate and potentially implement financial strategies such as tax abatements, tax increment financing, reduced fees, or other strategies to reduce housing costs and improve the financial feasibility of developing housing affordable to low- and moderate-income households.*
- *Provide information and education to homebuyers, renters, developers, and builders about strategies and opportunities to reduce and/or mitigate the cost of developing and/or obtaining needed housing.*
- *Coordinate with the Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation, private non-profit housing providers, including community land trusts, and other federal, state, and regional agencies for the provision of affordable housing programs.*
- *Encourage the development of affordable housing when opportunities arise to redevelop publicly owned properties.*

State of Oregon

Statewide Planning Goals

- Goal 10 Housing

Oregon Revised Statutes (ORS)

- ***ORS 197.290: Housing Production Strategy***
- ***ORS 197.296: Analysis of housing capacity and needed housing by Metro, cities outside of Metro and smaller cities.***
- ***ORS 197A.100: Housing Production Strategy***

House Bill 2003

Next Steps

Following HPS adoption, there are several key steps the City must take to implement and follow-through on the commitments made to accomplish the various actions outlined within the HPS. The City must first submit the adopted HPS to DLCD within 20 days of adoption and notify participants in the process. DLCD will then post the HPS for public review and accept comments for 45 days. Within 120 days of receipt, DLCD will either approve the strategy, approve it with conditions, or request modifications. As part of the HPS process, the City will be required to submit a report to DLCD on the progress of HPS actions implementation within four years from adoption.

The City has already begun exploring the implementation of some HPS actions, including convening a housing working group, exploring multi-unit property tax exemptions, and researching the development pre-built plan sets, all of which are incorporated into the Community Development Department's annual work plan and the 2025 Council Goals.

Adopting the HPS represents a significant milestone for The Dalles, providing a strategic roadmap to address housing challenges and fulfill the community's vision for a more affordable and inclusive housing future. We appreciate the ongoing dedication and valuable input provided by the Advisory Committee, Planning Commission, City Council, and members of the community throughout this process. Your expertise and participation have been instrumental in shaping a comprehensive strategy that addresses the housing needs of The Dalles.

BUDGET IMPLICATIONS: As previously mentioned, the HPS adoption process was made possible through a Housing Need and Technical Assistance grant from DLCD, resulting in an overall savings to the City of \$83,030 to complete the work. Additional expenses incurred with this project included tasks needed for the finalization of the HPS not covered through the DLCD grant. In total, these additional expenses included a separate professional services agreement between the City and Cascadia Partners of \$3,762. This additional expense is paid for through the Community Development Department budget having sufficient funds for contracting services to complete this work.

COUNCIL ALTERNATIVES:

1. ***Staff Recommendation: Move to adopt Resolution No. 25-005, as presented.***
2. Make modifications to then move to adopt Resolution No. 25-005, as amended.
3. Direct Staff to make changes to the Resolution then return for consideration at a future City Council meeting by February 24, 2025.
4. Decline formal action and direct Staff accordingly.

Attachment 1: City of The Dalles Housing Production Strategy, January 2025

RESOLUTION NO. 25-005

A RESOLUTION ADOPTING THE CITY OF THE DALLES 2025 HOUSING PRODUCTION STRATEGY

WHEREAS, in 2019, the Oregon Legislature passed House Bill 2003, which requires Oregon cities with a population of over 10,000 people to study the future housing needs of their residents and to develop strategies that encourage housing production;

WHEREAS, in 2023, the City Council approved the City’s 2023 Housing Needs Analysis and Residential Buildable Lands Inventory as a critical tool for making informed decisions and developing strategies presented in the Housing Production Strategy (**HPS**) to address critical housing needs and affordability challenges in the community;

WHEREAS, in 2023, the City was awarded a Housing Need and Technical Assistance grant by the Department of Land Conservation and Development (DLCD) for the production of the City’s HPS consistent with OAR 660-008, ORS 197.290, and ORS 197A.100;

WHEREAS the HPS includes a variety of tools and actions the City will use to help improve the production, availability, and affordability of housing in The Dalles, both across the income spectrum and for protected classes;

WHEREAS, the HPS has been developed through extensive public engagement efforts throughout 2024, including Advisory Committee meetings, joint City Council and Planning Commission meetings, online surveys, in-person and virtual open houses, and stakeholder interviews; and

WHEREAS, at its January 27, 2025, regular meeting, the City Council reviewed the final draft of the 2025 HPS, and intends this Resolution to formally effectuate its adoption in support of the public health, safety, and welfare.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF THE DALLES RESOLVES AS FOLLOWS:

- Section 1** 2025 Housing Production Strategy Adopted. The City Council hereby adopts the 2025 Housing Production Strategy attached to and made part of this Resolution as its **Attachment 1**.
- Section 2** Implementation. The City Council hereby directs City staff to commence implementation of the actions described in and incidentally necessary for the 2025 Housing Production Strategy.
- Section 3** No Land Use Decision. Nothing in this Resolution is intended to be or shall be construed as a final decision by the City Council concerning the adoption, amendment, or application of statewide planning goals, a Comprehensive Plan provision, or land use regulation.

Section 4 Effective Date. This Resolution is effective upon adoption.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY, 2025,

Voting Yes	Councilors:	_____
Voting No	Councilors:	_____
Abstaining	Councilors:	_____
Absent	Councilors:	_____

AND APPROVED BY THE MAYOR THIS 27TH DAY OF JANUARY, 2025.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk



Housing Production Strategy

City of The Dalles

January 2025

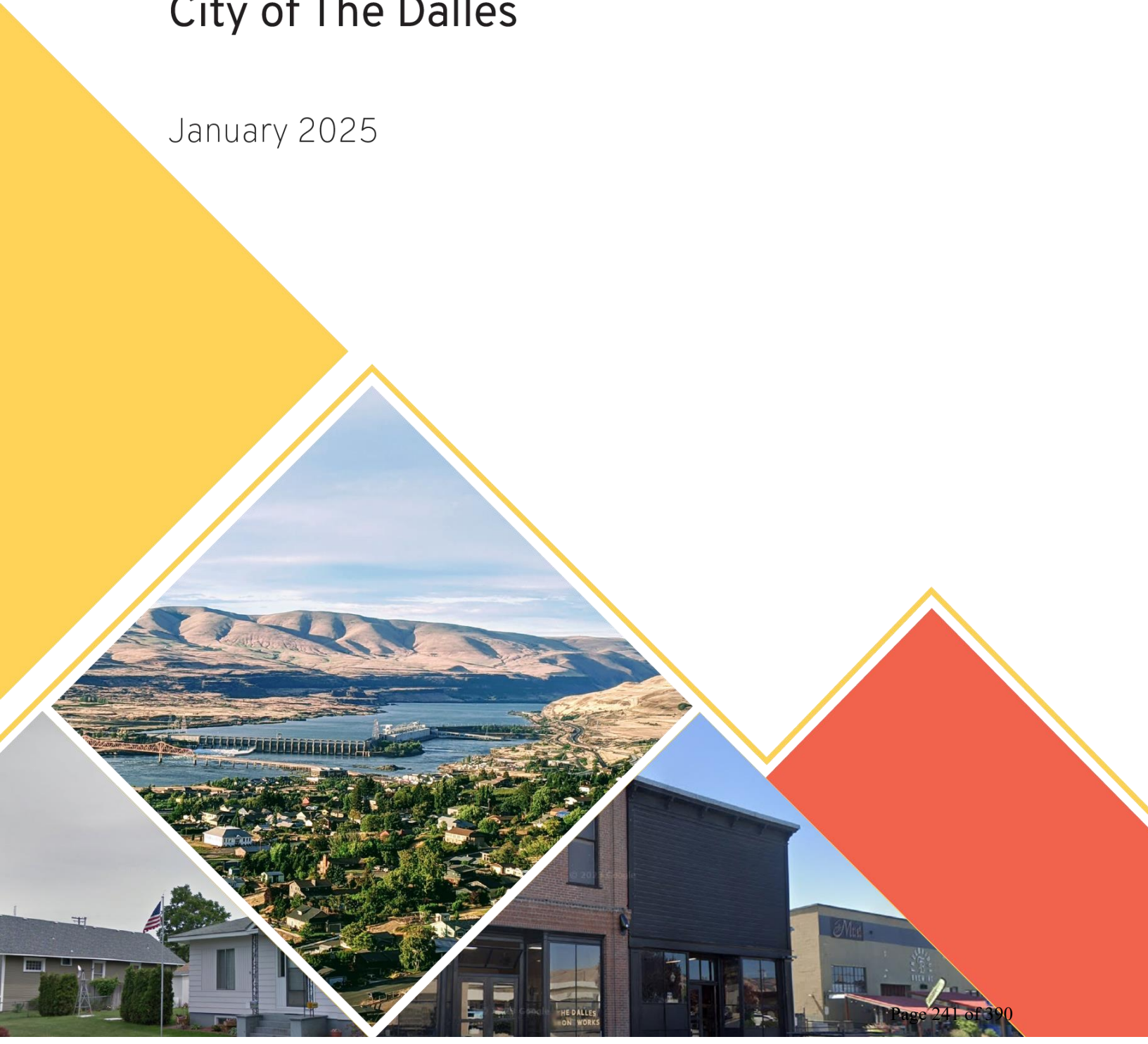


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1. Executive Summary

This document is the Housing Production Strategy (HPS) for the City of The Dalles. The HPS is a plan required by state law (OAR 660-008-0050) that describes how the City will promote the creation of housing to meet the needs identified in the City’s 2023 Housing Needs Analysis (HNA). The HPS includes a variety of tools and actions the City will use to help improve the production, availability, and affordability of housing in The Dalles, both across the income spectrum and for protected classes. The HPS was created in partnership with a variety of community and local stakeholders, including residents, community leaders, and experts on housing policy and development.

The HPS is organized into six sections:

1. **Executive Summary.**
2. **Overview of The Dalles’ Contextualized Housing Needs.** This section summarizes current and future housing needs, demographic trends, market factors affecting housing production, and the housing needs of various groups and protected classes.
3. **Community Engagement.** This section summarizes stakeholder and community input used to develop the HPS’s actions.
4. **Strategies to Meet Future Housing Need.** This section describes 19 actions the City will undertake to support housing production and fulfill its commitment to meeting its housing needs.
5. **Achieving Fair and Equitable Housing Outcomes.** This section offers a narrative summary of how the actions in the HPS will achieve equitable housing outcomes.
6. **Measuring Progress.** This section recommends methods and performance metrics for monitoring progress on HPS actions.

The Dalles’ Housing Need

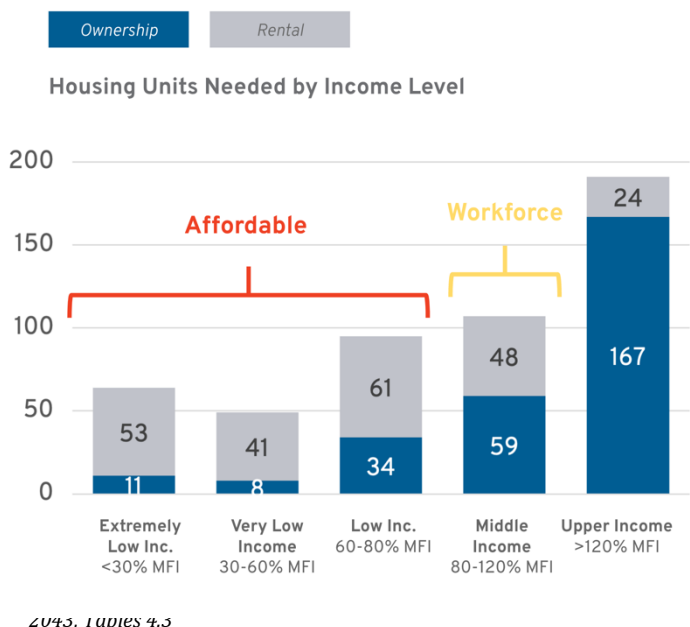
Overall Need

The City of The Dalles’ 2023 HNA showed that the City needs 505 new housing units over the next 20 years, including 208 units affordable to households earning less than 80% of the Median Family Income (MFI). The HNA also showed that the housing The Dalles needs will take a variety of forms, from single-family detached houses to multi-unit dwellings (i.e. apartments). Nearly half (45%) of the need is expected to be for rental units, and 55% is expected to be for ownership units.

Population-Specific Housing Needs

The diversity of The Dalles’ population is reflected in the diverse range of housing needs present in the City. The list below offers examples of the housing needs experienced by different groups:

- **Low-income households** (less than 80% of MFI). These households represent over 40% of the city’s need. Due to their limited budgets, they have an elevated need for affordable housing.
- **Communities of color.** About 27% of The Dalles’ residents are people of color. Communities of color have historically had less access to homeownership and tend to be cost burdened (meaning they spend over 30% of their household income on housing) more often than other residents. This means communities of color can experience elevated need for affordable housing, particularly ownership housing.



ATTACHMENT 1

- **People with disabilities.** About 19% of The Dalles' population has a disability. In Oregon, people with disabilities are more than twice as likely to live in poverty, and some people with disabilities experience difficulties with mobility. This elevates their needs for affordable and physically accessible (e.g. built to Americans with Disabilities Act (ADA) standards) housing.
- **Seniors.** Seniors are 20% of The Dalles' population, which is slightly elevated compared to the state. They experience housing problems like cost burden and overcrowding at higher-than-average rates and may experience difficulties with mobility. This elevates their needs for affordable and physically accessible housing.
- **People experiencing homelessness.** As of the January 2024 Point-in-Time count, Wasco County has an estimated 172 people experiencing homelessness, up 7.5% from 2023. The Dalles, home to the majority of the county's population, plays a central role in addressing this issue. People experiencing homelessness have elevated needs for affordable housing, which is sometimes provided with additional services.

The City's housing need is described in greater depth in *Section 2: Overview of The Dalles' Contextualized Housing Needs.*"

The City of The Dalles' HPS Actions

Throughout 2024, City staff and project consultants gathered input from community stakeholders and developed a list of housing actions. These actions aimed at addressing the overall and population-specific housing needs identified in the City's 2023 HNA and *Section 2: Overview of The Dalles' Contextualized Housing Needs.* The list of actions draws directly from community members' suggestions, from the team's policymaking experience, from an assessment of The Dalles' Land Use and Development Code and housing policies, from best practices research, and from a list of potential actions published by Oregon's Department of Land Conservation and Development (DLCD).

The actions are divided into five categories: Partnership, Regulatory, Incentives, Investments, and Land-Based. Later in the document, *Section 4: Actions to Meet Future Housing Need* offers a detailed summary of each action, providing with the following information:

- Overview, background, and rationale for the action
- Steps to implement the action, considerations for implementation, and a timeline
- An estimate of magnitude of the action's impact on housing production
- The types of housing need the action addresses (across income, housing type, and tenure)

Actions will impact the production of needed housing over time, with some actions having nearer-term effects and others longer-term effects.

Partnership Actions

- Action 1.1: Housing Working Group
- Action 1.2: Pre-Approved Plans
- Action 1.3: Technical Assistance

Regulatory Actions

- Action 2.1: Middle Housing
- Action 2.2: Maximum Density
- Action 2.3: Zoning Incentives
- Action 2.4: Alternative Housing Types
- Action 2.5: Mixed-Use Development
- Action 2.6: Adaptive Reuse

Incentive Actions

- Action 3.1: Tax Exemption Incentive
- Action 3.2: Scaling SDCs

ATTACHMENT 1

- Action 3.3: SDC Deferral

Investment Actions

- Action 4.1: Tax on New Construction
- Action 4.2: Urban Renewal Areas
- Action 4.3: Downtown Plan
- Action 4.4: Infrastructure Prioritization

Land-Based Actions

- Action 5.1: Inventory and Assess Land
- Action 5.2: Land Agreements
- Action 5.3: Land Banking

2. The Dalles' Housing Needs

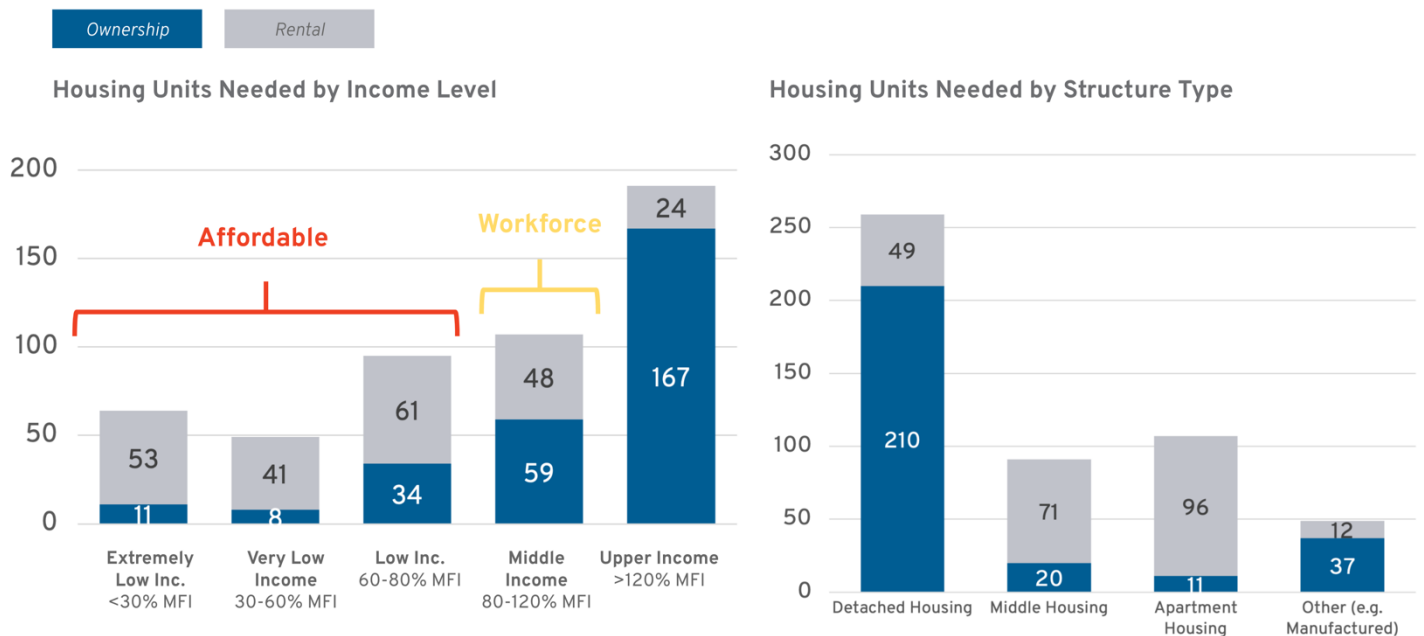
Understanding the Relationship Between Income & Attainability

Income determines the housing price point each household can afford. The Dalles needs a wide variety of housing types to serve households of different incomes.

Per the most recent 2022-vintage of the American Community Survey (ACS), The Dalles' median household income is \$59,714, below the statewide and county medians of \$76,632 and \$61,316, respectively.

The Dalles' Housing Needs Analysis (HNA) found that the city will need 505 new housing units over 20 years, including 208 units affordable to households earning less than 80% of the Median Family Income.

The Dalles' HNA found that the City will need new housing units serving its full income spectrum and taking a variety of forms, from single-family detached houses to multi-unit dwellings. The HNA projects that half of the need will be for various forms of attached housing, like townhomes, multi-plexes, and apartments.



City of The Dalles Housing and Residential Land Needs Assessment 2023-2043, Tables 4.3 and 4.4

Community Demographic Profile

The City of The Dalles is a demographically distinct community. The information below is taken from the 2022 ACS. It is important to note that Census data in The Dalles paints an incomplete picture of community demographics. This can be attributed to a few factors. ACS data, while comprehensive at a national and state level, has higher margins of error at more granular levels including the census tracts levels. In smaller communities like The Dalles, estimates based on population samples may be less accurate, making the data less reliable for local decision-making. High margins of error make it challenging to rely on for precise decision-making. There are also significant cultural and political realities that sow mistrust in the government and contribute to resistance in completing the census survey. This leads to an undercount of certain groups, including, but not limited to, the Latino and Indigenous population in The Dalles. Still, census data remains an important starting point for a high-level understanding of The Dalles. Data used to inform housing strategies should be carefully evaluated and, when needed, supplemented with input from the community to ensure accuracy and relevance.

ATTACHMENT 1

The Dalles’ racial diversity is comparable to the state at large. Roughly 27% of The Dalles residents are people of color, the same as the statewide rate of 27%. Latino (21%) residents are the largest of The Dalles’ communities of color, with Black (<1%), Asian (<1%), Indigenous (<1%), and multiracial (5%) populations comprising much smaller proportions.

The Dalles has a smaller working-age population. About 23% of The Dalles’ residents are children – just above the statewide rate of 20% – and 20% are seniors – just above the statewide rate of 18%. While Oregon has seen its children and working age population decrease on percent terms between 2010 and 2022, The Dalles has held steady in its age distribution.

The Dalles has relatively more renters. Renters comprise 40% of The Dalles’ households. Renters are just over a third of households in Wasco County and statewide. This difference may stem from a combination of factors, including the housing and job types in The Dalles, its racial and ethnic makeup, and its age profile.

The Dalles is relatively low-income. The median household income in The Dalles is about \$12,000 below the regional median, and \$17,000 below the statewide median. This suggests the city’s residents have a smaller budget for housing.

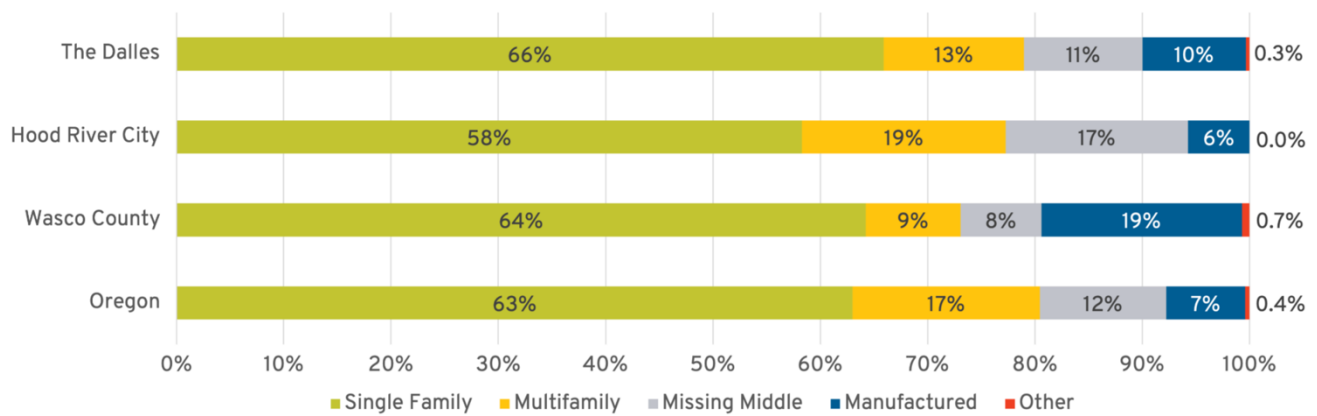
	The Dalles	Wasco County	Oregon
Race and Ethnicity			
American Indian or Alaska Native	0.3%	2.4%	0.7%
Asian	0.5%	0.7%	4.4%
Black	0.3%	0.3%	1.8%
Hispanic or Latino	20.8%	19.9%	13.8%
Native Hawaiian or Pacific Islander	0.2%	0.1%	0.4%
Other Race	0.1%	0.1%	0.4%
Two or More Races	4.8%	4.4%	5.2%
White	73.0%	72.1%	73.3%
Age			
Under 18	23.1%	21.8%	18.3%
18 - 64 years	57.1%	20.7%	61.5%
Over 65	19.8%	57.6%	20.2%
Tenure			
Renters	40.0%	34.9%	36.8%
Homeowners	60.0%	65.1%	63.2%
Median Household Income			
	\$59,714	\$61,316	\$76,632

American Community Survey 2022 5-Year Estimates, Tables B03002, B01001, B19013, and B25003

Existing Housing & Who Lives in Different Kinds of Housing

Per the 2022 ACS, 66% of The Dalles’ housing stock is detached single-family and 13% is multifamily. This is consistent with state and county-wide trends where 63% and 64% of housing is detached single-family and 17% and 9% are multifamily, respectively.

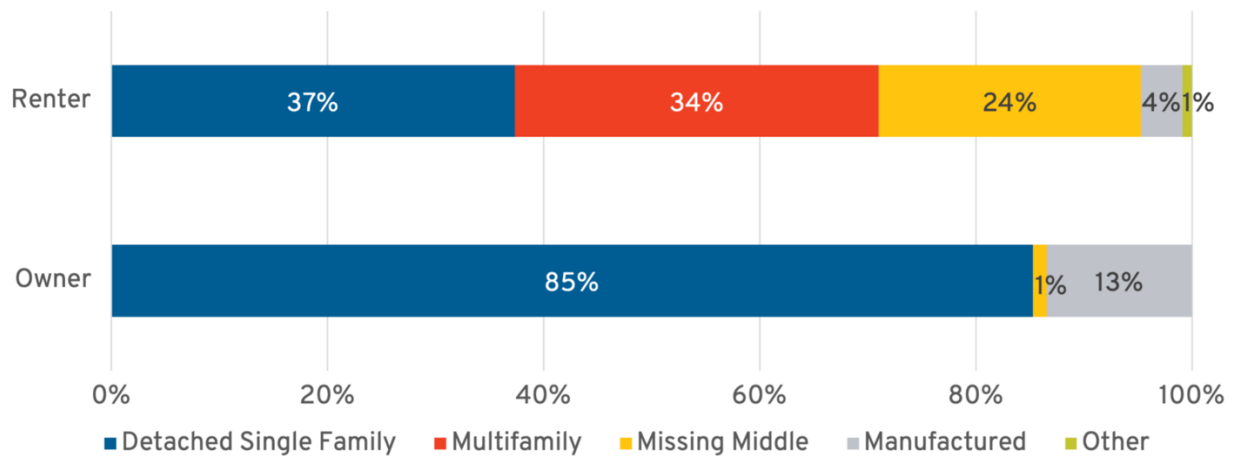
Housing Type by Share of Total Housing Stock (2022)



American Community Survey 5 Year Estimates, Table B25024

The Dalles’ renter households disproportionately live in multifamily and middle housing (58%) compared to owner households (1%). Initiatives that support further growth of multifamily housing in The Dalles will help meet the needs of renters and support a competitive rental market in which rents are less likely to rise quickly.

Housing Type by Tenure in The Dalles (2022)

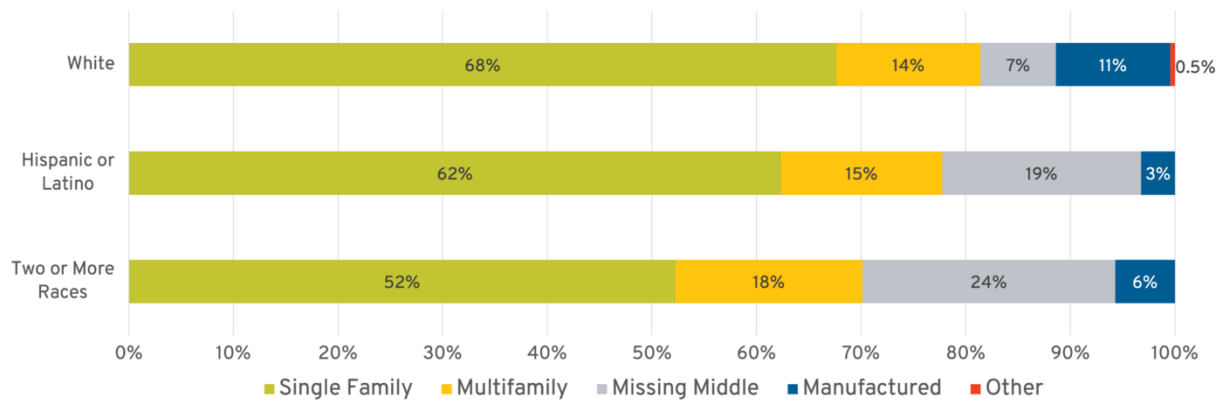


American Community Survey 5 Year Estimates, Table B25125

Like renters, The Dalles’ households of color are also less likely to live in a detached single-family home. Whereas 68% of White households live in 68% of The Dalles’ housing stock that is detached single-family housing, only 62% of Latino households and only 52% of multiracial households do. That means White households disproportionately have access to that form of housing and wealth building.

Missing middle housing types house 19% of Latino households and 24% of multiracial households despite that housing type representing only 11% of the housing stock. Missing middle housing types include duplexes, triplexes, quadplexes, townhouses, and cottage clusters. This housing type is also almost exclusively rental housing in The Dalles. In fact, the path to property ownership and wealth building in The Dalles is overwhelmingly through single-family homes. Creating more ownership opportunities in missing middle housing stock may serve as a key tool in building homeownership among communities of color. This data also reveals the importance of multifamily as a housing type that tends to serve various communities of color, suggesting the importance of supporting multifamily housing via policy to achieve Fair Housing outcomes.

Housing Type by Race and Ethnicity in the Dalles (2022)



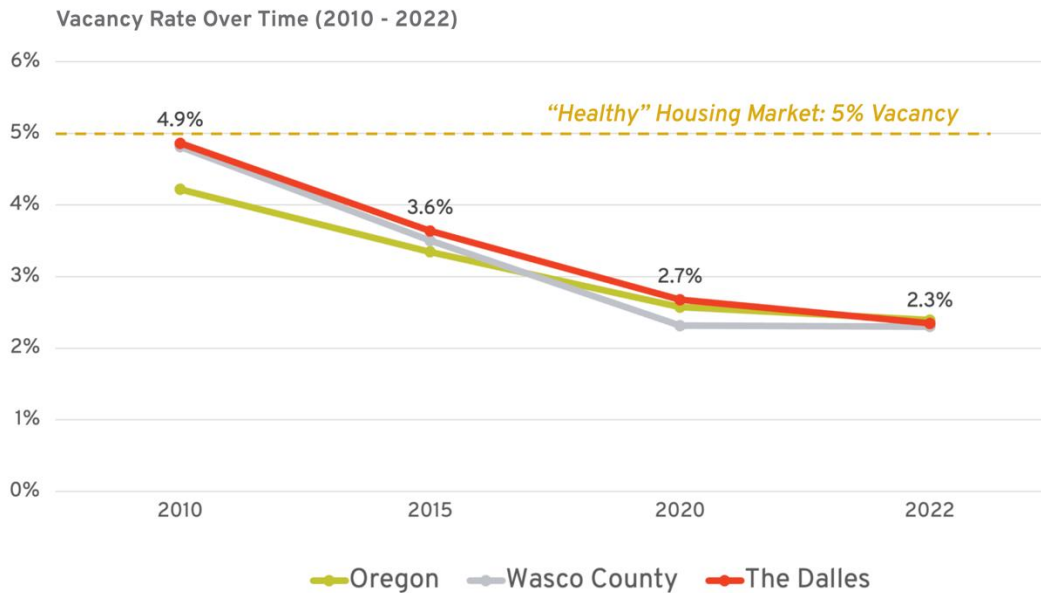
Data for certain racial and ethnic categories, specifically for American Indian or Alaska Native, Asian, Black, Native Hawaiian or Pacific Islander, and Other Race groups, are left out from this visualization due to exceptionally high margins of error. This limitation arises from smaller sample sizes or population counts, which results in unreliable estimates.

American Community Survey 5 Year Estimates, Table B25032

Housing Market Dynamics

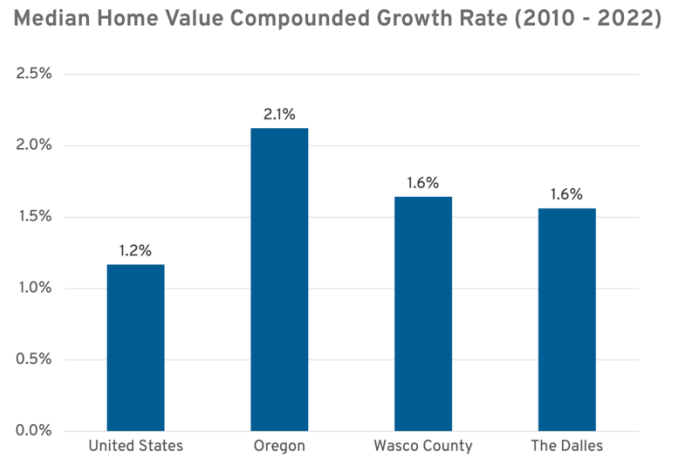
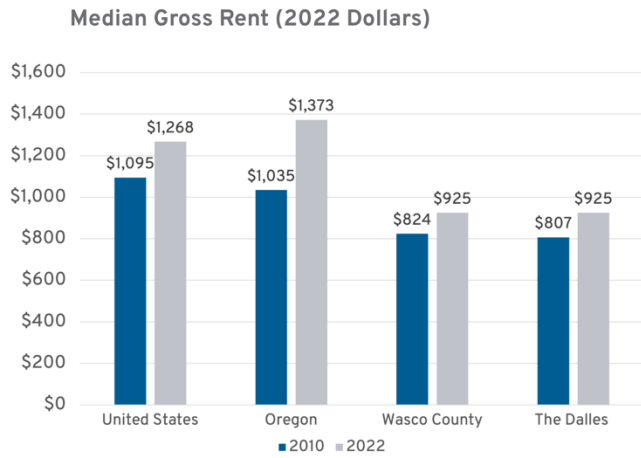
Vacancy and Cost

Much of The Dalles’ 20-year housing need comes from expected growth; however, underproduction in the city and region is also a contributing factor. Mirroring an underproduction trend seen across Oregon and Wasco County, The Dalles’ residential vacancy rate has fallen from a very healthy 4.9% in 2010 to 2.3% in 2022.



American Community Survey 5-Year Estimates, Table B25004. Includes typical market vacancy (e.g. for sale, for rent), excludes recreational and seasonal housing and “other” vacancy (e.g. abandonment, foreclosure)

When vacancy is low, competition among renters and buyers for the limited available stock of housing often fuels price increases. Still, The Dalles did not see the same housing cost increases that the state did over the last decade. Between 2010 and 2022, The Dalles’ median gross rents grew by 15% per month after adjusting for inflation, compared with 34% per month statewide. Likewise, The Dalles’ home values grew at a slower annual rate than the state. Increasing housing supply and alleviating low vacancy is crucial to preserving The Dalles’ relative affordability and protecting against future price increases.



American Community Survey 5 Year Estimates, Table B25077

Existing and Expected Barriers to Production

Since 2020, development costs have risen sharply. Mortenson’s Construction Cost Index for Portland indicates the Portland region experienced a 29% increase in construction costs between 2020 and 2024. Interest rates have also increased, dramatically raising the cost of borrowing for both buyers and builders. These macroeconomic headwinds cause rents and sales prices to fall out of sync with development costs, reducing the financial feasibility of development and ultimately posing a significant barrier to near-term housing production.

Percentage Year over Year Inflation in Construction Costs



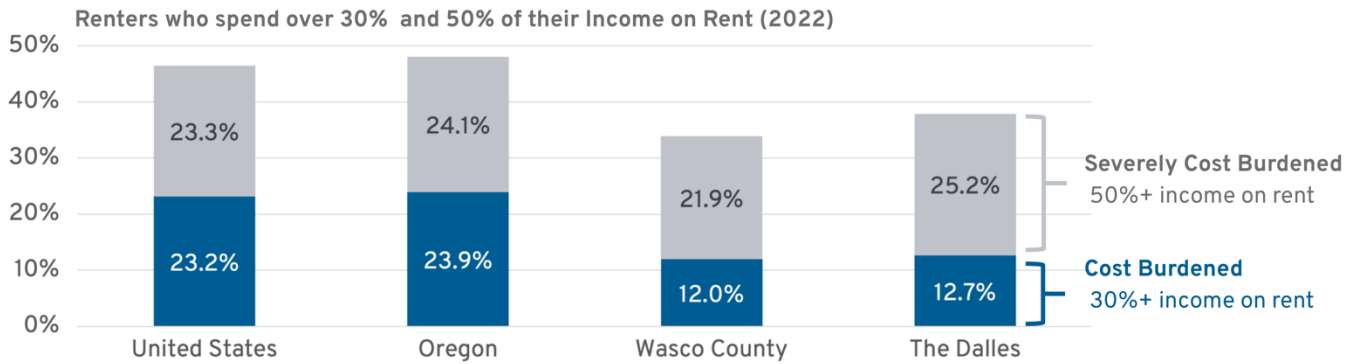
Mortenson Construction Cost Inflation; Ed Zarenski Construction Inflation

A statewide survey of government staff and developers by the University of Oregon’s Institute for Policy and Research and Engagement reinforces this perspective that these are major barriers to production. Six of the 12 barriers perceived by respondents as “extreme” had to do with construction costs (both materials and labor) and labor availability. The report also finds the land cost and relatedly, the availability of development-ready, adequately zoned land were also considered major barriers. Infrastructure, systems development charges, and various regulatory details were deemed more moderate barriers to production.

Real estate is cyclical, and eventually cost, price, and rent conditions will reach a new equilibrium in which development is more feasible. In the meantime, adopting policies that support lower development costs, broaden the labor pool, open up land to development, and prepare that land for development will be crucial to counteracting these difficult conditions.

Cost Burden

38% of The Dalles' 2,500 renter households are cost burdened

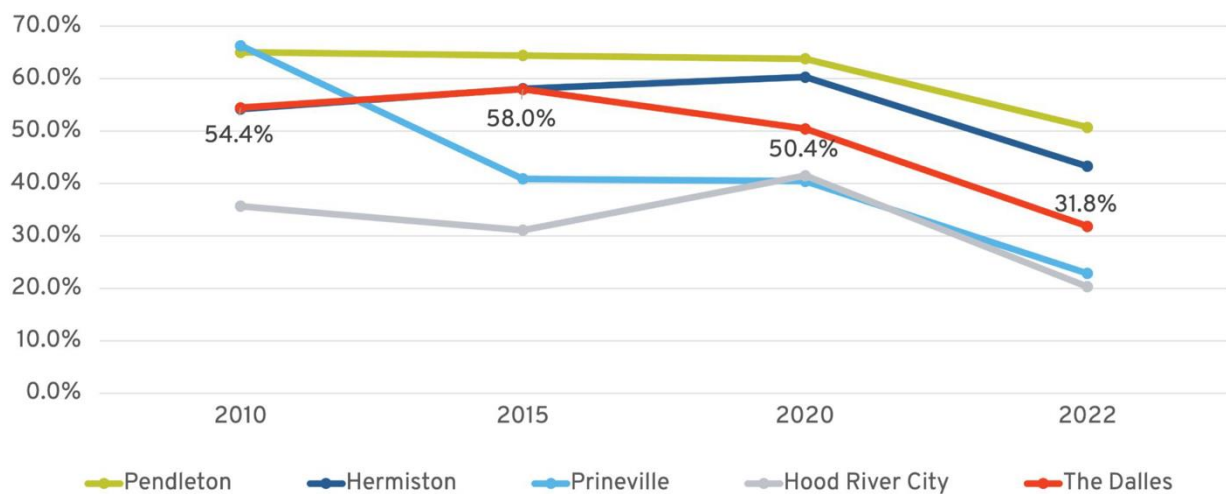


American Community Survey 5 Year Estimates, Table B25070

Per the 2022 ACS, The Dalles' overall prevalence of renter cost burden and severe cost burden is slightly lower (38%) than national (46%), statewide (48%), and county (34%) averages. However, renters are more likely to be paying over half of their income on rent compared to regional, state and national rates. Though The Dalles' median rent is lower per month than state and national averages (\$925 vs. \$1,373 and \$1,268), the city's median income is also comparatively lower (\$59,714 vs. \$76,632 vs. \$75,149).

After price & interest rate spikes, fewer than half of households in The Dalles can afford a typical mortgage.

Percent of households that can afford to pay a newly issued mortgage on median home over time (2010 - 2022)



Zillow Home Value Index (seasonally adjusted, all for sale homes); Federal Reserve Bank of St. Louis (FRED) average 30-year mortgage rates; SmartAsset & Nerdwallet tax and insurance estimates for Oregon

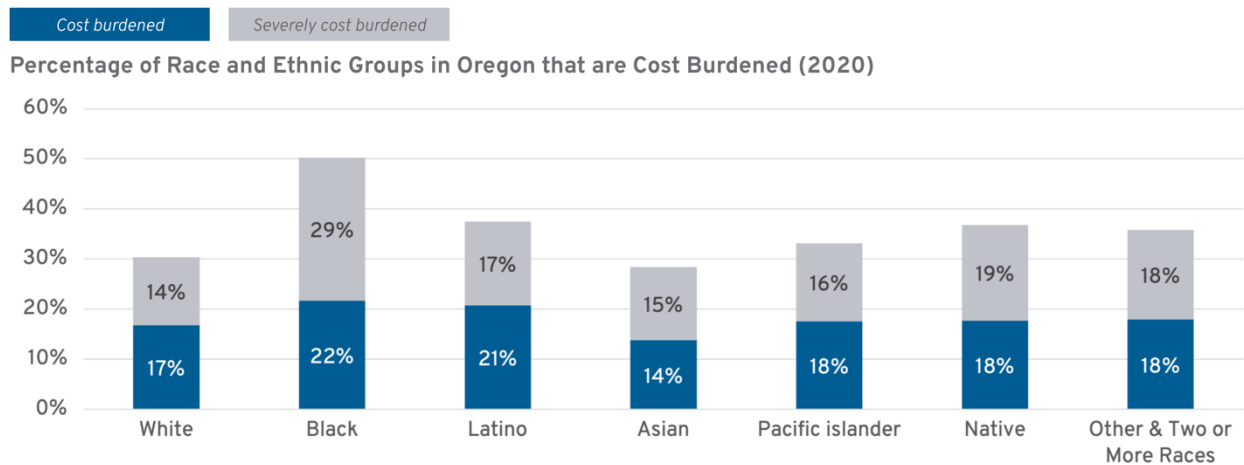
While the ACS tracks cost burden due to owner costs, it falls short of accurately capturing an up-to-date picture of the ownership housing market in 2024. This is because a large share of owners in that data locked in low mortgage rates and housing prices decades ago, resulting in low-cost burden today. The percentage of households that can afford to pay a newly issued mortgage on a median home is a better reflection of the affordability of the ownership market over time. In 2010, The Dalles, given its modest home prices, enjoyed relative success in having the majority of its households being able to afford to buy the median home in the City. However, when rates climbed, The Dalles, like other peer areas, suffered a significant decrease to ownership affordability. Now, fewer than one third of households can afford a newly issued mortgage on the City's median-priced home.

Needs of Communities of Color

Statewide, Black & Latino households – whether owners or renters – are cost burdened most often. The Dalles has a high percentage of Latino residents in particular.

As stated above, roughly 27% of The Dalles’ residents are people of color, the same share as the state as a whole. The Dalles is 20% Latino, a higher rate than Oregon (14% Latino). The typical data source for cost burdened analysis by race categories is CHAS data but given the size of the population in The Dalles, statewide data is used due to large margins of error.

Statewide trends suggest that communities of color - especially Black, Latino, and Native populations - tend to be cost burdened at the highest rates. For example, 51% of Black households and 38% of Latino households in Oregon are cost burdened compared to 31% of White households. These estimates are more reliable because they are based on a much larger sample of the population given the state’s population of 4 million compared to the population in The Dalles. This data implies the importance of planning for the housing needs of communities of color across the state, including in The Dalles.



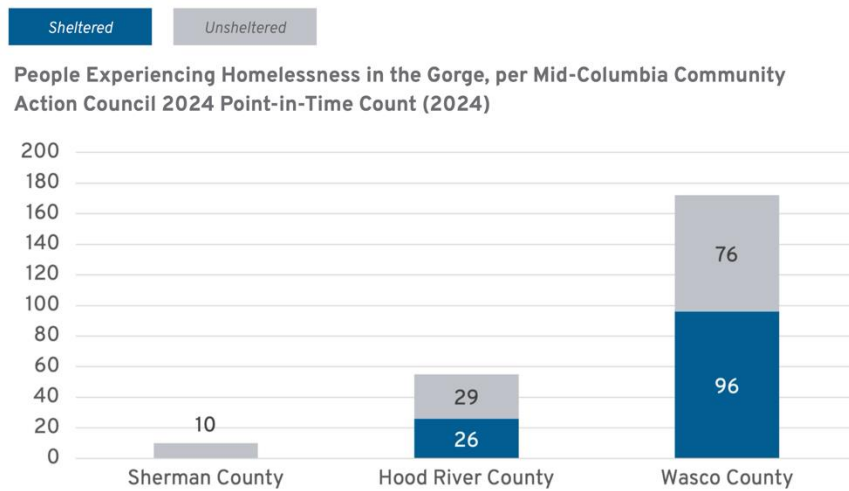
HUD Comprehensive Housing Affordability Strategy (CHAS) data, Table 9, 2016-2020 estimates

For further information on the housing needs of communities of color, see the “Needs of People Experiencing Homelessness” and “Existing Housing & Who Lives in Different Kinds of Housing” sections, which contain housing-need data disaggregated by race and ethnicity.

Needs of People Experiencing Homelessness

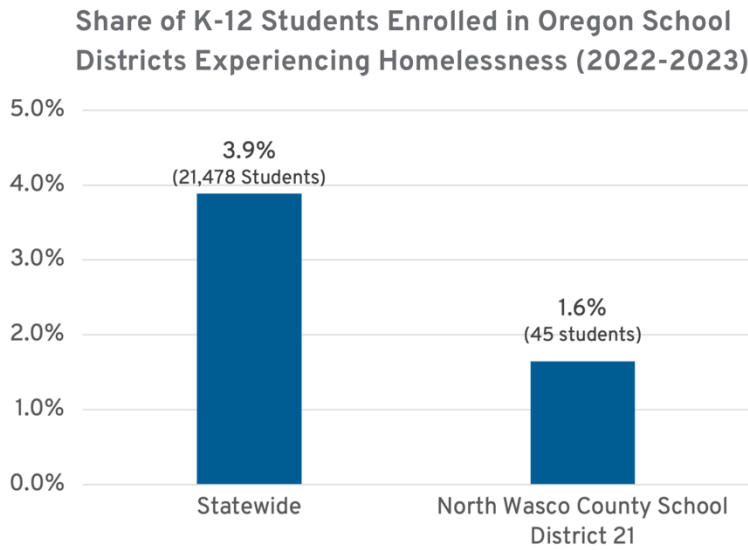
Homelessness Trends

According to the Mid-Columbia Community Action Council Point-in-Time Count, 172 people in Wasco County were experiencing homelessness as of January 2024, up 7.5% from 2023. The Dalles, home to the majority of the county's population, plays a central role in addressing this issue. People experiencing homelessness in Wasco County are disproportionately American Indian, Alaska Native or Indigenous (22% vs. 2% county-wide), and Multiracial (9% vs. 4% county-wide). White and Latino populations are more proportionately represented or are even underrepresented among people experiencing homelessness.



Mid-Columbia Community Action Council 2023 Point-in-Time Count. See <https://www.mccac.com/data-reports#block-48ed6d86a593cc0ab0d9>

McKinney Vento data on student homelessness from 2024 shows that many students in the North Wasco County School District (1.6% of students) experience severe housing insecurity and homelessness. This is below the statewide rate of 4%. Student homelessness is likely missed by the January Point-in-Time counts. That data found that 36 (80%) of these students were living doubled-up with another family. Six were living in a shelter.



McKinney Vento Act, 2022-2023 Homeless Student Data. See <https://www.oregon.gov/ode/schools-and-districts/grants/esea/mckinney-vento/pages/default.aspx>

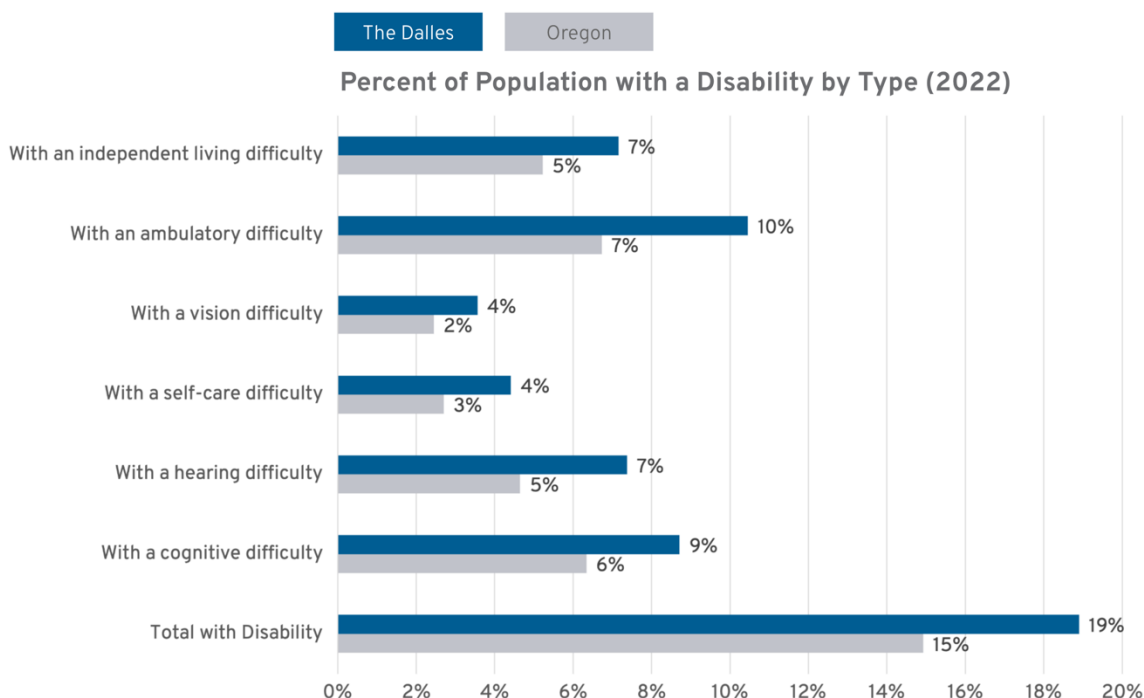
Needs of Seniors & People with Disabilities

Per the 2022 ACS, The Dalles had a slightly higher percentage of seniors than the state as a whole (20% vs. 18%). However, despite state and national trends of a steady increase over time, The Dalles’ percentage of seniors among its population has remained steady over the last decade. Per the Department of Housing and Urban Development, about 32% of The Dalles’ residents ages 62 and above face at least one of the following housing problems: cost burden, overcrowding, or inadequate kitchen or plumbing facilities. This figure is 33% statewide, meaning seniors in The Dalles tend to have housing problems at roughly the same rate. Given the senior population is holding steady in The Dalles and that the population faces known housing challenges, senior needs are key to plan for.

The Dalles has a higher percentage of individuals with disabilities compared to the state overall (19% vs. 15%), likely influenced by the City’s age distribution and its robust network of healthcare and social services, including Adventist Health

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Columbia Gorge, a concentration of senior living facilities, Oregon DHS vocational rehabilitation services, One Community Health, the Mid-Columbia Center for Living, the Oregon Veterans Home, and other social service agencies. Even when broken down by disability type, The Dalles outpaces the state, as shown in the chart below.



American Community Survey 5 Year Estimates, Table S1810

People with disabilities are more likely than people without them to live in poverty, with 21% of Oregon's population with a disability below the poverty line compared with 10% for the no-disability population. This data is not available at the city level, but the statewide trend implies that the City can expect to serve the needs of more households with disabilities if it successfully adds more housing affordable to lower-income households. The Dalles' comparatively low housing costs may be one reason a larger share of the population is living with a disability. In order to preserve affordability and prevent displacement, affordable and accessible housing is a key to meeting the community's needs.

3. Community Engagement

The implementation of the Housing Production Strategy (HPS) will impact many existing and future residents of The Dalles. The HPS was developed with input from a variety of community members and stakeholders in the housing development process. This engagement process included the formation of an Advisory Committee that met three times over the course of the project, as well as three joint work sessions with the Planning Commission and City Council. Stakeholder interviews were held with housing producers and equity priority populations with historically marginalized communities to solicit input on their housing needs.

The engagement process included:

- Three meetings of an Advisory Committee
- Three joint work sessions with Planning Commission and City Council
- Five stakeholder interviews, one with a housing producer and four with representatives of historically marginalized communities
- Virtual Open House and Community Survey open to the public

Advisory Committee Meetings

The HPS Advisory Committee was comprised of 11 community members identified as experts on housing and the community in The Dalles. The Advisory Committee included housing developers in The Dalles (including multi-unit, detached, small home, land, and affordable housing developers), real estate brokers, property managers, regional policy experts, as well as community organizers and advocates. Three Advisory Committee meetings were held between April, July, and October 2024 to review potential housing actions for the HPS, discuss priorities and concerns, and share community and policymaker feedback.

Advisory Committee members approached the work with a shared understanding that The Dalles faces a severe housing shortage. The group identified farmworkers, native populations, and students among groups shouldering the most severe housing cost burden. Advisory Committee members discussed housing quality also as a concern, particularly among the farmworker community.

Over the course of the three meetings, members discussed and responded to a range of housing production strategies, including expanding housing types and increasing density in certain zones, adopting a multi-unit property tax exemption (MUPTE), exploring a construction excise tax (CET), land banking feasibility, as well as identifying and repurposing surplus land for affordable housing.

The committee also discussed goals for achieving fair and equitable housing, underscoring the importance of housing strategies being responsive to threats of gentrification, displacement, and climate change. Ongoing community engagement, the group agreed, would be key in achieving these goals.

Planning Commission and City Council Meetings

Three Joint Planning Commission and City Council work sessions were held in May, July, and October 2024 to provide an overview of the HPS requirements and process, receive feedback on the Contextualized Housing Need memo, and discuss and receive feedback on draft strategies and actions.

Planning Commission and City Council members agreed that The Dalles needs more housing options, particularly smaller, more affordable homes for ownership. Despite some hesitancy to raise density maximums, the group was ultimately supportive of easing regulations to usher in new housing typologies like cottage clusters, larger multi-plexes, tiny homes and modular housing. They also discussed the feasibility of a range of tools to incentivize development including CET, expanding the Urban Renewal Areas (URAs), Community Land Trusts, and pre-approved building plans. Realistic staffing requirements and implementation timelines shaped the conversation around each strategy, remaining sensitive to the City's capacity over the next eight years.

Like the AC members, Planning Commission and City Council members emphasized the importance of ongoing community engagement in shaping housing strategies. They viewed it as essential for accurately addressing housing needs. Special focus

was placed on reaching out to the Latino and Indigenous communities, given feedback and anecdotal evidence of incomplete census data.

Stakeholder Interviews

Targeted Engagement with Housing Producers

The consultant team collaborated with the City to identify and interview housing producers for their perspectives and experience in The Dalles. The team reached out to both private and non-profit housing developers, as well as other stakeholders in the development community and were able to connect with a small-scale local developer with a background in construction. Below is a summary of the key themes that emerged from this outreach:

- High and escalating System Development Charges (SDCs) are significant barriers to housing development, especially combined with high interest rates and a tight housing market.
- Costly public right-of-way improvements including requirements for fire trucks, sprinklers, and other infrastructure are expensive and only feasible for large-scale developments in The Dalles.
- Developers in The Dalles would benefit from the city exploring scaled SDCs, MUPTE (deferring property taxes), easing requirements for middle housing development, and streamlining review processes in the planning office.

Targeted Engagement with Equity Priority Populations

The consultant team collaborated with the City to identify and interview stakeholders or organizations that work with equity priority populations. The goal of this engagement was to understand needs around accessing and navigating housing services; culturally specific housing types, preferences for design, amenities, transportation, and location; and social services and program needs. Below is a summary of the key themes that emerged from these interviews:

- There is a shortage and urgent demand for affordable housing options in The Dalles, including single-family homes, apartments, and smaller units like cottages or townhomes. There's also a strong push for housing that supports aging in place and accommodates multigenerational households, ensuring long-term residents can stay in The Dalles. There are widespread concerns about homelessness and population growth and the growing pressure on housing availability and affordability.
- Community demographic data presented to stakeholders did not resonate with their lived experience. Census data on demographics and housing needs, especially for the Latino and Indigenous communities, is lacking due to high margins of error and undercounting due to mistrust of the survey. Alternative data sources like Portland State projections and Oregon Health Authority data could provide more accurate insights. This can be supplemented with more community engagement in housing surveys, which may foster broader participation and data accuracy. Working with a more accurate demographic snapshot of the community is important to making housing production recommendations and can help build trust with communities that are underrepresented in census data.
- Undocumented individuals face significant challenges in accessing housing due to ineligibility for vouchers, programs, and mortgages, exacerbating housing gaps.
- Culturally appropriate housing solutions are important for meeting the needs of the Indigenous community in The Dalles. For example, supporting tribal housing, reducing restrictions on tiny home communities, facilitating land acquisition, advancing the "land back" movement, and considering the cultural significance of the Columbia River.
- Challenges like NIMBYism, zoning restrictions, and lack of incentives for landlords are significant barriers to development in The Dalles. Solutions include utility-based incentives, mixed-use zoning, and promoting affordable housing projects through public-private partnerships.
- The City needs to prioritize smaller affordable units (e.g., ADUs and studios), remove rental barriers (e.g., pet rent, high deposits), and provide behavioral health support for individuals needing minimal assistance in stable housing situations.

Virtual Open House and Survey

In the Fall of 2024, the consultant group published an interactive website and online community survey to educate the public about the HPS project and solicit feedback on housing needs in The Dalles. On September 18, 2024, the consultant group, with

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assistance from City staff, facilitated a town hall-style discussion to hear directly from community members in-person and virtually.

Virtual Open House

Six community members, along with several City staff and consultant facilitators attended the open house. Attendees shared their personal housing stories, emphasizing the need for affordable, accessible, and diverse housing options, including higher density housing. Participants saw a need for homes that accommodated multigenerational families, were accessible to an aging population, and attainable for low and moderate-income community members. The discussion also covered the importance of having amenities like green space, grocery stores and laundry facilities nearby. Attendees expressed concern for people in The Dalles who were experiencing homelessness and emphasized the need for more supportive housing services to ensure people's needs are being met. Multiple participants also raised concerns around parking, traffic, and the need to improve infrastructure to continue to accommodate growth in The Dalles.

Survey

Two hundred and forty-four people responded to the survey, 73 percent of whom both live and work in The Dalles. Sixty-seven percent of respondents were homeowners, and a majority self-described as white women. Respondents ranged in age, with a fairly even distribution between the ages of 25 and 64. Key themes from the survey are summarized below:

- The top three preferences for home alternatives in The Dalles were smaller detached houses on smaller lots and attached homes in a smaller building (townhouse, duplex, triplex, or quadplex). ADUs and apartments or condos were also somewhat popular.
- Survey respondents overwhelmingly prioritized recreational amenities (i.e. playgrounds, nature parks, trails, etc.) as the most desirable feature to have near new housing development.
- In general, multi-unit housing is considered harder to find than smaller units in The Dalles. Forty percent of respondents identified three-bedroom homes as the most challenging to find.
- Off-street parking, private outdoor space (balcony, patio, yard), and homes designed for multigenerational living are “very important” housing-related features often missing in homes in IT.
- The majority of survey respondents believed the following strategies would be at least “somewhat important” to prioritize if the City were to make changes to zoning and land use rules to encourage more housing production:
 - Creating more opportunities to build for-sale homes
 - Creating more opportunities to build rental homes
- The majority of survey respondents identified the following strategies as “very important” to prioritize if the City were to make changes to zoning and land use rules to encourage more housing production:
 - Reducing barriers to building unconventional housing types like tiny homes or modular homes
 - Using zoning rules to encourage builders to provide units that are required to be affordable to households with low or moderate incomes
- An overwhelming majority (about 75%) of respondents believed that housing production strategies should focus on creating homeownership and rental opportunities for low- and moderate-income households. Respondents did not rank producing homes designed to accommodate people with disabilities or supportive services for people exiting homelessness as high of a priority.
- 54% of respondents supported a tax on new commercial and industrial development to fund affordable housing programs. 22% opposed.
- 83% of respondents supported the city working with other government agencies and institutions to repurpose land that is no longer needed for public uses to build affordable housing. Just 5% opposed.

Integrating Community Feedback into HPS

Input from housing stakeholders, the Advisory Committee, Planning Commission and City Council, and public shaped recommendations in the HPS. At the outset of the project, the insights from the engagement activities helped the consultant

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team to focus on the types of strategies that might be most effective in meeting The Dalles' housing needs and would be supported by the community. The general themes of this initial input included:

- The City is interested in assessing the feasibility of actions that can help to directly benefit housing development, such as a CET to help facilitate affordable housing development and offset development costs and land banking.
- The City agrees there is a need for more affordable housing options, particularly for lower-income households and large intergenerational households. Many of the zoning recommendations specifically address ownership and rental housing options, including cottage housing, small lot single-family houses, and multifamily housing.
- The actions include implementation considerations that guide the City on opportunities to address specific housing needs of marginalized communities that were addressed in various community engagement activities. This helps to give the City direction on how they can implement programs and incentives that directly benefit communities' needs, such as affordable homeownership and rental opportunities, accessible housing, and expanded housing options.

Recommendations for Future Engagement

The following recommendations are provided for consideration in future updates to the HPS and during implementation of any of the actions in the HPS.

- Consider forming a housing committee made up of different interest groups/stakeholders, including both consumers and producers of housing—such as people experiencing homelessness, people living in low-income housing, local homebuilders, real estate professionals, higher education representatives, local employers and non-profit affordable housing providers—in order to provide more opportunities for review and input on strategies included in the HPS as they are implemented over time (see [Action 1.1](#)).
- Use a variety of approaches to build awareness of the HPS among the general public and to encourage participation. This may include communicating through trusted leaders in the community, additional media outreach, and offering incentives for participation. Consider partnering with location organizations and service providers to conduct engagement at regularly scheduled events or locations where community members will already be. This approach reduces barriers to access and expand reach. Provide multiple formats and times for public engagement meetings. The COVID-19 pandemic introduced new possibilities for meetings, including virtual, in-person and hybrid options as well as the ability to record meetings for community members to watch and/or listen to at their convenience.
- Build on the previous two recommendations by seeking ongoing guidance on how to address the limitations of demographic data from the Decennial Census and American Community Survey (ACS) in The Dalles. Leverage local knowledge to ensure that housing production strategies are responding to the true proportions of community needs.

4. Actions to Meet Future Housing Needs

The actions included in this document were identified by the project consulting team based on experience with policies in similar jurisdictions, an audit of local zoning codes and policies, best practices research, and a list of potential strategies published by the Department of Land Conservation and Development (DLCD). Working collaboratively with staff, and based on input from stakeholders and the community, the consulting team refined the actions to best fit The Dalles' housing needs and capacity for implementation over time.

Format

The actions in this document to meet permanent housing need fall into five categories:

1. Partnership Actions
2. Regulatory Actions
3. Incentive Actions
4. Investment Actions
5. Land Based Actions

Within each category there is a one-page summary devoted to each action, which includes a description of the action, implementation steps and considerations, an implementation timeline, a measure of the magnitude of impact, and impact targets. Once adopted, it is assumed that these actions will continue to impact the production of needed housing over time.

Housing Need Targets

The HPS considers the impact of each action on targeted housing needs in three areas:

- **Affordability Targets:** This section evaluates the degree to which an action will help to produce housing affordable to various income levels. This evaluation is based on the housing types that are most likely to be produced as a result of the action and the extent to which the City can target the action to meet housing for certain income levels. The following table summarizes the affordability targets used for this report.
- **Housing Type Targets:** This section evaluates the degree to which an action will help to produce single-family, middle housing and multifamily housing. Middle housing includes Accessory Dwelling Units, duplexes, triplexes, quadplexes, townhouses, and cottage clusters.
- **Tenure Targets:** This section evaluates the degree to which an action will help to produce housing that is either for sale or for rent.

Affordability Target	Percent of Median Family Income (MFI)	Monthly Housing Cost Range
Subsidized	Less than 30%	\$700 or less
Affordable	30% to 80%	\$700 to \$1,200
Workforce	80% to 120%	\$1,200 to \$1,900
Market Rate	Over 120%	\$1,900 or more

Source: City of The Dalles Housing and Residential Land Needs Assessment 2023-2043, Table 4.4

The impact of each action on a housing need has been assessed as follows:

*** **Low or no impact:** This indicates that the action is likely to have a minimal or limited effect on housing production. It may support housing production, but on its own it is not likely to spur new housing development.

*** **Moderate or potential impact:** This indicates that the action is likely to have a more substantial impact on housing production generally or on meeting a specific housing need. It may be impactful enough on its own to spur new housing development.

*** **High impact:** This indicates that the action is likely to have a significant, wide-reaching impact on housing production or would directly spur housing development that meets a specific housing need.

Actions by Implementation Timeline and Impact

Action Group	Action Title	Implementation Years				Action Impact
		1-2	3-4	5-6	7-8	
Partnership Actions	<u>Action 1.1</u> : Housing Working Group	■				High
	<u>Action 1.2</u> : Pre-Approved Plans	■				High
	<u>Action 1.3</u> : Technical Assistance	■				Low
Regulatory Actions	<u>Action 2.1</u> : Middle Housing	■				High
	<u>Action 2.2</u> : Maximum Density				■	High
	<u>Action 2.3</u> : Zoning Incentives		■			Medium
	<u>Action 2.4</u> : Alternative Housing Types		■			Medium
	<u>Action 2.5</u> : Mixed-Use Development		■			Medium
	<u>Action 2.6</u> : Adaptive Reuse			■		Medium
Incentive Actions	<u>Action 3.1</u> : Tax Exemption Incentive	■				High
	<u>Action 3.2</u> : Scaling SDCs		■			Medium
	<u>Action 3.3</u> : SDC Deferral		■			Low
Investment Actions	<u>Action 4.1</u> : Tax on New Construction				■	High
	<u>Action 4.2</u> : Urban Renewal Areas		■			High
	<u>Action 4.3</u> : Downtown Plan			■		Medium
	<u>Action 4.4</u> : Infrastructure Prioritization		■			Medium
Land Based Actions	<u>Action 5.1</u> : Inventory and Assess Land	■				Medium
	<u>Action 5.2</u> : Land Agreements		■			Medium
	<u>Action 5.3</u> : Land Banking		■			High

1. PARTNERSHIP ACTIONS

Convene a housing working group to pursue state funding and implement housing actions

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Convene a housing working group of staff and civic, institutional, faith based, employer, and builder (private, public, and nonprofit) stakeholders that meets regularly and leads the exploration of opportunities to facilitate both affordable and market rate housing development in the City. The working group’s activities include:

- Meeting with large employers to identify ways to partner to provide workforce housing
- Coordinating on the implementation of several housing strategies identified in the HPS
- Engaging with developers proactively to pursue the State’s New Housing Revolving Loan Fund and identify potential projects.
- Making policy recommendations and resource requests based on the above conversations for various priority populations, including affordable housing and projects benefiting homeless and very low-income populations.

A housing working group can help to develop a pro-housing culture in the City that can help implement housing strategies, as well as pursue state funding.

Magnitude of Impact

This action is rated as a **High** impact because it is facilitating collaboration among partners that can lead to housing developments occurring which would otherwise not have happened.

Implementation Steps and Considerations

- The City should develop a list of stakeholders and organizations, recruit participation, and convene a housing working group.
- A first task of the working group should be to identify an eligible project for the State Revolving Loan Fund. See more information on this program below.
- Offer technical support to help stakeholders understand housing-related zoning and infrastructure needs, as well as opportunities to collaborate on funding opportunities.

- Facilitate connections with local developers who may be interested in partnering to build on civic, institutional, faith-based, and employer-owned sites.
- The City should also understand stakeholder ability to help with implementation and understand who can help be leaders in the housing working group to assist with action implementation and funding pursuits.
- Staff time and funding may be necessary to engage with these organizations and assist with strategy implementation.
- Members with technical experience can assist in exploring supplemental data collection of populations that are traditionally underrepresented in Census data, such as American Indian, Alaska Native or Indigenous and Latino populations, as identified in community engagement activities.
- Partnership, participation, and representation with Mid-Columbia Housing Authority and Columbia Cascade Housing Corporation to advocate for The Dalles' housing needs and draw on regional housing expertise to develop best practices in housing production.

The purpose of the State Revolving Loan Fund is to fill housing financing gaps for local jurisdictions to develop needed housing in their communities. Local jurisdictions control project selection and borrow from the loan fund to make grants to local developments, with a 10-year payback target to be repaid through the growth in property taxes derived from the new development. The grants to housing developments can be \$15,000-\$35,000 per unit for single-family, middle housing, multifamily, and ADUs for sale or for rent below 120% Area Median Income. Eligible costs for the grant include System Development Charges (SDCs), predevelopment costs, construction costs, and land write-downs. Additionally, the housing developments must be taxable and not located in a Tax-Increment Financing District. The loan program will be operational by June 30, 2025, and is a first-come, first-serve grant, so it is recommended to prioritize pursuing this funding opportunity.

The Mid-Columbia Economic Development District (MCEDD) already oversees a similar program. The North Central Oregon Attainable Housing Development Revolving Loan Program offers “flexible financing for housing development and housing rehabilitation” with \$2 million seed funding to support middle market housing development for households earning 60 to 120% MFI.

Create pre-approved dwelling plans

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- ** Affordable
- ** Workforce
- ** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- ** For Sale
- ** For Rent

DEMOGRAPHIC

- ** Communities of Color
- ** People Experiencing Homelessness
- ** People with Disabilities
- ** Seniors

Description

Create pre-approved dwelling plans to help incentivize and expedite the development of various housing types, such as ADUs, cottage clusters, duplexes, and triplexes, by partnering with Wasco County Building Codes, architects, designers, engineers, builders, or an institution to develop plans for multiple dwelling unit options that can be quickly reviewed and permitted. The plans would be highly efficient, designed for constrained lots and low-cost solutions and accessible units, and allow for streamlined permitting. Partnering with an institution could include Columbia Gorge Community College or another college or university to create a competitive competition with compensation in the form of a scholarship for selected plans.

Pre-approved plan sets are building designs that have been reviewed for compliance with the building code and are approved to build. Pre-approved plans would streamline permitting procedures for these housing types, thereby reducing development timelines, uncertainty, architectural costs, and other barriers to entry. The City should consider including a plan for ADUs or other accessible housing types that are designed to meet the needs of people with disabilities and seniors.

Magnitude of Impact

This action is rated as a **High** impact because providing this type of resource will lower the cost and broaden the opportunity for property owners to add additional units to their sites. In smaller markets with fewer developers, strategies that empower homeowners and other local property owners to add ADUs or other small-scale housing on existing lots within a city can result in meaningful additional housing.

Implementation Steps and Considerations

- Consider combining with **Action 1.3**.
- Review plan sets developed by DLCD and determine if they can be adapted for the City.
- Engage with local developers that have developed middle housing or ADUs to understand barriers or opportunities to best position these pre-approved plans for success.
- Develop the pre-approved plans with Wasco County Building Codes, architects, designers, engineers, builders, or an institution of Higher Education.

Provide information and technical assistance to small developers

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Provide information and technical assistance to small developers to assist with housing development, including providing information to help them find suitable sites for housing development, understand land use permitting processes and incentive opportunities, and establish a sense of clarity and certainty about housing development requirements. An educational tool can include pre-approved dwelling plans developed for [Action 1.2](#).

Small developers may need extra assistance to navigate complex permitting and review processes or may be unaware of resources available to them. However, they are a valuable part of the local developer pool because they often take on projects that larger developers will not, especially smaller infill projects.

Magnitude of Impact

This action is rated as a **Low** impact because it will help to reduce uncertainty about City regulations and permitting processes which would remove barriers to development of certain housing types but may not have a direct impact on housing development.

Implementation Steps and Considerations

- Produce clear, easy- to-use information that would be distributed on the City website or at City Hall, similar to *Starting a Business in the City of The Dalles: Business Development Guide*. Gather common housing developer questions, prepare answers, and post them to the Planning FAQs section of the City website. Compile these and provide them as a fact sheet on the website and print for distribution at City Hall.
- Poll local small developers about specific workshops or information that would be helpful to them and work within available resources to provide workshops and information identified.
- The City may also offer webinars or training sessions to help small builders become familiar with the permitting process and City resources. Partner with Mid-Columbia Housing Authority, drawing on their experience hosting housing-related courses and distributing information packets.
- Work to streamline steps for development approval. As developers are engaged, solicit their feedback on the City's review processes and conduct an internal audit to identify and address permit streamlining opportunities.

2. REGULATORY ACTIONS

Allow triplexes, fourplexes, and cottage cluster housing in the RL Zone

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

The Low Density Residential (RL) Zone currently only allows single-family detached and attached houses, ADUs, and duplexes. Under this action, the City will expand permitted housing types in the RL zone to include additional middle housing types, including triplexes, fourplexes, and cottage clusters. The code would be updated to define triplexes and fourplexes separately from multifamily dwellings with five or more units. This code update may also include new or revised development and design standards for these housing types to ensure they are designed to be compatible with existing development patterns and intensities in the RL zone.

According to the Buildable Lands Inventory, the RL Zone has just under 200 acres of buildable land. This code change would create opportunities for smaller and more affordable units across a large area. Additionally, triplexes, fourplexes, and cottage clusters may be more feasible to develop than single-family houses or duplexes due to lower land costs per unit, which enables lower rents/prices that can appeal to a broader market.

Magnitude of Impact

This action is rated as a **High** impact because it will result in new housing types being allowed on a significant portion of the City’s residential land. The action is expected to create opportunities for workforce or market-rate housing for rent and for-sale. The action may not directly result in the production of affordable or deeply affordable units, however.

Implementation Steps and Considerations

- Consider establishing new design and site development standards to ensure projects meet the desired intent of the housing type. Ensure the standards allow for a clear and objective approval path in compliance with state law and to provide certainty for applicants.
- Design and development standards applying to these housing types should be balanced with the goal of ensuring economically feasible housing development. The DLCDC Model Code for Large Cities includes standards for these types that strike this balance effectively.
- Public engagement about these code updates will be necessary to explain the rationale for the updates, assess potential concerns about the impact of the change, and modify regulations appropriately.
- Substantial staff time and/or consultant support may be required to draft the code updates and facilitate the public engagement process.
- Consider allowing triplexes and fourplexes with a building permit in all residential zones, rather than a land use application (Site Plan Review).

Increase maximum density in the RM, RH, and NC Zones

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
-------------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

This strategy involves revising minimum lot area and maximum density standards in Medium Density (RM), High Density (RH), and Neighborhood Center Overlay (NC) Zones to improve the economic feasibility middle housing and multifamily housing, ensure efficient use of land, and encourage smaller unit sizes. Specific density and lot area standards are not proposed at this stage. However, it is common for middle housing projects on smaller sites to exceed the 21 units per acre that are allowed in the RM and for 3-story apartment projects to exceed the 29 units per acre allowed in the RH Zone. Further study of desired housing/building types is recommended in order to best calibrate the maximum density and minimum lot area standard.

Allowing more units per site reduces land costs per unit and overall cost of development, enhances financial feasibility, and supports the creation of potentially affordable units. Increasing the maximum density standard also supports an efficient use of land, helps increase housing capacity, and encourage smaller units. If a developer has reached the maximum density and cannot add more units, but the zoning envelope would otherwise allow a larger building, then the developer is likely to build larger, more costly units.

Magnitude of Impact

This action is rated as a **High** impact because it may both increase the number of units produced with each development, reduce the per unit cost of development, and encourage smaller and more affordable units.

Implementation Steps and Considerations

- Study the density levels of housing developments approved in other jurisdictions that would otherwise be consistent with the intent of the RM, RH, and NC zones. Consult with developers and planning professionals to determine the amount of the density increase that would be ideal in order to encourage these housing types.
- Public engagement about these code updates will be necessary to explain the rationale for the updates, assess potential concerns about the impact of the change, and modify regulations appropriately.
- While implementing this action, assess if meeting open space standards would be an issue to achieving density. If so, look at other ways to preserve open space without impacting density, such as through reduced setbacks, increased height, or increased lot coverage.
- Consider impacts to manufactured home parks prior to a zoning update. If there is an elevated concentration of manufactured homes parks in these zones, consider a regulatory solution to this such as rezoning to a manufactured home park zone in specific areas with parks.

Implement zoning incentives for affordable and accessible housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

The City will adopt zoning incentive(s) for housing developments that include income-restricted affordable units or units that are accessible to people with disabilities. The zoning incentives will grant increased density, reduced parking, or relief from other code standards in exchange for a certain share of units in a proposed development being affordable or accessible. This action will be completed in concert with any other code changes that impact relevant standards (see [Action 2.1](#) and [2.2](#)).

A little more than 40% of needed housing in The Dalles will need to be affordable to households at or below 80% of AMI. A substantial share of residents in The Dalles have disabilities that may create accessibility challenges with many existing housing units. These incentives can help to create additional units that serve the needs of these households, especially in projects developed by private, for-profit developers that would otherwise not provide these units.

Magnitude of Impact

This action is rated a **Medium** impact because it directly addresses the need for income-restricted units and accessible units; however, the effectiveness of the incentive depends on whether using the incentive is economically beneficial for a private, for-profit developer.

Implementation Steps and Considerations

- Parking reductions for affordable units are logical as households with lower incomes are likely to own fewer or no vehicles.
- The effectiveness of a regulatory incentive depends on the relative costs and benefits of using the incentive. The City should consult with developers and planning professionals when setting the incentive structure. Financial modeling may be useful in calibrating this incentive to local market conditions.
- Any incentive should clearly define the level of affordability required as a percentage of Area Median Income (AMI) and the overall percentage of units in a development. Similarly, if incentives are targeted to creating accessible units, use accepted certification programs to ensure the units meet accessibility requirements, such as Universal Design or Lifelong Housing Certification.
- Implementing zoning incentives will require staff time to create and execute an enforcement process.

Clarify rules for non-site-built homes such as tiny homes and prefabricated/modular housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	---------------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Develop a regulatory framework that would allow tiny homes and other prefabricated or modular homes to be permanently occupied as dwellings under certain conditions. The regulatory framework should address siting, utilities, sanitation, exterior appearance, and fire and life safety. Demand for tiny homes and other forms of prefabricated or modular homes are increasing due to housing affordability challenges. As a result of the cost savings of off-site production, these types of homes are often more affordable to people with lower or moderate incomes. The units are often smaller than conventional, site-built homes.

However, the adoption of these types of units is often inhibited by unnecessary prohibitions in zoning and building code. Under this action, the City will identify the current regulatory challenges of installing units that are produced off-site, including but not limited to tiny homes on wheels (licensed under the recreational vehicle code), and other forms of modular or prefabricated construction that does not meet conventional local building code or federal Housing and Urban Development (HUD) standards.

Magnitude of Impact

This action is rated **Medium** because it would reduce unnecessary local barriers to homes produced off-site. However, state and federal regulations will continue to impact the ability of these units to meet a wide variety of needs. Further, the density of these types of housing developments is relatively low, limiting the potential affordability of these units.

Implementation Steps and Considerations

- The regulatory framework for tiny homes should consider allowing one tiny home to be sited on the same lot as a single-family dwelling, similar to an ADU, or sited in a Manufactured Home Park or a cottage cluster
- Code standards can regulate the exterior appearance of tiny homes to have the appearance of a residential structure and not allow for conventional RVs to be used as dwellings. Such standards may regulate skirting or foundation attachment, exterior materials, roof materials, form of windows and doors, and other design features.
- The Department of Land Conservation and Development (DLCD) has developed a model code for prefabricated or modular housing.

Provide more flexibility for housing in commercial zones

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Evaluate opportunities to encourage housing in the Neighborhood Center (NC), Central Business Commercial (CBC), and General Commercial (GC) Zones. Modifications to these zones could allow for greater flexibility in the location and type of residential units with commercial developments, such as horizontal mixed use, only requiring a portion of the ground floor to be commercial uses, or only requiring ground floor commercial in select locations within commercial zones that have higher commercial viability. Additionally, to further encourage residential development in these zones, minimum off-street parking standards could be reduced to incentivize multifamily dwellings in commercial areas and lessen barriers to higher density and infill development.

The code currently requires that residential uses are allowed in the CBC and CG Zones, so long as the ground floor is a permitted commercial use. Vertical mixed-use projects are unlikely to be developed except for in a few locations, such as the downtown district. Allowing for other forms of housing in commercial zones could allow the market to respond to demand and create opportunities for adaptive reuse of existing buildings. Parking demand in these zones may be less due to the proximity to amenities, shops, and restaurants.

Magnitude of Impact

This action is rated a **Medium** because it may reduce regulatory barriers to housing development in commercial zones; however, other market issues may constrain housing development in these zones.

Implementation Steps and Considerations

- Evaluate options for providing more flexibility for housing in the commercial zones. This may include allowing for horizontal mixed-use development (residential behind commercial) or only requiring a portion of the ground floor to be commercial uses.
- In some areas, particularly off main streets, commercial uses may not be economically viable but residential uses are in high demand. Another option is to define certain areas or street frontages where commercial uses are most desirable and feasible and only require ground floor commercial in those locations. This can be achieved with a map embedded in the code or through an overlay zone.
- This code change could be implemented only in some commercial zones where it is more appropriate to allow housing on the ground floor.

Remove potential barriers to conversion or adaptive reuse of existing buildings for housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Update the City’s non-conforming uses code section and other provisions to remove barriers to conversion or adaptive reuse of existing buildings. Code updates could include:

- Provide exceptions to design, development, and parking requirements when a building is converted from commercial to residential
- Allow non-conforming single-family houses to be expanded and increase non-conformity if they are being converted to a duplex, triplex, or fourplex
- Provide an exception to parking requirements for conversion of single-family detached houses to a duplex, triplex, or fourplex in existing buildings
- Provide density bonuses to developments that add new units while also preserving the existing housing unit

Use and parking requirements can be barriers to adaptively reusing or converting historic buildings. These types of changes can help to retain existing buildings in the community and ensure preservation over demolition. The Dalles has a large stock of historic buildings in the community, and these changes can help to preserve and reuse those structures.

Magnitude of Impact

This action is rated a **Medium** because it would reduce regulatory use barriers to adaptive reuse of existing structures, but the high costs of adapting these buildings for residential uses will limit the potential for these conversions.

Implementation Steps and Considerations

- Evaluate options for providing more flexibility for housing in historic structures. This may include nonconforming uses and parking reductions.
- This code change could be focused on certain areas of the city with a higher concentration of historic buildings or be for buildings that are considered historic, generally over 50 years old.

3. INCENTIVE ACTIONS

Adopt multi-unit property tax exemption (MUPTE) to incentivize needed housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Design and adopt a multi-unit property tax exemption (MUPTE) program to replace and expand the City’s Vertical Housing Tax Zone (VHTZ). The state legislation that enables the VHTZ currently sunsets in 2026. Although the Legislature’s Revenue Committee may consider an omnibus sunset extension bill in the 2025 Session, MUPTE offers additional incentives that should be adopted regardless of VHTZ extension. Structure the MUPTE program to incentivize development of specific needed housing types in specific locations, such as affordable housing, multi-unit housing, conversions/adaptive reuse of existing structures, and accessible housing.

MUPTE is a state-enabled program that allows cities the opportunity to incentivize the production of needed housing in specific locations and/or with specific features that provide a public benefit. The statute allows jurisdictions the ability to grant multi-unit structures a property tax exemption for up to ten (10) years on the improvement value of the property. The property owner continues to pay taxes on the land value and any commercial portion of the property.

Magnitude of Impact

This action is rated as a **High** impact because a 10-year property tax exemption can significantly improve development feasibility. This includes key housing types that are needed but currently undersupplied in the market today, including multifamily housing, townhouses, and affordable housing.

Implementation Steps and Considerations

- Determine policy objectives and eligibility criteria for the program, such as targeted locations, minimum unit number, tenure target (for rent or for sale), required green building or design standards, minimum percentage of dedicated affordable or workforce housing units, allowable commercial property tax exemption, required public benefit, etc.
- Meet with overlapping taxing districts to garner support. The program must be approved by the majority (over 50%) of taxing districts.
- Consider including a third-party pro-forma review step into the application process and fee structure.

- This program allows cities to control which projects are eligible and to cap the total amount of tax abatement annually. The City can determine if a developer must show that the project would not otherwise be feasible, but for the tax abatement, at the time of application.
 - This program is designed to incentivize housing that would not be feasible without the tax incentive, so it can have a net positive impact on the tax base over time.
 - In community engagement interviews and survey feedback, open space was identified as a need in the community. Consider including open space as a public benefit in meeting MUPTE criteria.
 - MUPTE can offer incentives for different kinds of projects, such as accessible units or affordability targets, but identify the highest priority because availability of incentive for other kinds of features in a project may detract from the higher priority criteria.
-

Evaluate the feasibility of scaling SDCs

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- ** Multifamily

TENURE

- *** For Sale
- ** For Rent

DEMOGRAPHIC

- *** Communities of Color
- ** People Experiencing Homelessness
- ** People with Disabilities
- ** Seniors

Description

Evaluate the fiscal impacts and feasibility of revising the System Development Charge (SDC) methodology to scale rates to unit size. Additionally, the City should pursue a partnership with the Northern Wasco County Parks and Recreation District on scaling Parks SDCs by unit size or number of units to incentivize smaller units.

SDCs are a substantial upfront cost of housing development. Data consistently show that the square footage of a dwelling unit is a reliable indicator for how much a housing unit will impact infrastructure systems. Scaling the SDCs by the size of the unit could more fairly and equitably distribute the cost of SDCs across housing developments. Furthermore, a sliding scale could provide an incentive to build smaller units, which tend to be more affordable.

Magnitude of Impact

This action is rated a **Medium** because scaling fees would reduce the cost of developing smaller units of all kinds, but the amount of fees may still be a barrier to development.

Implementation Steps and Considerations

- Conduct an SDC rate and feasibility study to evaluate the feasibility of scaling rates by unit size.
- The permitting system may need adjustments to collect information related to SDC tiers.
- SDC fees can be scaled that establishes a “Single-Family Equivalent” standard that allows for smaller units, such as compact houses, cottage cluster units, and ADUs to pay a lower fee than larger homes. The City could also scale the connection fees by the square footage of the unit or the number of bedrooms.
- Reducing fees may result in lower overall fee revenue; however, this can be mitigated by increasing the base fee rate or scaling fees higher for larger units to offset reductions in fees for smaller units.
- While SDC fees represent only a fraction of overall project costs (often less than 6%), reducing costs by even a few percentage points can be the difference in a project being feasible or infeasible.

Allow System Development Charges (SDCs) to be deferred until occupancy

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Partner with Wasco County to modify permitting and development review procedures so that System Development Charges (SDCs) are not required to be paid until after a housing development is constructed and prior to issuing a final certificate of occupancy (CO).

SDCs are a significant upfront cost of development. Allowing the payment to be deferred until occupancy can reduce the cost of SDCs to developers (particularly small developers with limited access to capital). Developers rely on cash (equity) or higher interest rate construction loans to pay SDCs. By delaying payment, those developers can reduce the carrying costs (interest payments) and make SDC payments closer to the point where revenue is coming into a project through rent or sales.

Magnitude of Impact

This action is rated a **Low** because is unlikely to directly stimulate development of new housing projects on its own but can help defer upfront costs of development.

Implementation Steps and Considerations

- SDCs represent some of the largest upfront costs of development (prior to construction). Small cities like The Dalles rely on smaller, local builders and developers, and strategies designed to support these smaller builders can have a significant impact on their ability to deliver needed housing.
- Evaluate options for offering a deferral program. Consider if the program should be targeted to certain housing types or offered to all residential developments.
- Compared to SDC financing options, an SDC deferral does not require a property lien and may require less staff time for administration and compliance.
- Refer to the [Oregon SDC Study](#) prepared for Oregon Housing and Community Services (OHCS) (pg. 208-210) for more information on collecting deferred fees.

4. INVESTMENT ACTIONS

Explore implementing a construction excise tax (CET) for an additional affordable housing revenue source

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
-------------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Explore establishing a construction excise tax (CET) applied to both residential and commercial construction to establish an additional revenue source for affordable housing.

A CET is a tax on construction projects that can be used to fund affordable housing. Local funding sources for affordable housing have emerged as a key ingredient in the feasibility of affordable projects. While the funds often fill a small portion (a “gap”) of overall costs, some level of local funding is often a required agreement for larger sources of affordable housing and communities without the ability to contribute some level of local funding can be locked out of the opportunity to secure larger state and federal funding sources for affordable housing.

According to state statutes, the tax may be imposed on improvements to real property that result in a new structure or additional square footage in an existing structure. CET can only tax up to 1% of the permit valuation for residential construction permits. The City may also tax the permit value of commercial and industrial taxes, and there is no cap on the rate for commercial and industrial tax. This can provide the option to create a linkage between new commercial or industrial development and investment in housing.

Magnitude of Impact

This action is rated as a **High** impact because having a local source of funding can help The Dalles (and their regional affordable housing partners) tap into state and federal funding sources that require local matching funds. Without local funding, The Dalles may be locked out entirely of certain key funding sources that would result in needed affordable housing developments.

Implementation Steps and Considerations

- Study the potential revenue that could be generated by the CET at different rates and approaches. Determine if grant funding or consultant support is needed to implement.
- Consider the costs that a CET would impose on new development and identify ways to offset these costs by taking other actions to improve financial feasibility, such as zoning changes. This can be assessed in part through stakeholder engagement with developers.

- Determine how CET funds would be used. Per state statute, of the revenue collected from residential CET, the City can reserve 4% for administrative costs. Of the remainder, 50% must be used on developer incentives, 35% on affordable housing programs, and 15% must go to Oregon Housing and Community Services to fund down payment assistance programs. For commercial or industrial CET, 50% of revenues must be dedicated to housing programs, and the other half is unrestricted in its allocation.
 - Consider allocating a percentage of CET funds towards the rehabilitation and conversion of historic buildings into housing.
 - Funds generated from CET could be used to encourage the preservation of manufactured home parks through the purchase of the land by a nonprofit or affordable housing developer, or through a co-op of residents.
 - Affordable homeownership was identified as a high need from community engagement activities. Consider allocating a portion of funds generated from CET for affordable homeownership opportunities.
-

Explore creating new urban renewal areas that allocate a significant portion of tax increment and supportable debt to housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

The City should explore forming new urban renewal areas in other locations, such as the west side of the City. Under this action, a major emphasis of the extension or creation of a new Urban Renewal plan would be to support housing development. Urban Renewal funding could be applied to infrastructure projects, land acquisition or assembly, or direct financial incentives for specific development projects. Given that Urban Renewal is one of a very limited set of tools available to the City to fund housing-related investments and incentives, it is recommended that the Urban Renewal District prioritize the supporting of projects that are the most difficult to construct without financial support, primarily income-restricted affordable housing that is not tax-exempt. The Urban Renewal District could support both affordable rental housing, including income-restricted units in mixed-income housing developments, and homeownership housing.

Magnitude of Impact

This action is rated as a **High** impact because Urban Renewal is one of the most significant and flexible sources of funding for housing production at the local level. When properly implemented, it can generate meaningful funds that can be used flexibly enough to address the many facets of a housing project that could be impacting feasibility, including infrastructure, soft costs, or direct financial support.

Implementation Steps and Considerations

- The City has one current Urban Renewal District that provides grants and incentives for housing development and is slated to sunset in 2029. This provides an opportunity explore new areas that could provide incentives to housing development.
- The first step in creating a new District would be for the City Council to determine the existence of blight in the proposed district (ORS 457.035). The Urban Renewal Agency would then prepare a plan and report on the proposed district, the contents of which are established under ORS 457.087. The report would evaluate whether the legal conditions for creating the district could be met and estimate the potential revenue that could be collected in the district. If the new district were deemed feasible, the plan could be adopted and the district established.

- Funds can be invested in housing development in the form of low-interest loans and/or grants for a variety of capital projects, including redevelopment projects, such as mixed-use or infill housing developments, streetscape improvements, land assembly, and transportation enhancements.
 - Urban Renewal funding could be allocated towards the rehabilitation or conversion of older buildings for housing. This could include roof replacements, seismic upgrades, and fire suppression systems. Urban Renewal investment is critical since the community is characterized by older buildings with concomitant structural and code challenges.
 - Urban Renewal can be used to fund infrastructure investments, allowing for the efficient upgrade of infrastructure systems in tandem with new housing development.
 - Affordable homeownership was identified as a high need from community engagement activities. Consider allocating a portion of TIF funds generated for affordable homeownership opportunities.
 - If the City pursues an urban renewal area on the west side of The Dalles, must consider protecting or replacing any manufactured home parks in the boundary by investing in affordable units as an anti-displacement strategy to alleviate redevelopment pressures on manufactured home parks. See ORS 457.095(d) and ORS 35.500 to 35.530.
-

Create a downtown strategic plan for housing development and investment

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
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IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Create a downtown strategic plan that prioritizes housing development and investment. The plan would identify catalytic public investments to increase market demand through:

- Prioritization of key sites or areas through the City’s Capital Improvement Plan
- Identification of opportunity sites and partnerships with property owners to conduct preliminary redevelopment concepts and feasibility assessment to help prepare sites for development readiness
- Acquisition of key site(s) to partner with a land trust to facilitate the development of needed housing (see [Action 5.3](#))
- Identification of specific areas of downtown to focus required ground floor commercial, while providing flexibility in other areas of downtown (see [Action 2.5](#))

The downtown strategic plan would analyze expanding existing incentive tools or create new tools, such as Urban Renewal incentives, to provide grants and other funding opportunities to encourage new housing development and potentially meet other downtown goals.

Magnitude of Impact

This action is rated as a **Medium** impact because the downtown area represents the single largest opportunity for new housing in the city, however, it may not directly result in housing production but could help to quickly implement many of the HPS strategies in an area of highest potential impact.

Implementation Steps and Considerations

- This plan would not only identify opportunities to incentivize and remove barriers to housing development in downtown but could also provide strategic planning for other goals for the City’s downtown.
- Consider forming a stakeholder group of downtown businesses, property owners, and residents to inform the strategic plan

Continue to target and prioritize infrastructure to support housing

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	---------------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Continue to evaluate the Capital Improvement Program (CIP) to ensure sufficient prioritization of infrastructure projects that support new housing development. Infrastructure spending decisions by a city can significantly influence the feasibility of development in one location or another by lowering the upgrade costs that private developers need to pay in order to build housing.

Infrastructure improvements can reduce costs of housing development and enable development on sites that would otherwise not be viable. By continually monitoring the projects included in the CIP based on how they would impact the feasibility of housing development, the City can ensure that infrastructure improvements that are most likely to create new housing development opportunities will be prioritized for implementation.

Magnitude of Impact

This action is rated as a **Medium** impact because prioritizing infrastructure spending (water and sewer lines, street improvements, parks, etc.) can significantly reduce costs and improve feasibility of housing construction in upgraded areas, even if it doesn't directly result in housing production.

Implementation Steps and Considerations

- Using the inventory developed in **Action 5.1**, conduct additional analyses to identify properties most suitable for development in the short-term based on infrastructure conditions, location, and other factors. Prioritize infrastructure improvements in the Capital Improvement Plan that would enhance infrastructure for these sites.
- This action can be incorporated into citywide, long-term master planning efforts (such as a wastewater master plan or a transportation system plan) as well as the Capital Improvement Program (CIP) planning.
- If a high priority housing project is proposed, the City may consider accelerating implementation of previously planned improvements that would benefit the project. The City may choose to limit this option to new affordable or workforce housing projects.
- Consider hiring a consultant to conduct an infrastructure ROI analysis to evaluate the potential impact of infrastructure extensions or improvements on the economic feasibility of housing development (the "return on investment" of infrastructure spending in terms of housing production) to inform future CIP investments and priorities

5. LAND ACTIONS

Maintain an inventory of public, underutilized, and foreclosed properties and assess the development readiness of inventoried properties

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	---------------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Formalize and continue to maintain an inventory of sites for housing development that are publicly owned, underutilized, or foreclosed properties. The inventory can also include distressed commercial or multifamily properties that may be targeted for rehabilitation or adaptive reuse by an affordable housing developer.

Then, determine and document which of the inventoried parcels are suitable for housing development. Consider alignment with local land use and comprehensive plans; physical attributes like site access, infrastructure and utilities available, and topography; property title and ownership; and overall suitability to support housing development.

Magnitude of Impact

This action is rated as a **Medium** impact because it can help to identify opportunities for housing development but will need to be combined with other actions to have a higher impact.

Implementation Steps and Considerations

- The first step can be to adopt a policy at the City level that prioritizes selling or dedicating any surplus publicly owned land to meet housing needs when feasible and appropriate.
- This inventory should also be shared with the Urban Renewal Agency (URA) to inform strategic site acquisition related to needed housing in the Urban Renewal District.
- This action can be incorporated into citywide, long-term master planning efforts (such as a wastewater master plan or a transportation system plan) as well as CIP planning.
- If a high priority housing project is proposed, the City may consider accelerating implementation of previously planned improvements that would benefit the project. The City may choose to limit this option to new affordable or workforce housing projects.

Formally prioritize surplus land for housing production

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
------	---------------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Formalize a land disposition process by adopting a set of Intergovernmental Agreements (IGAs) between the City and other public agencies to grant the City (or its designees) the right of first refusal of surplus or foreclosed properties. Agreements or potential agreements should occur with the County, School District, or other public, civic, and/or faith-based institutions.

OAR 271.330 enables local governments to relinquish title to another governmental body if the property is used not less than 20 years for a public purpose or to a qualifying nonprofit if the property is used for low-income housing.

Under this action, the City will work with the City Attorney and/or County Counsel to establish a right of first refusal option and develop IGAs that outline the terms and conditions of the property transfer, including details on the transfer process, property use, and designees, which could include a land bank, land trust, or non-profit affordable housing developers.

Magnitude of Impact

This action is rated as a **High** impact because the City would be directly supporting a reduction of development cost in the form of land by formalizing the disposition of surplus or foreclosed land to meet housing needs. The magnitude of impact depends on how many acres of surplus or foreclosed land can be offered for first right of refusal to partners for housing development.

Implementation Steps and Considerations

- The City adopts a policy that prioritizes selling or dedicating any surplus publicly owned land to meet housing needs when feasible and appropriate.
- The City works with institutional, civic, and others to implement a similar policy that prioritizes selling or dedicating any surplus land.
- The land could be offered as a long-term lease at very minimal cost to developers for land the City or other partners are not yet ready to surplus. If there are certain properties that the City or partners wish to maintain long-term for strategic purposes, long-term leases are a way to maintain ownership but use for housing.
- The [City of Port Townsend, Washington](#) adopted a land disposition policy that prioritizes surplus public land for affordable housing.
- Partners could include the County, school district, or other public agencies, in order to broaden its impact to include other surplus public lands.

The inventory developed in Action 5.1 could identify opportunities working with public agencies or other organizations that own surplus land owned to create formalized surplus land priority/disposition

Engage in land banking with partner organizations

IMPLEMENTATION TIMELINE

1-2 Years	3-4 Years
5-6 Years	7-8 Years

ACTION IMPACT

High	Medium	Low
-------------	--------	-----

IMPACT TARGETS

AFFORDABILITY

- *** Deeply Affordable
- *** Affordable
- *** Workforce
- *** Market Rate

HOUSING TYPE

- *** Single-Family
- *** Middle Housing
- *** Multifamily

TENURE

- *** For Sale
- *** For Rent

DEMOGRAPHIC

- *** Communities of Color
- *** People Experiencing Homelessness
- *** People with Disabilities
- *** Seniors

Description

Acquire and hold key sites for future use for housing development (otherwise known as “land banking”). The specific approach to executing land banking can vary and may not be prescribed by the HPS. Land banking can be executed by the City, an Urban Renewal agency, a newly created land bank authority (as enabled by ORS 465.600 to 465.621), or in partnership with a non-profit community land trust. The ideal approach to land banking depends on the nature of the potential sites to be acquired, the availability of local partner organizations, and other legal and administrative issues.

In general, the following conditions must be met in order for the City to engage in land banking:

- **Funding:** Funding is necessary to acquire the land and to pay for the costs of transferring ownership, maintenance, and any site preparation that will be completed by the City. The level of funding required will depend on the number and value of sites to be acquired.
- **Administrative Capacity:** City staff or staff from partner organizations must have the time to negotiate land purchase agreements, oversee transfer of ownership, and manage the properties while they are under the control of the City or the partner organization.
- **Partnerships:** The City will need to partner with other organizations to execute land banking and to ensure the land is developed in a manner that meets key housing needs. These partnerships are described in Action P1 (Housing Working Group) and Action 15 (Agreements to Acquire Land). In some cases, the City may partner with a private, for-profit developer that is willing to include affordable units in a project if the City can provide a site at a reduced or no cost.

Magnitude of Impact

This action is rated as a **High** impact because obtaining control of land is an effective strategy for the City to facilitate housing development, particularly affordable housing. If the City owns or has effective control over a potential development site, it can influence the type of housing that is built on the site. Further, land costs account for a substantial portion of development costs (approximately 15-30%). If the City provides the land to a developer at low or no costs, it can dramatically improve the feasibility of building housing that can be made affordable to households with lower incomes.

Implementation Steps and Considerations

- The City should invite community land trusts to the housing working group formed in [Action 1.1](#) to help build and further relationships, as well as connect the organizations with land holders.
 - Create steps to help community land trusts by providing elevated technical assistance. This can include streamlining processes such as lot splits, zoning changes, and other pre-development steps for land trusts to ensure the land is development ready.
 - The City can help to facilitate the transfer of ownership from public, underutilized, and foreclosed properties to organizations that can land bank, such as a Land Trust or affordable housing developer, see [Action 5.2](#).
 - Affordable homeownership was identified as a high need from community engagement activities. Consider prioritizing opportunities for affordable homeownership.
-

5. Achieving Fair and Equitable Housing

Introduction

According to Oregon Administrative Rules, a city's Housing Production Strategy (HPS) document must include an analysis summarizing how the city's strategies for facilitating housing production will achieve fair and equitable housing outcomes (OAR 660-008-0050). Specifically, the OAR identified six elements related to fair and equitable housing outcomes:

1. **Location of housing** as it relates to compact, mixed-use development with an emphasis on the production of regulated affordable housing and accessible housing.
2. **Fair housing** through addressing disproportionate housing needs, patterns of integration and segregation, racially and ethnically concentrated areas of poverty, and disparities in access to housing opportunity.
3. **Housing choice** by promoting access to existing or new housing that is located in neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment.
4. **Support for residents experiencing homelessness** through the provision of housing options and through partnerships with other organizations with similar goals.
5. **Affordable housing** by supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership.
6. **Housing stability** for existing residents by mitigating the impacts of gentrification and addressing the economic and physical displacement of existing residents resulting from investment or redevelopment.

The actions in this document will promote these fair and equitable housing outcomes based on three overarching key strategies which, when used in tandem, can create the kind of housing production most needed in The Dalles:

Working with partner organizations to understand the variety of housing needs that exist in The Dalles.

Providing more opportunities for market-driven housing development in general.

Subsidizing the development of specific kinds of needed housing for priority populations.

Actions by Fair and Equitable Housing Elements Addressed

The following table provides a high-level overview of which of the six elements each action in this document addresses.

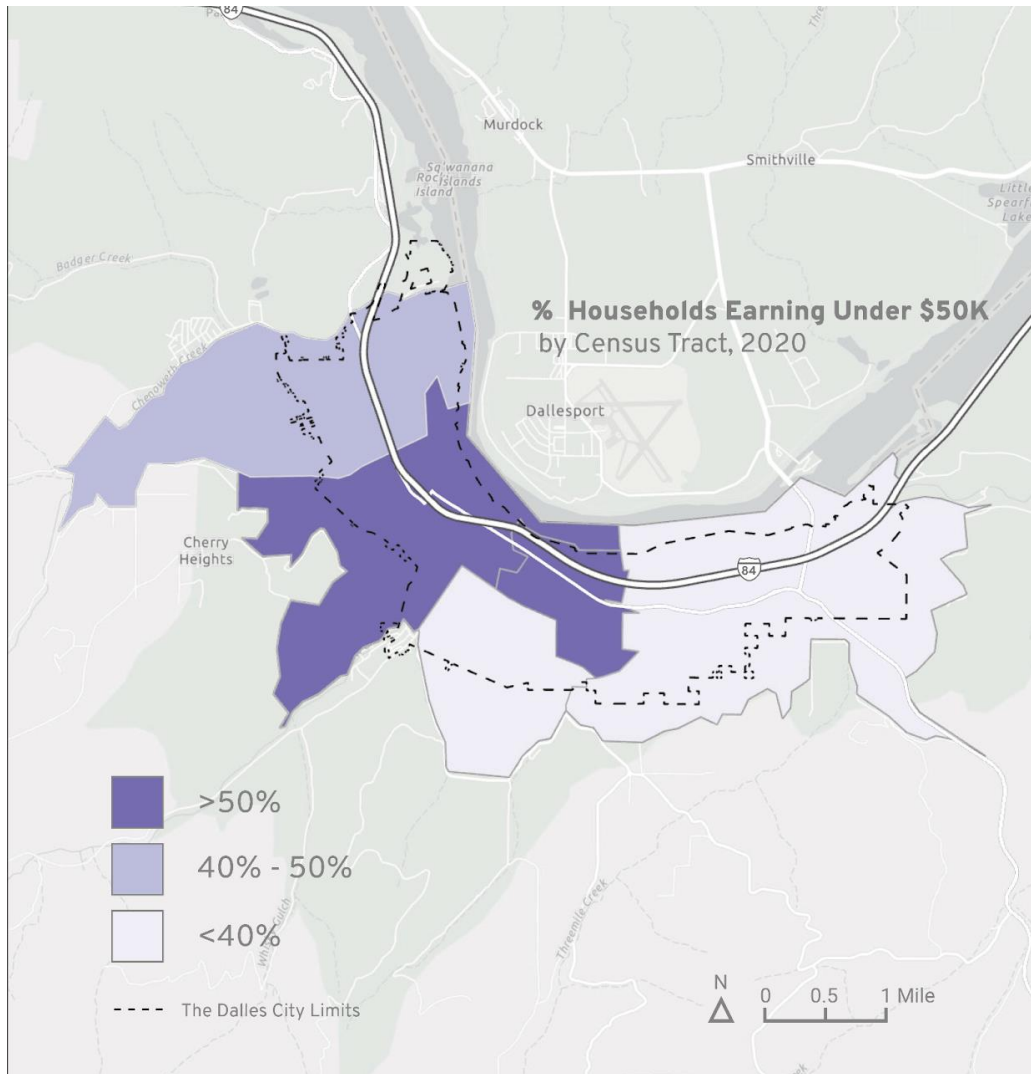
Category	Action	Location of Housing	Fair Housing	Housing Choice	Homelessness	Affordability	Stability
Partnership Actions	Action 1.1: Housing Working Group						
	Action 1.2: Pre-Approved Plans						
	Action 1.3: Technical Assistance						
Regulatory Actions	Action 2.1: Middle Housing						
	Action 2.2: Maximum Density						
	Action 2.3: Zoning Incentives						
	Action 2.4: Alternative Housing Types						
	Action 2.5: Housing in Commercial Zones						
	Action 2.6: Adaptive Reuse						
Incentive Actions	Action 3.1: Tax Exemption Incentive						
	Action 3.2: Scaling SDCs						
	Action 3.3: SDC Deferral						
Investment Actions	Action 4.1: Tax on New Construction						
	Action 4.2: Urban Renewal Areas						
	Action 4.3: Downtown Plan						
	Action 4.4: Infrastructure Prioritization						
Land Based Actions	Action 5.1: Inventory and Assess Land						
	Action 5.2: Land Agreements						
	Action 5.3: Land Banking						

ATTACHMENT 1

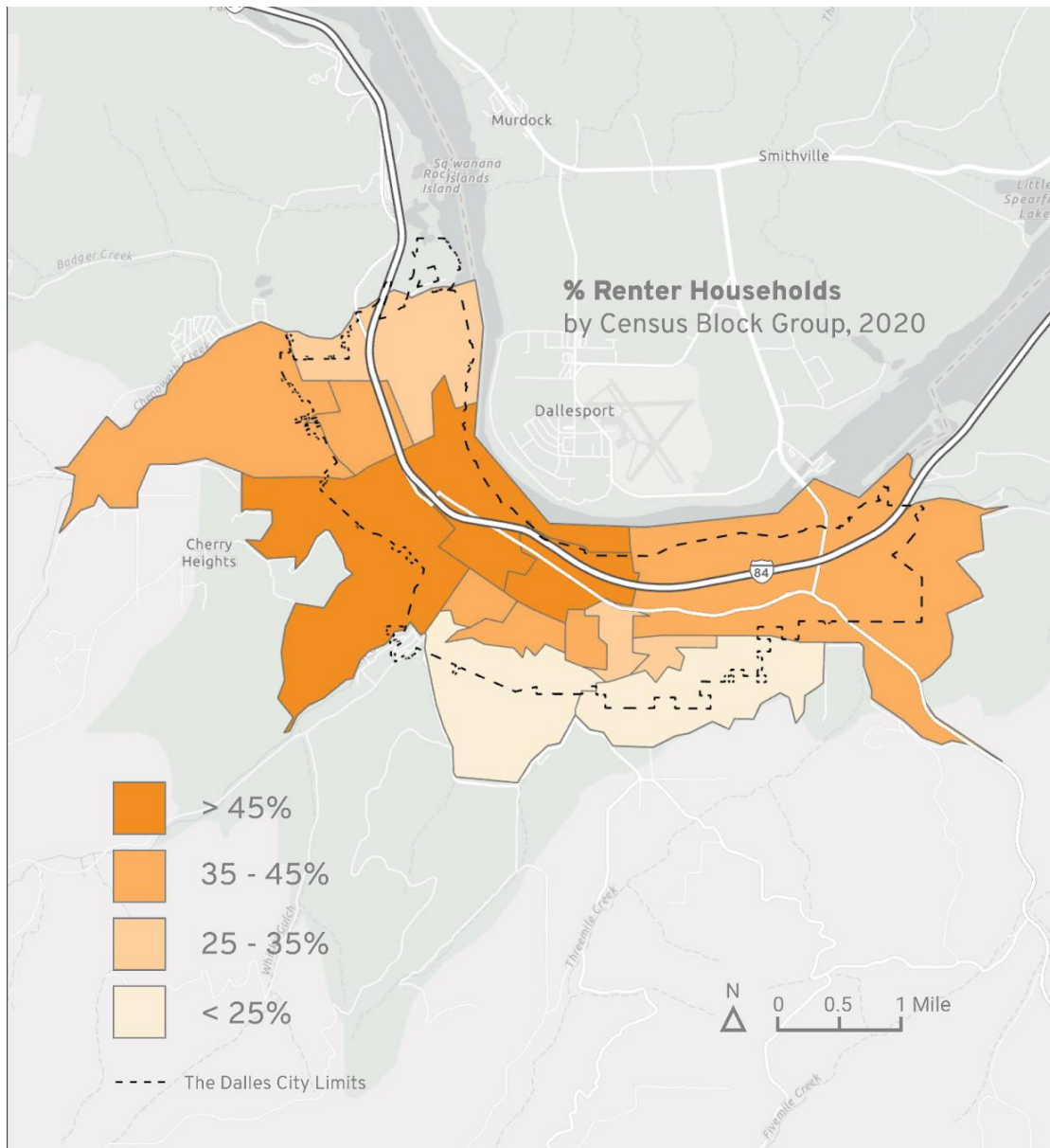
The state rules are clear that special attention must be paid to protected classes, as these often represent the most vulnerable populations in regard to housing needs. Additionally, populations with the greatest needs are typically spatially concentrated in specific areas of a city.

Due to both the geographic and population size of The Dalles, the data needed to understand demographic distribution is limited. However, the data that is available from the Decennial Census and American Community Survey can still usefully illustrate the spatial relationships among demographic variables (Map 1-3).

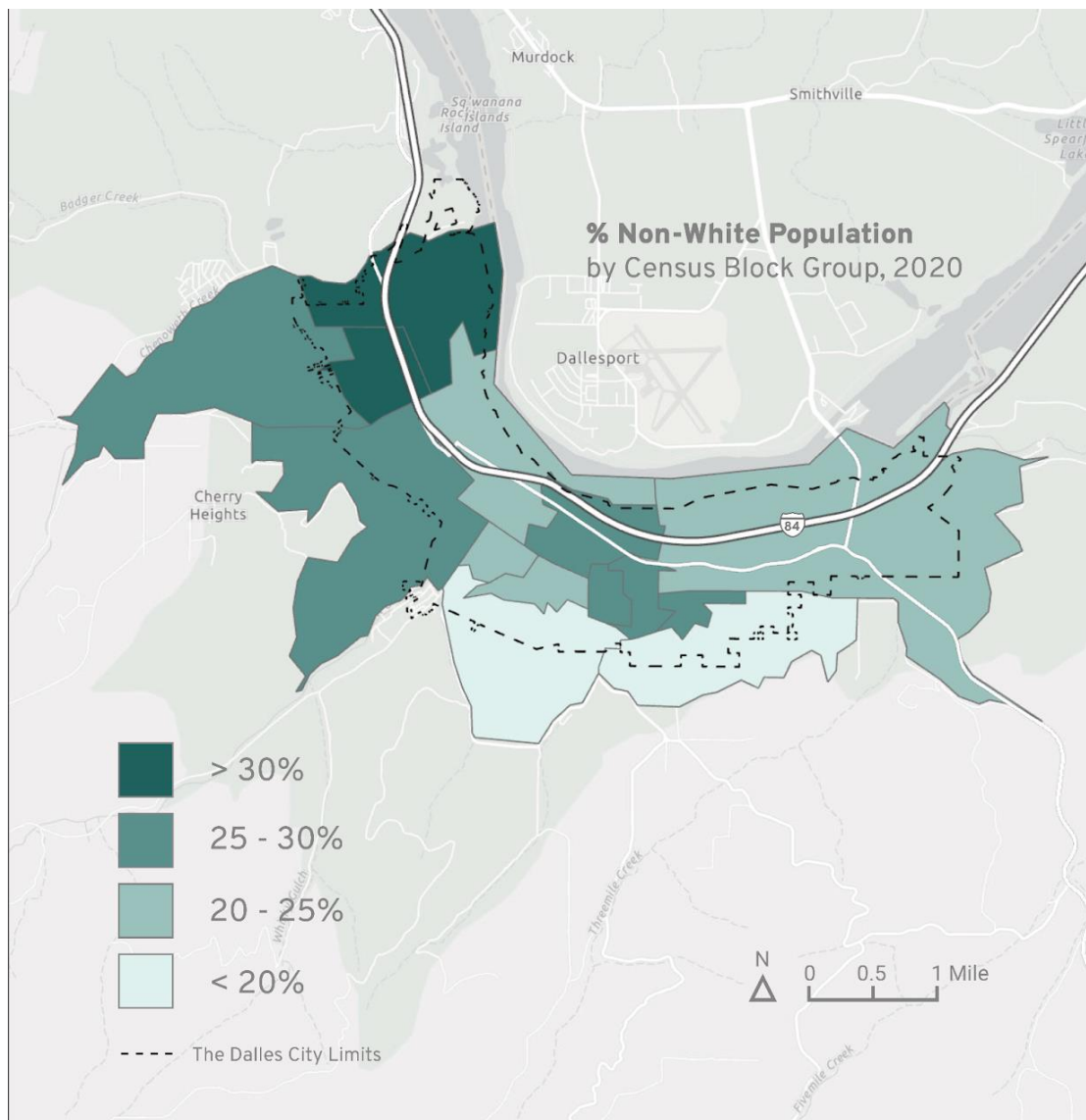
Map 1. Households Earning Under \$50,000 (Census Tract, 2020)



Map 2. Percentage of Renter Households (Census Block Group, 2020)



Map 3. Percentage of Non-White Population (Census Block Group, 2020)



These maps show that there is a greater concentration of residents of color, renter households, and households earning less than \$50,000 per year in the western portion of the City of The Dalles. The fact that these variables are spatially correlated is unsurprising given that state and national trends indicate that people of color are more likely to rent their homes and have lower household incomes.

Additionally, Wasco County is home to more seasonal farmworkers than any other county in Oregon. In 2018, 22,300 seasonal farmworkers lived in Wasco County. Agriculture workforce housing is crucially needed in order to support farms and farmworkers. Some of the actions in the HPS will be targeted to increasing and improving the supply of agriculture workforce housing.

Location of Housing

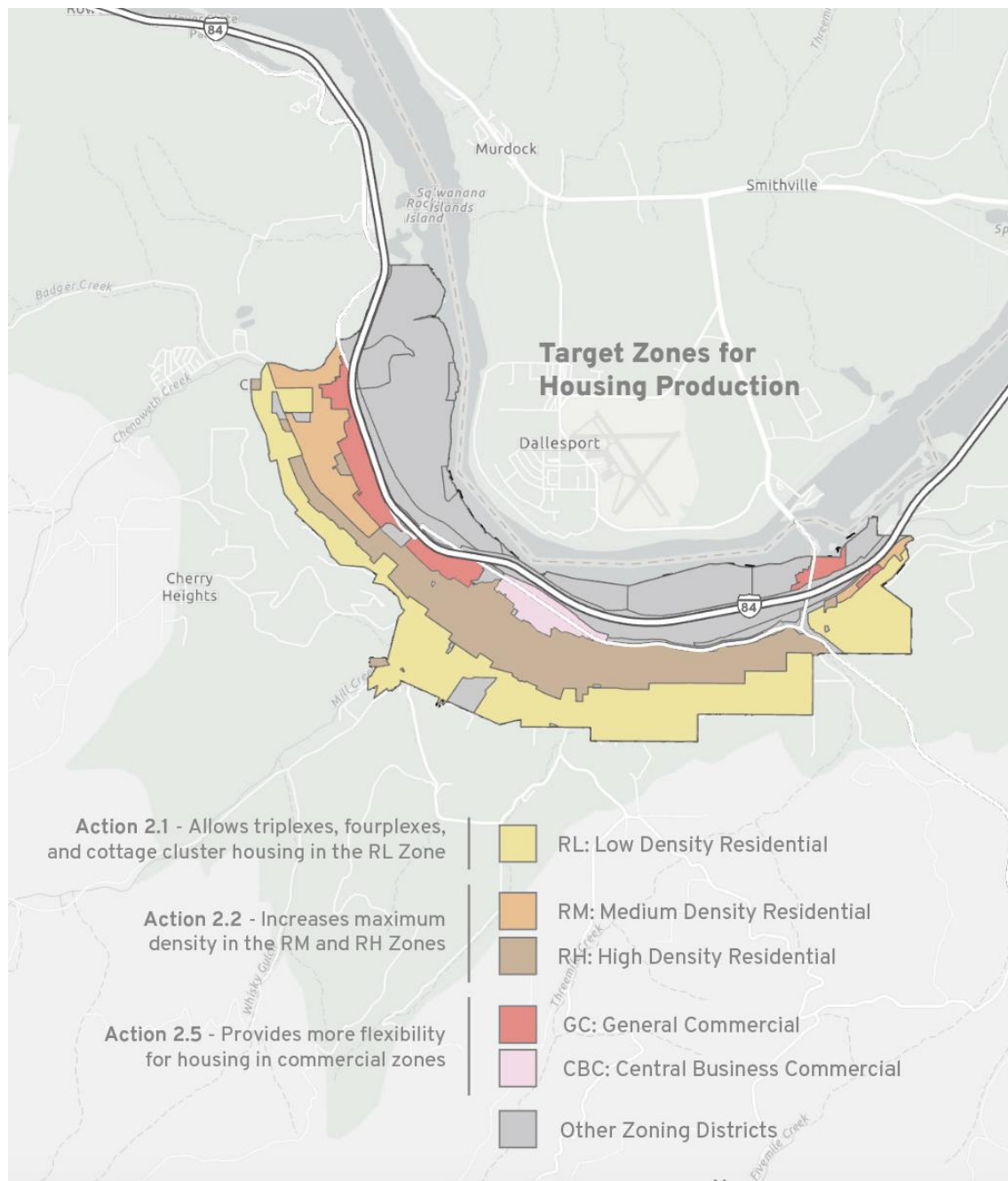
The HPS includes multiple actions that will help Oregon meet its statewide greenhouse gas emissions reduction goals through the creation of compact, mixed-use neighborhoods. The HPS directly supports these goals through actions to increase housing allowances and permitted densities in residential zones, commercial zones, and the downtown area. Collectively, these actions set the City’s course toward a more compact, mixed-use development pattern with more attached and dense housing and smaller distances between homes and businesses. That development pattern will also benefit lower-income households and

ATTACHMENT 1

people with disabilities who may rely on transit, as well as offer per capita greenhouse gas emissions reductions both in the form of improved energy efficiency via attached housing and reduced vehicle miles traveled.

The zones that are impacted by regulatory actions are identified in the following map.

Map 4. Target Zones for Housing Production



The actions that most directly support reduced greenhouse gas emissions and promote dense housing in compact, mixed-use neighborhoods are outlined below:

2.2 - Increase maximum density in the RM (Medium Density Residential), RH (High Density Residential), and NC (Neighborhood Center) Zones: Existing maximum density standards in the RM, RH, and NC Zones may be constraining dense multifamily development by unnecessarily restricting limiting the number of units that can be built on a site, even while meeting other development standards.

Current maximum density standards in these zones are below densities that are commonly achieved among middle housing and 3-story apartment developments in towns of similar size to The Dalles, even while meeting all parking, open space, and setback requirements. Additionally, if a developer has reached the maximum density and cannot add more units, but the zoning envelope would otherwise allow a larger building, then the developer is likely to build larger, more costly units.

The RM and RH Zones include mixed-use neighborhoods proximate to transit and walkable to goods and services. By increasing the maximum density in these zones, The Dalles would support efficient use of land, increase housing capacity, and create more units in areas with good access to amenities.

2.5 - Provide more flexibility for housing in commercial zones: Existing requirements for ground-floor commercial can make multifamily housing development financially infeasible, as vertical mixed-use development is more expensive relative to multifamily development due to the more complex structural, design, infrastructure, and operational requirements. As a result, vertical mixed-use projects are unlikely to be developed except for in a few locations in The Dalles, such as the downtown district. By modifying commercial zones to allow for greater flexibility in the location and type of residential developments in commercial zones, compact housing development is more likely to occur in high amenity commercial areas.

4.3 - Create a downtown strategic plan for housing development and investment: Strategic planning in the downtown area could help to catalyze compact development that is proximate to transit, amenities, and services. The downtown plan could improve market conditions and make housing development in downtown more feasible and attractive by identifying and prioritizing key public investments, such as street improvements or new public spaces. The plan would prioritize infrastructure projects that improve development readiness, especially for strategic redevelopment sites that are well-suited for dense housing.

The following actions are also expected to have a positive impact on housing location goals:

- **1.2 - Create pre-approved dwelling plans:** Pre-approved plan sets for mixed-use, compact units would incentivize and expedite the development of these housing types.
- **1.3 - Provide information and technical assistance to small developers:** Small developers are more likely to take on compact forms of development like residential infill projects on small lots distributed across existing neighborhoods. Additional technical support would reduce their development risk.
- **2.1 - Allow triplexes, fourplexes, and cottage cluster housing in the RL (Low Density Residential) Zone:** Allowing middle housing types in zones that have historically been exclusively zoned for detached single-family homes support compact development across more areas of the City.
- **3.2 - Evaluate the feasibility of scaling SDCs to unit size:** A sliding fee scale would incentivize smaller units, thereby encouraging more compact development.
- **4.4 - Continue to target and prioritize infrastructure to support housing:** Prioritizing capital improvement projects that are in strategic locations for future housing development, such as neighborhoods near transit, removes a degree of financial risk from developers and partners and improves the likelihood that new housing will be built in those locations.

Fair Housing

As outlined in Maps 1-3 of this section, there is a spatial correlation in The Dalles between race/ethnicity, poverty, and housing tenure. Fair housing strategies address disproportionate housing needs, patterns of integration and segregation, racially or ethnically concentrated areas of poverty, and disparities in access to housing opportunities. The HPS includes actions that affirmatively further fair housing by allowing more affordable forms of housing to be built in more areas, including in high opportunity areas, and by implementing zoning and financial incentives that can help produce more income-restricted and accessible units. These actions work in tandem to help low-income households access more affordable housing, particularly in high opportunity areas.

Because many protected classes disproportionately fall into the lower end of the income spectrum, actions to support lower-income households tend to benefit protected classes, such as communities of color and people with disabilities. The “Housing

Choice” and “Affordable Homeownership and Affordable Rental Housing” subsections provide detailed descriptions of how the HPS’s actions work to reduce disparities in access to housing for these populations.

The action that most directly furthers fair housing goals is outlined below:

2.1 - Allow triplexes, fourplexes, and cottage cluster housing in the RL (Low Density Residential) Zone: Today, the RL zone exclusively allows single-family homes, duplexes, and ADUs. Restricting higher density housing options in this zone limits the availability of affordable housing options for a large area of The Dalles and may have contributed to the patterns of segregation by income and race/ethnicity. Allowing a wider variety of housing types in the RL Zone, which includes almost 200 acres of buildable land, would prevent neighborhoods in this zone from being limited to higher-income households, create opportunities for smaller and more affordable units across a large area of the city, and support more socioeconomically diverse neighborhoods.

The following actions are also expected to have a positive impact on furthering fair housing goals:

- **1.1 - Convene a housing working group to pursue state funding and implement housing actions:** This group would make policy recommendations and resource requests for priority populations, as well as be able to identify and better understand the specific barriers and needs of those populations.
- **2.3 - Implement zoning incentives for affordable and accessible housing:** By offering higher density, reduced parking, and other benefits to projects that include affordable or accessible units, the City will increase the likelihood that new developments include units that meet the needs of protected classes.
- **3.1 - Adopt a multi-unit property tax exemption (MUPTE) program to incentivize needed housing:** A tax exemption is an effective financial incentive to encourage projects to include affordable or accessible units that meet the needs of protected classes.

Housing Choice

The HPS takes two sets of coordinated actions to improve housing choices for low-income communities, communities of color, people with disabilities, and other protected classes in high amenity neighborhoods. First, the HPS plans for actions to ease regulatory hurdles that make it difficult to build the most affordable forms of housing in high amenity areas through code changes that support multi-unit and middle housing.

Second, the City will take action to evaluate a slate of investments and incentives to support the financial feasibility of building housing, especially with affordability requirements. That slate includes implementing zoning incentives for affordable and accessible housing, exploring new revenue sources for income-restricted housing, and providing tax abatements for new multi-unit housing. These incentives and investments will benefit communities of color, people with disabilities, and other protected classes that tend to have lower incomes. And because they are paired with regulatory actions that reduce barriers in high amenity areas, the incentives and investments can enable new affordable forms of housing in these areas.

The housing actions that most directly promote affordable and accessible housing and support housing choice are outlined below:

2.3 - Implement zoning incentives for affordable and accessible housing: The Dalles will grant increased density, reduced parking, or other relief from code standards in exchange for a certain share of units in a proposed development being affordable or accessible. These opt-in incentives could require affordability covenants as a condition of approval, guaranteeing some or all units in a property are affordable to middle- or lower-income households. Likewise, incentives could be designed to require a percentage of units to meet accessibility standards beyond those required under the Americans with Disabilities Act. These incentives would help to create additional units that serve the needs of people with disabilities and other protected classes that tend to have low incomes, especially in housing developed by for-profit developers that may build in high amenity areas but would not otherwise include these units.

2.4 - Clarify rules for non-site-built homes such as tiny homes and prefabricated/modular housing: This action would allow tiny homes and other prefabricated or modular homes to serve as permanent dwellings. These housing types offer practical benefits for low-income households and may meet the needs of people with disabilities. Due to efficiencies realized

during production, construction, and siting, these types of homes are often more affordable than conventional, site-built homes. Their designs can be more easily customized or modified to include accessible design features, and their small sizes make them well-suited for infill in high amenity areas. Updating the regulatory framework would make them a more viable housing option for residents in The Dalles.

3.1 - Adopt a multi-unit property tax exemption (MUPTE) to incentivize needed housing: Tax abatements can significantly improve development feasibility by reducing a major operating cost for new housing development: local property taxes. In a housing market like The Dalles, market rents are lower than in larger metropolitan areas, but the cost of construction is similar. The discrepancy challenges financial feasibility, and a property tax exemption can make the difference between feasible and infeasible projects. If the MUPTE program is designed to be eligible for developments that include low-income or accessible units, it can encourage private developers to include these unit types in mixed-income developments that may be in high amenity areas but would not otherwise include these units.

4.1 - Explore implementing a construction excise tax (CET) for an additional affordable housing revenue source: Income-restricted affordable housing is challenging to finance without local support in the form of gap funding. Though local gap funding is typically a small proportion of these projects' total sources, local support makes it easier for affordable housing developments to attract larger state and federal public subsidies that make up the bulk of these projects' capital needs. A CET would create a source of revenue dedicated to affordable housing, making it much more likely that affordable housing developers will pursue projects in The Dalles. These projects would include income-restricted units, could be located in high amenity areas, and may include other unit types like accessible units to serve people with disabilities.

The following actions are also expected to have a positive impact on housing choice:

- **2.1 - Allow triplexes, fourplexes, and cottage cluster housing in the RL (Low Density Residential) Zone:** By allowing middle housing types in zones that have historically been exclusively zoned for detached single-family homes, The Dalles would be providing geographic diversification of more affordable and accessible housing types.
- **2.2 - Increase maximum density in the RM (Medium Density Residential), RH (High Density Residential), and NC (Neighborhood Center) Zones:** By increasing maximum density, The Dalles would be improving the economic feasibility of housing types like middle housing and multifamily housing that tend to be more affordable housing types, providing more affordable housing options in more neighborhoods.
- **2.5 - Provide more flexibility for housing in commercial zones:** This action would provide flexibility for ground-floor commercial requirements and modify parking regulations, which would facilitate high density housing development in high amenity commercial neighborhoods.
- **4.3 - Create a downtown strategic plan for housing development and investment:** The downtown plan would outline key public investments that would catalyze the development of a variety of housing types in downtown, a high amenity area in The Dalles.
- **5.3 - Engage in land banking with partner organizations:** If banked land is located in a high amenity area and the City transfers ownership to a land trust or affordable housing development partner, this action can result in increased housing choice in The Dalles for low-income households or other protected classes.

Housing options for residents experiencing homelessness

Two major barriers to developing housing for people experiencing homelessness are the limited availability of funding and additional need for wrap-around services. Strategies that expand affordable and supportive housing options and foster partnerships between the City and organizations that are experienced in serving these residents' specific needs can help overcome these barriers.

The two actions described below are prime examples of how to combine gap funding approaches with partnership-based strategies to better serve residents experiencing homelessness:

4.1 - Explore implementing a construction excise tax (CET) for an additional affordable housing revenue source: Establish a new revenue stream to fund affordable housing through a CET applied to both residential and commercial

construction. This revenue has the potential to help fill a small portion (a “gap”) of overall development, improving the feasibility of affordable housing projects that can meet the needs of residents experiencing homelessness. It also makes the city eligible for receiving larger state and federal funding sources for affordable housing projects where local buy-in is often a prerequisite.

5.3 - Engage in land banking with partner organizations: Land banking can expand housing options by acquiring and holding land for affordable housing projects that meet the specific needs of residents experiencing homelessness. Land banks can also transfer land to nonprofits at low or no cost, freeing up an organization’s funds to spend on building and maintaining housing for target populations. Land banks also create an opportunity to establish community land trusts that preserve long-term affordability, preventing displacement and ensuring lasting affordability.

The following actions are also expected to expand housing options for residents experiencing homelessness:

- **1.1 - Convene a housing working group to pursue state funding and implement housing actions:** This group could include representatives from local or regional non-profit organizations with expertise in permanent supportive housing and comprehensive wrap-around services essential to addressing homelessness.
- **2.4 - Clarify rules for non-site-built homes such as tiny homes and prefabricated/modular housing:** The relatively low cost and rapid assembly of these housing types make them viable options for both short-term emergency shelter and long-term supportive housing options. By making clear the development and design standards required for production, this action streamlines approval processes and reduces overall development costs.
- **4.2 - Explore creating new urban renewal areas (URAs) that allocate a significant portion of tax increment and supportable debt to housing:** Tax increment revenue from a URA has the potential to make possible housing projects that are otherwise difficult to develop without financial support. Income-restricted affordable housing that is not tax-exempt is just one example of housing that could be made possible.

Affordable Homeownership and Affordable Rental Housing

Options for both affordable rental housing as well as an affordable path to homeownership are critical for an accessible housing market. A little more than 40% of needed housing in The Dalles will need to be affordable to households at or below 80% of AMI. Still, the concept of affordability is relative. A healthy housing market would supply a variety of housing options to serve a variety of household incomes.

The logic behind housing production strategies includes the principle that increasing the overall supply of housing decreases the overall consumer price of housing. For this reason, nearly every action in this HPS would lead to greater affordability for all current and future residents.

The actions listed below directly address the need for affordable homeownership and affordable rental housing:

2.3 - Implement zoning incentives for affordable and accessible housing: Adopting zoning incentive(s) for housing developments that include income-restricted affordable housing will grant increased density, reduced parking, or relief from other code standards in exchange for a certain share of units in a proposed development being affordable. These incentives can help to create additional units that serve the needs of lower and middle-income households, especially in projects developed by private, for-profit developers that would otherwise not provide these units.

3.1 - Adopt multi-unit property tax exemption (MUPTE) to incentivize needed housing: Tax abatements can significantly improve development feasibility by reducing property taxes, a major operating cost for new housing development. In a housing market like The Dalles, market rents are lower than in larger metropolitan areas, but the cost of construction is similar. The discrepancy challenges financial feasibility, and a property tax exemption can make the difference between feasible and infeasible projects. If the MUPTE program is designed to be eligible for developments that include low-income or accessible units, it can encourage private developers to include these unit types in mixed-income developments that may be in high amenity areas but would not otherwise include these units.

4.1 - Explore implementing a construction excise tax (CET) for an additional affordable housing revenue source: Income-restricted affordable housing is challenging to finance without local support in the form of gap funding. Though local

gap funding is typically a small proportion of these projects' total sources, local support makes it easier for affordable housing developments to attract larger state and federal public subsidies that make up the bulk of these projects' capital needs. A CET would create a source of revenue dedicated to affordable housing, making it much more likely that affordable housing developers will pursue projects in The Dalles. These projects would include income-restricted units, could be located in high amenity areas, and may include other unit types like accessible units to serve people with disabilities.

5.3 - Engage in land banking with partner organizations: Land banking can expand housing options by acquiring and holding land for affordable housing projects that meet specific affordability needs of the community. Land banks also create an opportunity to establish community land trusts that preserve long-term affordability, preventing displacement and ensuring lasting affordability for those who need it.

The following actions are also expected to expand affordable rental and ownership options for residents in The Dalles:

- **1.1 - Convene a housing working group to pursue state funding and implement housing actions:** This group could include representatives from local or regional affordable housing developers who could inform policy making to best support the creation of affordable rental and ownership opportunities in The Dalles.
- **2.2 - Increase maximum density in the RM (Medium Density Residential), RH (High Density Residential), and NC (Neighborhood Center) Zones:** Current maximum density standards in the RM, RH, and NC Zones are below densities that are needed to develop middle housing and 3-story apartments in towns of similar size to The Dalles. Increasing the maximum density standard in these zones would support more efficient land use, help to increase overall housing supply, and bring a wider variety of small and more affordable housing units to The Dalles.
- **2.5 - Provide more flexibility for housing in commercial zones:** Modifying commercial zones to allow for greater flexibility in the location and type of residential units creates more opportunity for housing construction. Expanding housing supply can help alleviate the housing shortage and bring down costs.
- **3.2 - Evaluate the feasibility of scaling System Development Charges (SDCs) to unit size:** A sliding fee scale would bring down development costs for smaller units, increasing overall housing supply and promoting affordability. It is important to note that scaling SDCs may not have the maximum positive effect for marginalized populations if the City is not able to partner with the Northern Wasco County Parks and Recreation District to scale park SDCs as well.
- **4.2 - Explore creating new urban renewal areas (URAs) that allocate a significant portion of tax increment and supportable debt to housing:** Tax increment revenue from a URA has the potential to make possible housing projects that are otherwise difficult to develop without financial support, including affordable housing.
- **5.1 - Maintain an inventory of public, underutilized, and foreclosed properties and assess the development readiness of inventoried properties:** This action creates a more attractive environment for affordable housing developers who are more likely to pursue projects when they don't have to spend their own time and money to independently assess site readiness and suitability.
- **5.2 - Formalize agreements to acquire land:** Granting the City or its designees the right of first refusal or surplus of foreclosed properties gives affordable housing projects a competitive advantage in securing land for development. Agreements could occur with the County, school board, or other public, civic, and/or faith-based institutions.

Gentrification, Displacement, and Housing Stability

A critical element of ensuring fair and equitable outcomes in housing is a careful focus on preventing the displacement of existing residents. Actions that have a higher risk of displacement or gentrification without intervention or mitigation are:

- **2.2 - Increase maximum density in the RM (Medium Density Residential), RH (High Density Residential), and NC (Neighborhood Center) Zones**
- **2.5 - Provide more flexibility for housing in commercial zones**
- **4.2 - Explore creating new urban renewal areas that allocate a significant portion of tax increment and supportable debt to housing**

- **4.4 - Continue to target and prioritize infrastructure to support housing**

These actions could increase rent or displacement-pressure burdens on low-income and marginalized populations if current multifamily zones or infrastructure investments disproportionately fall in displacement-vulnerable areas or are currently home to naturally occurring affordable housing that may be susceptible to rapid rent increases or redevelopment.

The HPS includes a set of actions that engage the balancing act implied by the dual goals of producing more housing—including through redevelopment—while also mitigating displacement. The HPS plans an evaluation of zoning changes across the city to orient development toward high opportunity areas, such as transit, goods and services, and parks. In this way, the City can avoid concentrating housing production in areas with a higher share of lower income residents and other demographic groups that are more vulnerable to displacement. Likewise, for housing that *is* built in areas where displacement is a risk and redevelopment may cause displacement, the HPS provides strategies to provide incentives and subsidies to projects, so they are more likely to include units that are affordable to residents that are at risk of displacement.

The following actions specifically address issues of gentrification and displacement:

1.1 - Convene a housing working group to pursue state funding and implement housing actions: The working group will be formed to facilitate both affordable and market rate housing development in the City. The working group will be tasked with recommending policies and resource requests that can provide stable housing options for various priority populations, including affordable housing and projects benefiting homeless and very low-income populations. The working group will meet regularly to track local housing market trends and can be agile in its response to displacement risk where stability-specific actions may need to be taken.

3.1 - Adopt a multi-unit property tax exemption (MUPTE) program to incentivize needed housing: This tax exemption can encourage new developments in areas that have a higher share of residents at risk of displacement to include units affordable to those residents. Further, the action could also provide particular benefit to seniors and people with disabilities if it is targeted to projects that include accessible units or features.

4.1 - Explore implementing a construction excise tax (CET) for an additional affordable housing revenue source: Funds generated from the CET program could be used for housing stability initiatives, such as preserving naturally occurring affordable housing in the community or development of affordable ownership housing.

4.2 - Explore creating new urban renewal areas that allocate a significant portion of tax increment and supportable debt to housing: The City could set aside a percentage of new Tax Increment Financing (TIF) revenue for affordable housing to create more affordable housing units in neighborhoods with residents at risk of displacement.

4.3 - Create a downtown strategic plan for housing development and investment: This plan will include strategies to prioritize the development of needed housing, which includes affordable housing, that could help alleviate spillover redevelopment pressures on displacement risk households.

5.3 - Engage in land banking with partner organizations: Land banks can transfer land to nonprofits at low or no cost, which can help to create additional affordable housing options while also allowing the organization to allocate their funds on building and maintaining housing for target populations. Land banks also create an opportunity to establish community land trusts that preserve long-term affordability, preventing displacement and ensuring lasting affordability for those who need it.

6. Measuring Progress

Per OAR 660-008-0060, The Dalles will track progress on implementing the actions detailed in the HPS. Four years after adopting the HPS, the city will submit a narrative report to DLCD summarizing its progress on implementation. The report must include a summary of the steps already taken by the city to implement the actions included in the HPS. If the city has not implemented actions on the schedule specified in the HPS, an explanation of the conditions that posed a barrier to implementation and a plan for addressing the identified need that the strategy targeted must be provided. Additionally, the report will include an assessment of the relative efficacy of implemented actions as well as a reflection on actions taken in response to achieving fair and equitable housing outcomes.

In anticipation of this reporting requirement, the following methods and performance metrics for monitoring progress on HPS actions are recommended. The quantity of housing permitted and produced, both City-wide and in areas targeted by actions, should be tracked on an annual basis. This data should be compared to data from before actions were implemented to monitor the effects of the changes on total production, type of production, and location of production. More specific metrics for measuring progress are included below for each action group.

Action Group	Methods	Metrics
Partnership Actions	<p>Progress on implementation of partnership actions can be indicated by the following:</p> <ul style="list-style-type: none"> • Staff reporting on existing and new partnerships established with developers, service providers, and other partners through the formation of a Housing Working Group • Determining which housing types to include and developing pre-approved plans and additional resources • Engaging small developers and generating a set of technical assistance materials 	<ul style="list-style-type: none"> • # of pre-approved plans available through the city and # of units produced using pre-approved plans • # of technical assistance materials produced and available to developers
Regulatory Actions	<p>Progress on implementation of regulatory actions can be indicated by the following:</p> <ul style="list-style-type: none"> • Adopting a package of changes to remove barriers to multifamily development • Adopting a package of changes that defines and expands permitted housing types to allow middle housing in more zones • Adopting a package of changes that increase housing potential in commercial zones • Adopting zoning incentives for affordable and accessible units • Adopting a package of changes to allow permanent residency for tiny homes and other prefabricated or modular homes • Adopting a package of changes to remove barriers for adaptive reuse of existing buildings 	<ul style="list-style-type: none"> • # of total housing units permitted and produced • # of middle housing units permitted and produced • # of units permitted and produced in multi-dwelling zones • # of units permitted and produced in commercial zones • # of units permitted and produced that are income-restricted • % of units permitted and produced that are accessible
Incentive Actions	<p>Progress on implementation of incentive actions can be indicated by the following:</p>	<ul style="list-style-type: none"> • # of housing units permitted and produced, by housing type, tenure and unit size

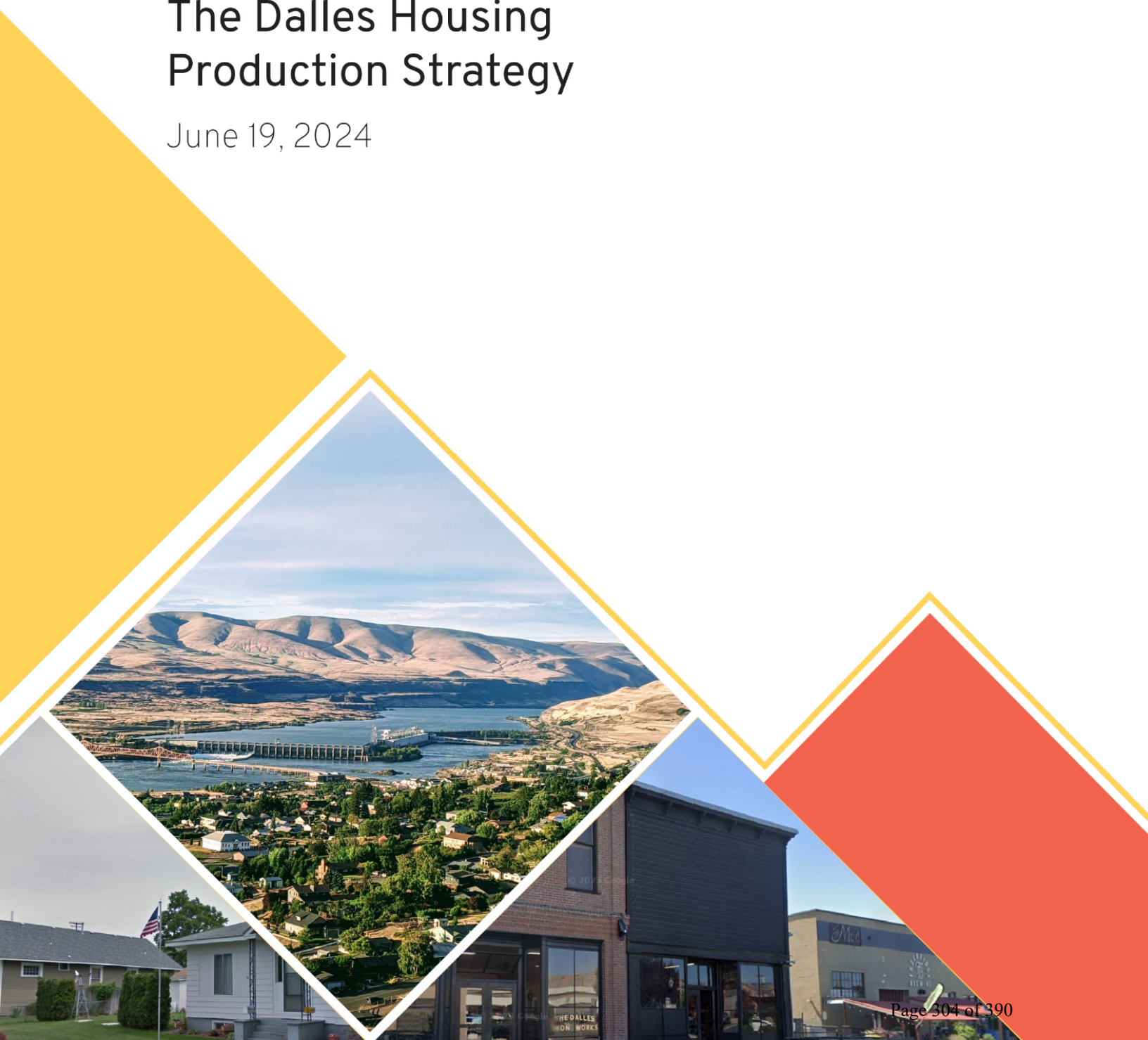
	<ul style="list-style-type: none"> • Conducting a fee and SDC rate study • Making any adjustments to fee structures as the result of a fee and rate study • Modifying permitting and development review procedures • Evaluation and adoption (if approved) of a multi-unit property tax exemption (MUPTE) 	<ul style="list-style-type: none"> • # of projects that went through the SDC deferral process
<p>Investment Actions</p>	<p>Progress on implementation of investment actions can be indicated by the following:</p> <ul style="list-style-type: none"> • A study has been conducted on the potential revenue that could be generated by the CET at different rates and approaches • Conducting a feasibility study and plan (if feasible) to create a new urban renewal area • Creating and adopting a downtown strategic plan for housing • Identifying specific infrastructure investments with high housing development potential 	<ul style="list-style-type: none"> • If CET is adopted, track: <ul style="list-style-type: none"> ○ \$ raised through CET for affordable housing ○ # of affordable units (0-80% AMI) produced with support from CET • If URA is adopted, track: <ul style="list-style-type: none"> ○ # of housing units using TIF funding ○ \$ TIF allocated to housing development projects and/or investments
<p>Land Actions</p>	<p>Progress on implementation of land actions can be indicated by the following:</p> <ul style="list-style-type: none"> • Creating an inventory of surplus properties and formalizing a process to update the inventory annually • Developing site suitability metrics for the surplus properties inventory • Adopting Intergovernmental Agreements between the City and other public agencies that grant first right of refusal for surplus properties • Identifying and earmarking funding for the City to acquire and bank land • Identifying ways the City can support community land trusts and designating staff capacity to provide this support • Engaging in partnerships to execute land banking and develop housing on banked land 	<ul style="list-style-type: none"> • # of inventoried parcels suitable for housing development • # of land acquisition agreements adopted between the City and other public agencies • # of surplus or foreclosed properties offered for first right of refusal to partners for housing development • # of affordable or middle-income units produced on underutilized land the City may possess, track, or have facilitated the transfer of to a development partner • # of sites/acres banked for housing development • # of affordable or middle-income units produced on banked land



Housing Strategies and Actions - *DRAFT*

The Dalles Housing Production Strategy

June 19, 2024



Background and Purpose

The purpose of this document is to propose a draft set of strategies and actions to be included in the City of The Dalles' Housing Production Strategy. The City of The Dalles conducted a Housing Needs Analysis (HNA) in 2023, which was adopted through Ordinance 23-1404, into the Goal 10 Chapter of the City's Comprehensive Plan. As required by state law, the HNA projects the housing needs of the City over the next 20 years and evaluates the City's supply of residentially zoned land designated to meet that need.

Through passage of House Bill 2003 in 2019, the state legislature directed the Department of Land Conservation and Development (DLCD) to require that each City with a population of more than 10,000 produce a Housing Production Strategy (HPS) that includes a list of specific actions the City intends to undertake to fulfill the commitment of meeting the housing needs identified in the HNA, as well as an expected timeline for adoption and implementation of each action.

Organization

The following draft strategies are divided into the five HPS Framework categories: Partnerships, Regulatory, Incentives, Investments, and Land strategies. Each category has an overview table with all draft strategies, including: strategy title, description, tenure, income, housing types, and magnitude of impact. The HPS considers the impact of each action or strategy on targeted housing needs in four areas and its overall magnitude of impact:

- **Tenure Targets:** This section evaluates the degree to which an action will help to produce housing that is either for-sale or for-rent.
- **Affordability Targets:** This section evaluates the degree to which an action will help to produce housing affordable to various income levels. The evaluation is based on the housing types that are most likely to be produced as a result of the action and the extent to which the City can target the action to meet housing for certain income levels.
 - **Affordable:** Affordable housing refers to housing units that are affordable to households earning less than 60% of the area median income. Affordable housing units are typically rental properties that are developed with public subsidies and include mechanisms such as deed restrictions to ensure residents meet income requirements.
 - **Workforce:** Workforce housing refers to housing units that are affordable to households earning between 60% and 120% of the area median income. Workforce housing can be rental or ownership units that target middle-income workers, may or may not be developed with public subsidies, and may include employment-based deed restrictions to ensure residents work in the community where the housing is located.
 - **Market:** Market rate housing refers to non-subsidized housing properties that are rented or owned by those who pay market rate rents or market value to purchase the property.
- **Housing Type Targets:** This section evaluates the degree to which an action will help to produce single-family, "missing middle," and multi-family housing.
- **Magnitude of Impact:**

- **Low impact:** This indicates that the action is likely to have a minimal or limited effect on housing production. It may support housing production but on its own it is not likely to spur new housing development.
- **Medium impact:** This indicates that the action is likely to have a more substantial impact on housing production generally or on meeting a specific housing need. It may be impactful enough on its own to spur new housing development.
- **High impact:** This indicates that the action is likely to have a significant, wide-reaching impact on housing production or would directly spur housing development that meets a specific housing need.

The high impact strategies following the table delve into more detail to provide opportunities, constraints, administrative and funding needs, and magnitude of impact. These sections include:

- **Opportunities and constraints:** These sections identified opportunities for the City to pursue this strategy and the various types of constraints to implement due to funding or staff time.
- **Administrative Time:**
 - **Low:** Requires low staff time to develop the action and requires low on-going staff time to implement the action.
 - **Medium:** Requires more staff time to develop the action and requires more on-going staff time to implement the action.
 - **High:** Requires significant staff time to develop the action and/or significant on-going staff time to implement the action.
- **Funding Needs:**
 - **Low:** Has relatively small funding impact
 - **Medium:** Has relatively moderate funding impacts.
 - **High:** Has relatively larger funding impacts.

PARTNERSHIP STRATEGIES

Partnership Strategy Overview Table

Strategy Title + Description	Tenure <i>Renter, Owner, Both</i>	Income <i>Affordable, Workforce, Market</i>	Housing Type <i>Single Detached, Middle Housing & Multifamily, All</i>	Magnitude of Impact <i>Low, Medium, High</i>
High Impact Strategies (A detailed description begins in the following section)				
P1 Convene a housing working group to pursue state funding and implement housing strategies Convene a housing working group of staff and civic, institutional, faith based, employer, and builder (private, public, and nonprofit) stakeholders that meets regularly and leads the exploration of opportunities to facilitate both affordable and market rate housing development in the City.	Both	All	All	High
P2 Create pre-approved dwelling plans Create pre-approved dwelling plans to help incentivize and expedite the development of various housing types by partnering with Wasco County and architect or builder to develop multiple ADU options that can be quickly reviewed and permitted.	Both	Workforce, Market	Middle Housing	High
Medium and Low Impact Strategies				
P3 Form partnerships with organizations that are capable of land banking Form partnerships with existing organizations that can land bank in the region to help to implement housing strategies (see strategy P1), as well as be a recipient of future land disposition or land banking by civic partners (see land strategies).	Both	Affordable, Workforce	All	Medium
P4 Partner with North Wasco County Parks & Recreation on scaling Parks SDC fee Pursue opportunity to partner with North Wasco County Parks & Recreation District on scaling Parks SDC fee by unit size or number of units to incentivize smaller units.	Both	All	All	Medium

P5	Provide information and technical assistance to small developers Provide information to developers to help them find suitable sites for housing development, understand land use permitting processes and incentive opportunities, and establish a sense of clarity and certainty about housing development requirements.	Both	Workforce, Market	All	Low
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High Impact Partnership Strategies

P1 Convene a housing working group to pursue state funding and implement housing strategies

Description Convene a housing working group of staff and civic, institutional, faith based, employer, and builder (private, public, and nonprofit) stakeholders that meets regularly and leads the exploration of opportunities to facilitate both affordable and market rate housing development in the City. The working group’s activities could include:

- Meeting with large employers to identify ways to partner provide workforce housing
- Assisting in the implementation of housing strategies identified in the HPS
- Meeting with developers proactively to pursue the State’s New Housing Loan Fund and identify potential projects (see [Strategy I3](#))
- Making policy recommendations and resource requests based on the above conversations

Opportunities A housing working group can help to provide a pro-housing culture in the City that can help implement housing strategies, as well as pursue state funding.

Constraints Staff time and funding may be necessary to engage with these organizations and assist with strategy implementation.

Administrative Time Medium

Funding Needs Low

Magnitude of Impact High

P2 Create pre-approved dwelling plans

Description	Create pre-approved dwelling plans to help incentivize and expedite the development of various housing types, such as cottage clusters and duplexes, by partnering with Wasco County, architects, builders, or an institution to develop multiple dwelling unit options that can be quickly reviewed and permitted. The plans would be highly-efficient, designed for constrained lots and low-cost solutions, and allow for streamlined permitting. Partnering with an institution could include Columbia Gorge Community College or another college or university to create a competitive competition with compensation in the form of a scholarship for selected plans.
Opportunities	Various dwellings would be further incentivized and cost efficient for homeowners.
Constraints	Pre-approved dwelling plans would require hiring an architect or working with an institution to produce plans that may require additional funding.
Administrative Time	Medium
Funding Needs	Medium
Magnitude of Impact	High

REGULATORY STRATEGIES

Regulatory Strategy Overview Table

Strategy Title + Strategy Description	Tenure <i>Renter, Owner, Both</i>	Income <i>Affordable, Workforce, Market</i>	Housing Type <i>Single Detached, Middle Housing & Multifamily, All</i>	Magnitude of Impact <i>Low, Medium, High</i>
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High Impact Strategies (A detailed description begins in the following section)

R1	<p>Allow triplexes, fourplexes, and cottage cluster housing in the RL zone Expand permitted housing types in the RL Zone to include triplexes, fourplexes, and cottage clusters in order to provide more affordable housing options in this zone.</p>	Both	Workforce, Market	Middle Housing	High
R2	<p>Increase maximum density in the RM, RH, and NC Zones Increase the maximum density and reduce minimum lot area in the RM, RH, and NC zones to improve economic feasibility, ensure efficient use of land, and encourage smaller unit sizes.</p>	Both	All	Multifamily Housing	High
R3	<p>Implement zoning incentives for affordable and accessible housing Implement parking reductions and density increases for developments that provide affordable housing targeted at specific AMI levels and percentage of affordable units in the development.</p>	Renter	Affordable	Multifamily Housing	High

Medium and Low Impact Strategies

R4	<p>Clarify rules for non-site-built homes such as tiny homes and prefabricated/modular housing Provide a clear regulatory pathway to allow prefabricated/modular housing and tiny homes on wheels (THOWs) in appropriate locations/zones. Develop a regulatory framework for these housing types that addresses siting, utilities, sanitation, exterior appearance, and other issues.</p>	Both	Workforce, Market	Single Detached, Middle Housing	Medium
R5	<p>Provide more flexibility for housing in commercial zones Evaluate options for providing more flexibility for housing in the NC,</p>	Renter	All	Multifamily Housing	Medium

	<p>CBC, and GC commercial zones. This may include allowing for horizontal mixed-use development (residential behind commercial), only requiring a portion of the ground floor to be commercial uses, or only requiring ground floor commercial in select locations within commercial zones.</p>				
<p>R6</p>	<p>Remove potential barriers of conversion or adaptive reuse of existing buildings for housing Some existing code provisions may discourage the conversion of an existing house to a multi-unit building or the adaptive reuse of a commercial building for housing. Update the City’s non-conforming uses and other provisions to:</p> <ul style="list-style-type: none"> • Allow ground floor spaces to be converted to residential (exception to ground floor commercial requirement) • Provide exception to parking requirements when a building is converted from commercial to residential • Allow non-conforming single-family houses to be expanded and increase non-conformity if they are being converted to a duplex, triplex, or fourplex. • Provide an exception to parking requirements for conversion of single-family detached houses to a duplex, triplex, or fourplex. 	<p>Both</p>	<p>All</p>	<p>Middle Housing and Multifamily Housing</p>	<p>Medium</p>
<p>R7</p>	<p>Provide location-based parking reductions Reduce minimum off-street parking standards to incentivize multifamily dwellings in target areas to lessen barriers to higher density and infill development and reduce the cost of development.</p>	<p>Renter</p>	<p>All</p>	<p>Multifamily Housing</p>	<p>Medium</p>

High Impact Regulatory Strategies

R1 Allow triplexes, fourplexes, and cottage cluster housing in the RL zone

Description	The RL zone currently only allows single-family detached and attached houses, ADUs, and duplexes. This strategy would involve expanding permitted housing types in the RL zone to include triplexes, fourplexes, and cottage clusters. The City would update the code to define triplexes and fourplexes rather than include them within multifamily housing definition. The code change should also define appropriate development and design standards for these housing types that are tailored to existing conditions in the RL zone.
Opportunities	<ul style="list-style-type: none"> • Triplexes, fourplexes, and cottage clusters may be more feasible to develop than single-family houses or duplexes due to lower land costs per unit. It also expands housing development options that are smaller and more affordable. • According to the Buildable Lands Inventory, the RL Zone has just under 200 acres of capacity for development, but the only allowed housing types are single-family houses, duplexes, and ADUs. This code change would create opportunities for smaller and more affordable units across a large area.
Constraints	<ul style="list-style-type: none"> • Triplexes, fourplexes, and cottage clusters may be perceived as incompatible with established patterns of some neighborhoods with predominantly single-family zones. This issue can be mitigated with appropriate development and design standards. • Some areas in the RL zone may require infrastructure extensions or upgrades to service new housing. This constraint also applies to single-family housing.
Administrative Time	Medium
Funding Needs	Low
Magnitude of Impact	High

R2 Increase maximum density in the RM, RH, and NC Zones

Description	The maximum density or minimum lot area standards that apply in the RM, RH, and NC zones may create barriers to development of middle housing and multi-family housing in these zones, especially on smaller sites. This strategy would involve revising those standards to improve economic feasibility of developing these housing types, ensure efficient use of land, and encourage smaller unit sizes. Specific density and lot area standards are not proposed at this stage. However, it is common for middle housing projects on smaller sites to exceed the 21 units per acre that is allowed in the RM and NC zone and for 3-story apartment projects to exceed the 29 units per acre allowed in the RH zone. Further study of desired housing/building types is recommended in order to best calibrate the maximum density and minimum lot area standard.
Opportunities	<ul style="list-style-type: none"> • Enable development of apartment buildings on more sites. Providing more opportunities for high density housing in these zones could help to spur more multifamily housing in the City. • Reduce land costs per unit and overall cost of development. Allowing higher densities enables the cost of land to be spread across more units, improving economic feasibility of development. • Encourage smaller units. If a developer has reached the maximum density and cannot add more units but the zoning envelope would otherwise allow a larger building, then the developer is likely to build larger units. A higher maximum density encourages smaller units.
Constraints	<ul style="list-style-type: none"> • Higher density housing may be perceived as incompatible with established patterns of lot size and house scale in some neighborhoods with predominantly single-family zones. This issue can be mitigated with appropriate development and design standards. • Some areas in these zones may require infrastructure extensions or upgrades to service higher density housing.
Administrative Time	Medium
Funding Needs	Low
Magnitude of Impact	High

R3 Implement zoning incentives for affordable housing and accessible housing

Description	<p>When adopting any code change that increases density, reduces parking requirements, or provides other relief from certain standards, implement additional parking reductions and density increases for developments that provide affordable housing or accessible housing. Affordable housing typically has less parking demand and results in smaller units, so decreased parking requirements and increased density would help both affordable housing developers and market-rate developers pursue affordable or accessible housing development.</p> <p>Incentives for affordable housing would define the level of affordability required as a percentage of Area Median Income (AMI) and overall percentage of units in a development that are affordable. Accessible housing units could require the unit to meet certain standards, such as Universal Design or Lifelong Housing Certification.</p>
Opportunities	<ul style="list-style-type: none"> • Encourage for-profit developers to build needed housing that may otherwise not be feasible to develop, as well as provide additional benefit to affordable housing developers. • Housing developers require higher densities to overcome the high cost of land, spread fixed costs of development across more units, and offset the impact of lower rents/prices for affordable deed-restricted units. • By reducing parking standards, this allows for additional land to be developed for housing and most affordable and accessible housing developments have lower parking demands compared to market rate housing.
Constraints	<ul style="list-style-type: none"> • If the incentive is not set at the right level to be attractive to use, it may not be effective. • Higher density housing may be perceived as incompatible with established patterns of lot size and house scale in some neighborhoods with predominantly single-family zones.
Administrative Time	Medium
Funding Needs	Low
Magnitude of Impact	High

INCENTIVE STRATEGIES

Incentive Strategy Overview Table

Strategy Title + Strategy Description	Tenure <i>Renter, Owner, Both</i>	Income <i>Affordable, Workforce, Market</i>	Housing Type <i>Single Detached, Middle Housing & Multifamily, All</i>	Magnitude of Impact <i>Low, Medium, High</i>
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High Impact Strategies (A detailed description begins in the following section)

I1 Adopt Multi Unit Property Tax Exemption (MUPTE) to incentivize needed housing Design and adopt a Multi-Unit Property Tax Exemption to replace Vertical Housing Tax Zone, specifically considering tax exemptions to offset creation of workforce and multi-family units.	Renter	Affordable, Workforce	Multifamily	High
I2 Proactively pursue the State’s new State Revolving Loan and Find Candidate Projects Continue to work with regional partners to identify candidate projects and proactively pursue applying Oregon Housing and Community Services’ new SB 1537 \$75M State Revolving Loan to fill housing financing gaps. It is recommended this strategy work in tandem with Strategy P1 .	Renter	Affordable, Workforce	All	High

Medium and Low Impact Strategies

I3 Evaluate the feasibility of scaling SDCs Evaluate the fiscal impacts and feasibility of revising the SDC methodology to scale rates to unit size.	Both	All	All	Medium
I4 Allow System Development Charges to be deferred until occupancy Partner with Wasco County to modify permitting and development review procedures so that System Development Charges (SDCs) are not required to be paid until after a housing development is constructed and prior to issuing a final certificate of occupancy.	Both	All	All	Medium

High Impact Incentive Strategies

11 Adopt Multi-Unit Property Tax Exemption (MUPTE) to Incentivize Needed Housing

Description Property tax abatements can stimulate development of critically needed housing types, while being designed to only be available to projects that would otherwise not be feasible. Design and adopt a Multi-Unit Property Tax Exemption to replace the City’s Vertical Housing Tax Zone (VHTZ), specifically considering tax exemptions to offset creation of workforce and multi-family units. The program provides the City flexibility on the project approvals, geography, exemption amount, and public benefits required, e.g.:

- Inclusion of income defined housing
- Accessibility, visitability standards
- Calibrate to incent not-quite-feasible projects

- Opportunities**
- The City can control which projects are eligible and cap the total amount of tax abatement annually.
 - Can be designed to incentivize housing that would not otherwise be built, so it can have a net positive impact on the tax base over time.
 - Incentives customized to City’s needs
 - Support projects not feasible on their own
 - Long-term tax base growth (after 10 year exemption)

Constraints This new program will require additional staff time to administer the program and must be approved by the majority (over 50%) of taxing districts.

Administrative Time High

Funding Needs Medium

Magnitude of Impact High

12 Proactively pursue the State’s new State Revolving Loan and Find Candidate Projects

Description Continue to work with regional partners to identify candidate projects and proactively pursue applying Oregon Housing and Community Services’ new SB 1537 \$75M State Revolving Loan to fill housing financing gaps. It is recommended this strategy work in tandem with **Strategy P1**.

The State Loan Fund provides interest-free loans of \$15,000-\$35,000 per unit with a 10-year payback target to be repaid through the growth in property taxes derived from the new developments. Eligible costs include SDCs, predevelopment costs, construction costs, and land write-downs. The housing provided can include single-family, middle housing, multifamily, and ADUs for-sale or for rent below 120% AMI. Additionally, the housing developments must be taxable and not located in a Tax-Increment Financing District. The loan program will be operational by June 30, 2025. *To see how this process will work, see diagram below.*

- Opportunities**
- The City can utilize **Strategy P1** to identify eligible projects or partners.
 - The funding could be a significant catalyst for affordable or workforce housing development.
 - The funds are flexible for the types of housing that can be developed and where the funds can be used.

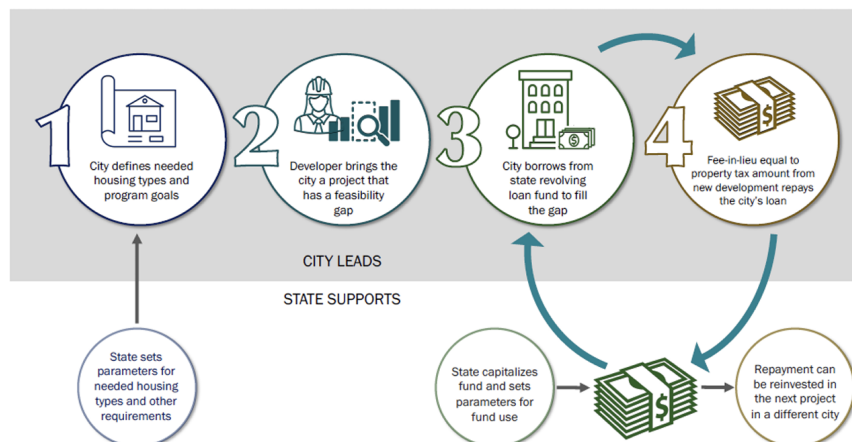
Constraints This will be a competitive funding opportunity, and the City is not guaranteed to receive this funding.

Administrative Time Medium

Funding Needs Low

Magnitude of Impact High

Diagram of the Revolving Loan Fund Process



INVESTMENT STRATEGIES

Investment Strategy Overview Table

Strategy Title + Strategy Description	Tenure <i>Renter, Owner, Both</i>	Income <i>Affordable, Workforce, Market</i>	Housing Type <i>Single Detached, Middle Housing & Multifamily, All</i>	Magnitude of Impact <i>Low, Medium, High</i>
High Impact Strategies (A detailed description begins in the following section)				
V1 Explore implementing a Construction Excise Tax for an additional affordable housing revenue source Explore establishing a Construction Excise Tax (CET) applied to both residential and commercial construction to establish an additional revenue source for affordable housing.	Renter	Affordable	Middle Housing and Multifamily	High
V2 Explore creating/extending urban renewal areas (URAs) that allocate a significant portion of tax increment financing dollars and supportable debt to housing projects Evaluate the feasibility of expanding MI to 2029 without incurring new formal debt and establishing a new, smaller downtown Urban Renewal District following termination of current district and a new West Side Urban Renewal District.	Both	All	All	High
V3 Create downtown strategic plan for housing development and investment The downtown area will be a primary location for denser housing. The City needs a current, focused and actionable plan for downtown that identifies key opportunity sites, and details strategies and investments to increase market demand and accelerate investment.	Renter	All	All	High

Medium and Low Impact Strategies

<p>V4</p>	<p>Prioritize the rehabilitation and conversion of historic buildings in the City for housing Prioritize steps to help rehabilitate and convert historic buildings for housing through specific provisions in URA spending that could be targeted on this outcome, waiving fees (connect with Incentive Strategies and Strategy R7), and other opportunities for buildings to be reused including UR funding for roof replacement, seismic upgrades and fire suppression systems. Urban Renewal investment is critical, since downtown is characterized by historic buildings with concomitant structural and code challenges. These present economic barriers for building owners contending with commercial financing constraints and high insurance costs.</p>	<p>Both</p>	<p>All</p>	<p>All</p>	<p>Medium</p>
<p>V5</p>	<p>Continue to target and prioritize infrastructure to support housing Continue to evaluate Capital Improvement Program (CIP) to ensure sufficient prioritization of infrastructure projects that support new housing development.</p>	<p>Both</p>	<p>Workforce and Market</p>	<p>All</p>	<p>Low-Medium</p>

High Impact Investment Strategies

V1 Explore implementing a Construction Excise Tax for an additional affordable housing revenue source

Description	A Construction Excise Tax (CET) is a tax on construction projects that can be used to fund affordable housing. Explore establishing a Construction Excise Tax (CET) applied to both residential and commercial construction to establish an additional revenue source for affordable housing. According to state statutes, the tax may be imposed on improvements to real property that result in a new structure or additional square footage in an existing structure. CET can only tax up to 1% of the permit valuation for residential construction permits. The City may also tax on the permit value of commercial and industrial taxes, and there is no cap to the rate for commercial and industrial tax.
Opportunities	The primary benefit of a CET is a dedicated source of revenue for housing programs. It also provides the option to create a linkage between new commercial or industrial development and investment in housing.
Constraints	CET can reduce the financial feasibility of a development project, or it may be passed on to consumers in the form of higher costs (if the market will bear a higher rent/price).
Administrative Time	High
Funding Needs	Medium
Magnitude of Impact	High

V2 Explore creating new urban renewal areas (URAs) that allocate a significant portion of tax increment financing dollars and supportable debt to housing projects

Description	Urban Renewal districts are an effective tool for funding investments that support housing development in specific locations. Evaluate the feasibility of expanding MI to 2029 without incurring new formal debt and establishing a new, smaller downtown Urban Renewal District following termination of current district and a new West Side Urban Renewal District. There is opportunity to expand MI without incurring new formal debt or extending the current district termination. This would generate new revenue to invest in and encourage housing development. Also, consider key areas of the City that need investment for housing development to occur including the City's West Side, a new Urban Renewal District downtown after the current District terminates, or both.
Opportunities	<ul style="list-style-type: none"> • A new URA could be organized from the outset to focus on promoting housing development. • A new Columbia Gateway downtown district could focus on housing and mixed-use development to encourage housing in a walkable, high amenity area, including multi-unit development along First Street.
Constraints	<ul style="list-style-type: none"> • The size of the URA may be limited by state law if it is put in place prior to the closure of the existing URA. • The URA must be approved by other taxing jurisdictions.
Administrative Time	High
Funding Needs	Medium
Magnitude of Impact	High

V3 Create downtown strategic plan for housing development and investment

Description	<p>The downtown area will be a primary location for denser housing. The City needs a current, focused and actionable plan for downtown that identifies key opportunity sites, and details strategies and investments to increase market demand and accelerate investment. The plan would identify catalytic public investments to increase market demand through:</p> <ul style="list-style-type: none"> - Prioritization of key sites or areas through the City’s Capital Improvement - Identification of opportunity sites and partner with property owner to conduct preliminary redevelopment concepts and feasibility assessment to help prepare the site for development readiness - Acquisition of key site(s) and partner with a land trust to facilitate the development of needed housing (see land strategies) - Identification of specific areas of downtown to focus required ground floor commercial while providing flexibility in other areas of downtown (see Strategy R5) - Analysis to expand existing incentive tools or create new tools, such as URA incentives, to provide grants and other funding opportunities to encourage new housing development and meet other potential downtown goals
Opportunities	<p>This plan would not only identify opportunities to incentivize and remove barriers to housing development in downtown but could also provide strategic planning on other goals for the City’s downtown.</p>
Constraints	<p>This plan would require additional funding to hire a consultant.</p>
Funding Needs	<p>Medium</p>
Magnitude of Impact	<p>High</p>

LAND STRATEGIES

Land Strategy Overview Table

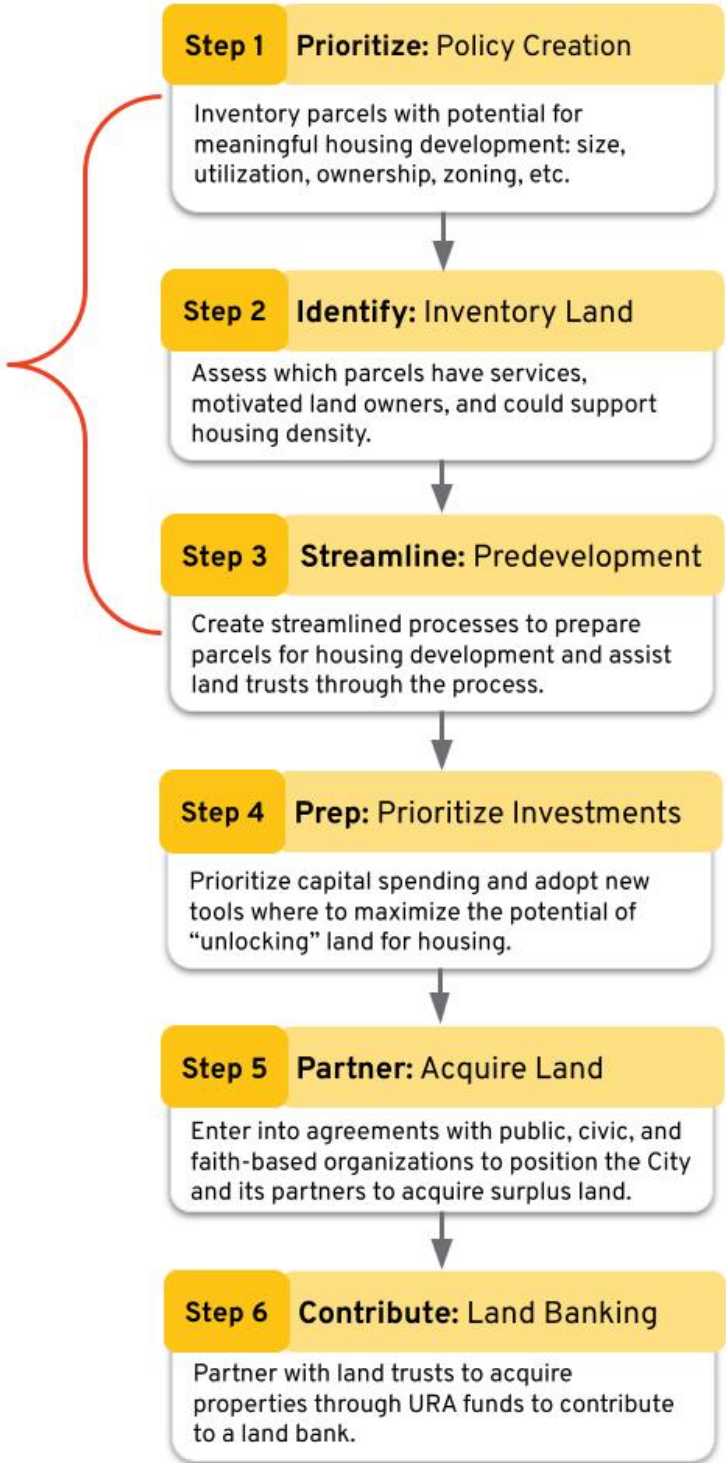
Strategy Title + Strategy Description	Tenure <i>Renter, Owner, Both</i>	Income <i>Affordable, Workforce, Market</i>	Housing Type <i>Single Detached, Middle Housing, Multifamily, All</i>	Magnitude of Impact <i>Low, Medium, High</i>
L1 Prioritize the use of surplus public land for housing needs Adopt a policy that prioritizes selling or dedicating any surplus publicly-owned land to meet housing needs when feasible and appropriate.	Both	All	All	High
L2 Create an inventory of public, underutilized, and foreclosed properties Create an inventory of sites for housing development that are publicly-owned, underutilized, or foreclosed properties. The inventory can also include older, distressed properties that may be targeted for acquisition by a non-profit affordable housing operator.	Both	All	All	High
L3 Establish streamlined process and assist land trusts through key pre-development steps Create steps to streamline processes such as lot splits, zoning changes, and other pre-development steps for land trusts. Additionally, help to facilitate the transfer of ownership from public, underutilized, and foreclosed properties to land trust.	Both	All	All	High
L4 Study how capital spending can most efficiently make land development ready for housing development The City can use data collected for the Buildable Land Inventory (BLI), then conduct additional analysis to identify properties from the L2 strategy most suitable for development in the short-term, based on infrastructure conditions, location, and other factors. The CIP process is a likely opportunity to complete this analysis.	Both	All	All	High

<p>L5</p>	<p>Formalize agreements that improve the chances of the City or its designees to acquire land for eventual housing production Adopt a set of formal Intergovernmental Agreements (IGAs) between the City and other public agencies that grants the City or its designees the right of first refusal of surplus or foreclosed properties. Designees could include a land bank, land trust, or non-profit affordable housing developers. Agreements or potential agreements with IGAs could include the County, school board, or other public, civic, or faith-based institutions.</p>	<p>Both</p>	<p>All</p>	<p>All</p>	<p>High</p>
<p>L6</p>	<p>Partner with a Land Trust to create land bank by utilizing URA funds to acquire properties The inventory created in Strategy L2 should also be shared with the Urban Renewal Agency (URA) to inform strategic site acquisition related to needed housing in future URAs to create a land bank in partnership with a Land Trust.</p>	<p>Both</p>	<p>All</p>	<p>All</p>	<p>High</p>

Step-by-Step Process of Land-Base Strategies

The land-based set of strategies are unique ways the City can play a more proactive role in unlocking land for housing production. Cities have a unique role in creating sites ready for development through ways that private entities do not, such as improving entitlements, modifying how land is used, streamlining subdivision of land, reducing land cost, and offering first right of refusal through agreements.

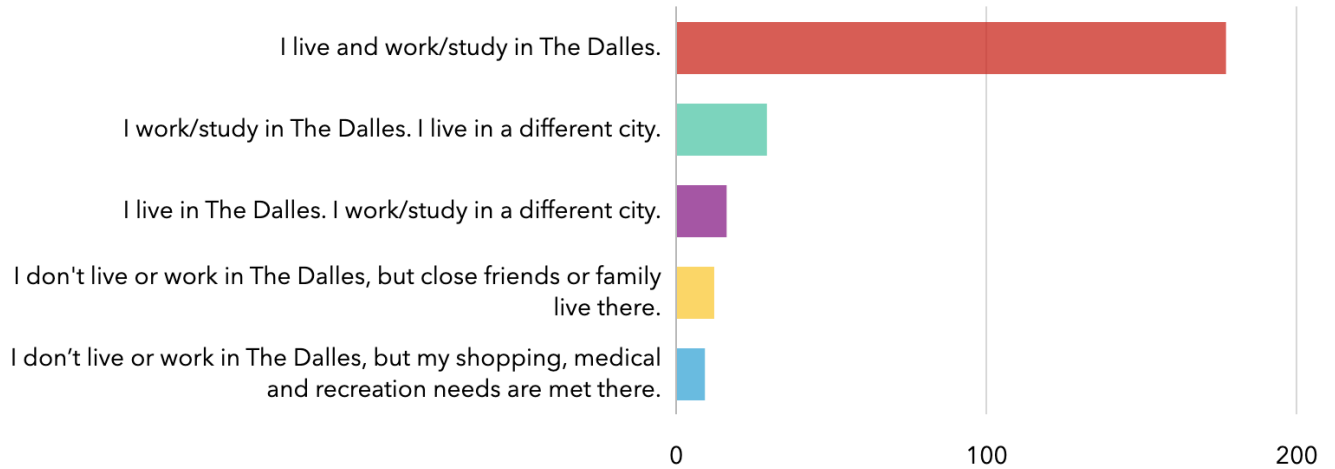
The City could pursue any of these strategies in isolation but taken as a whole, these can greatly improve the process of unlocking land for housing production. The strategies are presented as a step-by-step process to demonstrate the series of actions to prioritize, prepare, and provide land for housing development. The first three steps highlighted are foundational to the process and are recommended for the City to pursue as the first few steps in playing an active role in preparing land for housing production.



The Dalles Housing Production Strategy Survey 2024

244 responses

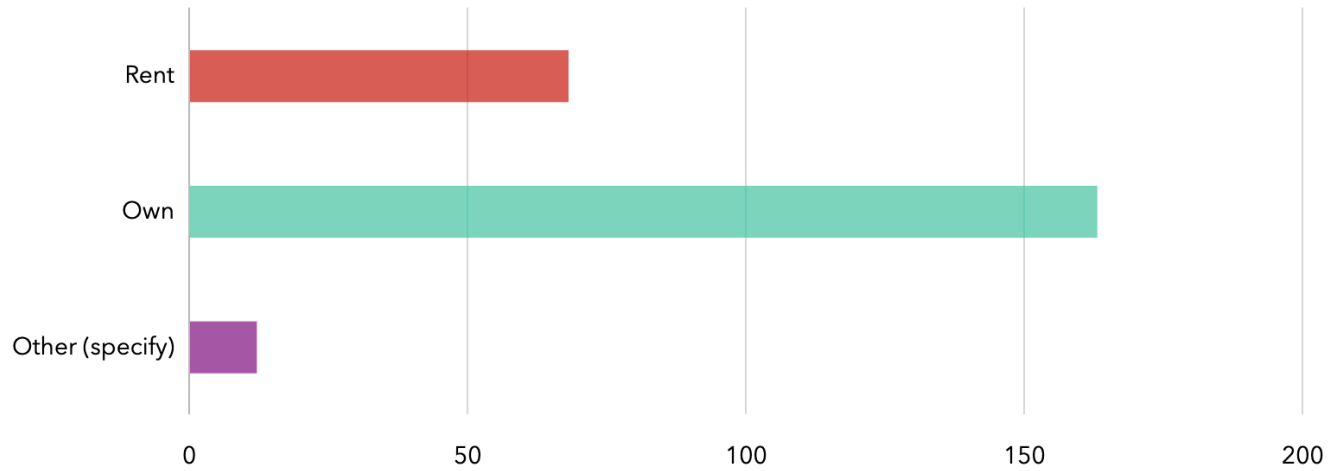
1. Which of the following best describes your relationship to The Dalles?



Answers	Count	Percentage
I live and work/study in The Dalles.	177	72.54%
I work/study in The Dalles. I live in a different city.	29	11.89%
I live in The Dalles. I work/study in a different city.	16	6.56%
I don't live or work in The Dalles, but close friends or family live there.	12	4.92%
I don't live or work in The Dalles, but my shopping, medical and recreation needs are met there.	9	3.69%

Answered: 243 Skipped: 1

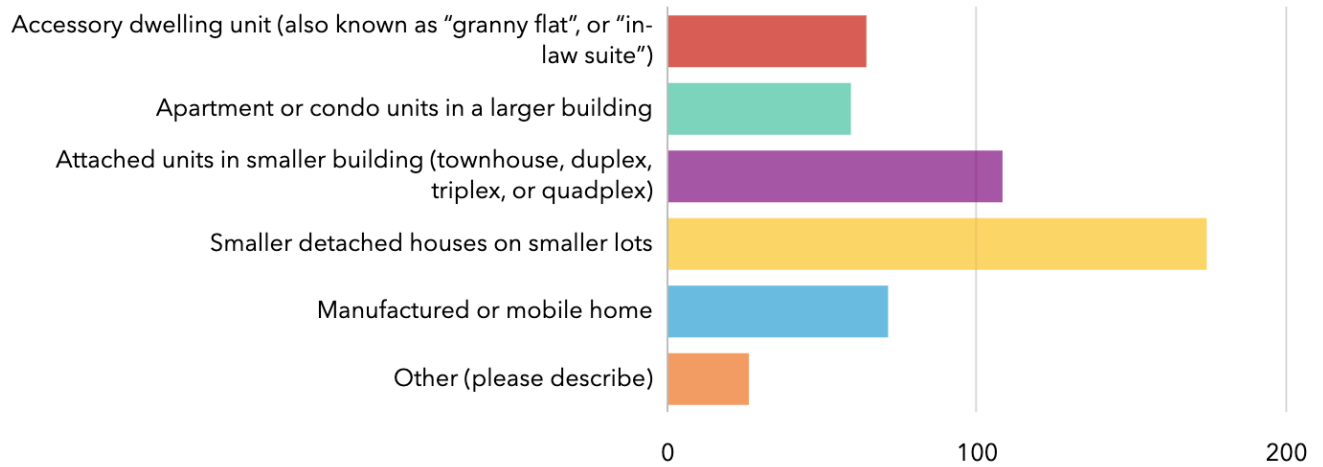
2. Do you rent or own your home?



Answers	Count	Percentage
Rent	68	27.87%
Own	163	66.8%
Other (specify)	12	4.92%

Answered: 243 Skipped: 1

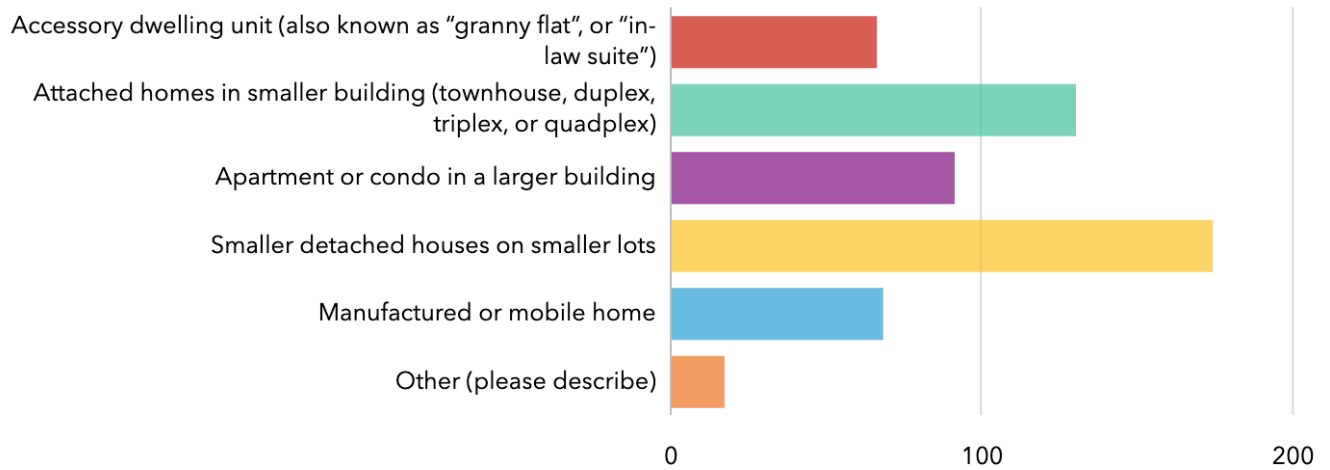
3. If you were searching for a smaller home, which of these housing types would meet your needs?



Answers	Count	Percentage
Accessory dwelling unit (also known as "granny flat", or "in-law suite")	64	26.23%
Apartment or condo units in a larger building	59	24.18%
Attached units in smaller building (townhouse, duplex, triplex, or quadplex)	108	44.26%
Smaller detached houses on smaller lots	174	71.31%
Manufactured or mobile home	71	29.1%
Other (please describe)	26	10.66%

Answered: 242 Skipped: 2

4. Considering the need for smaller homes, which type of housing do you think would best meet the needs of people you know in The Dalles (family, friends, etc.)?

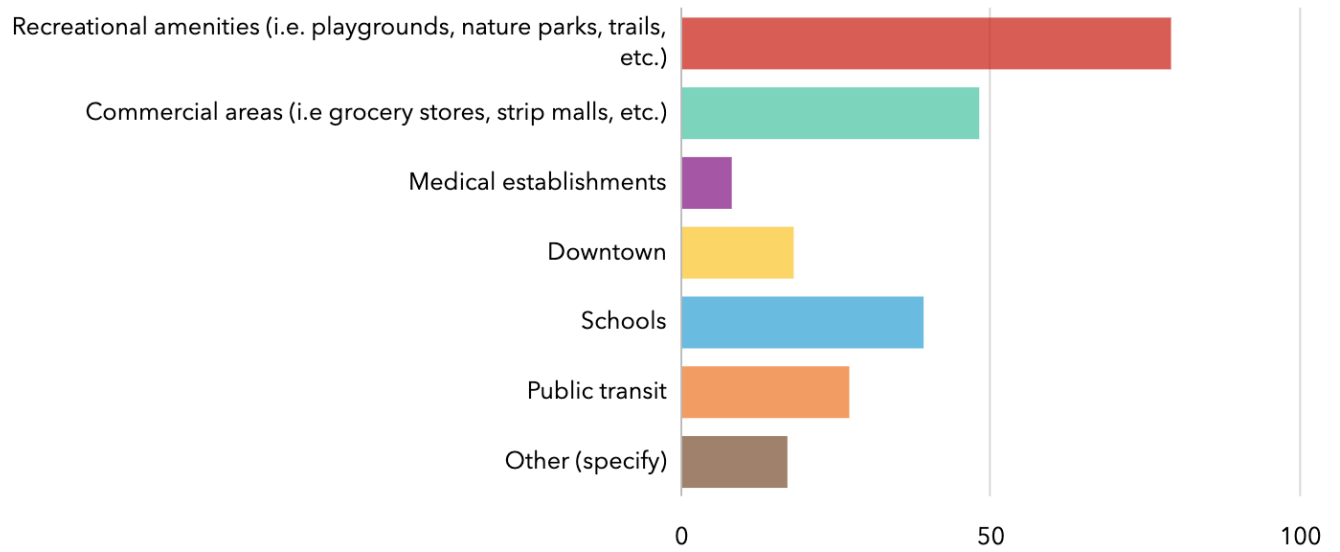


Answers	Count	Percentage
Accessory dwelling unit (also known as "granny flat", or "in-law suite")	66	27.05%
Attached homes in smaller building (townhouse, duplex, triplex, or quadplex)	130	53.28%
Apartment or condo in a larger building	91	37.3%
Smaller detached houses on smaller lots	174	71.31%
Manufactured or mobile home	68	27.87%
Other (please describe)	17	6.97%

Answered: 239 Skipped: 5

5. What would you like to see housing development near?

First Choice

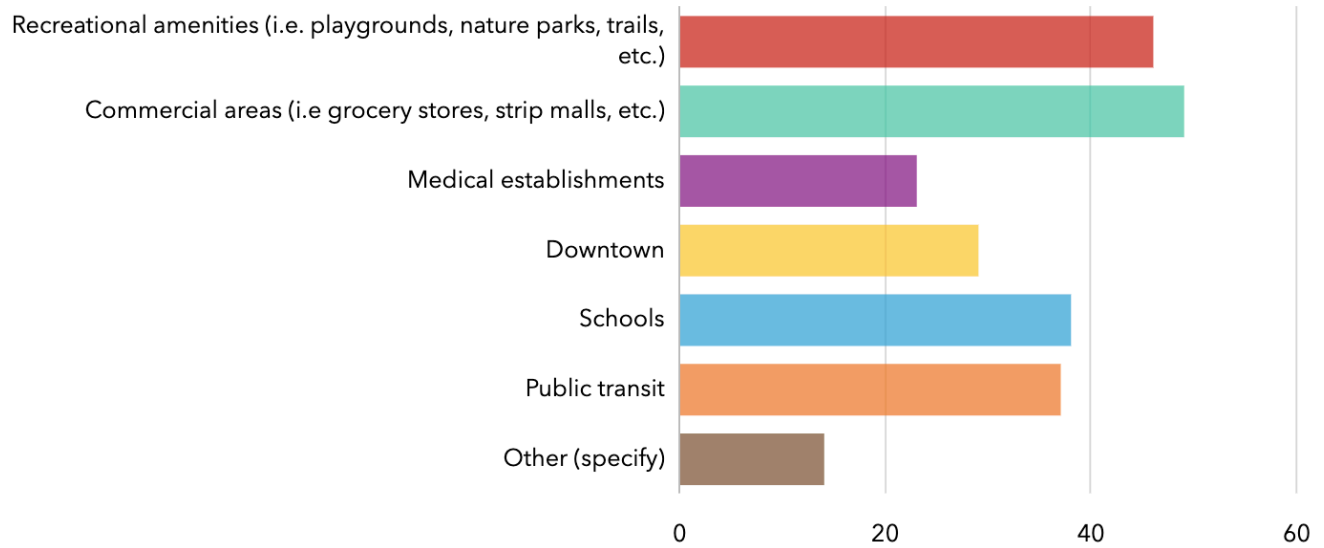


Answers	Count	Percentage
Recreational amenities (i.e. playgrounds, nature parks, trails, etc.)	79	32.38%
Commercial areas (i.e. grocery stores, strip malls, etc.)	48	19.67%
Medical establishments	8	3.28%
Downtown	18	7.38%
Schools	39	15.98%
Public transit	27	11.07%
Other (specify)	17	6.97%

Answered: 236 Skipped: 8

5. What would you like to see housing development near?

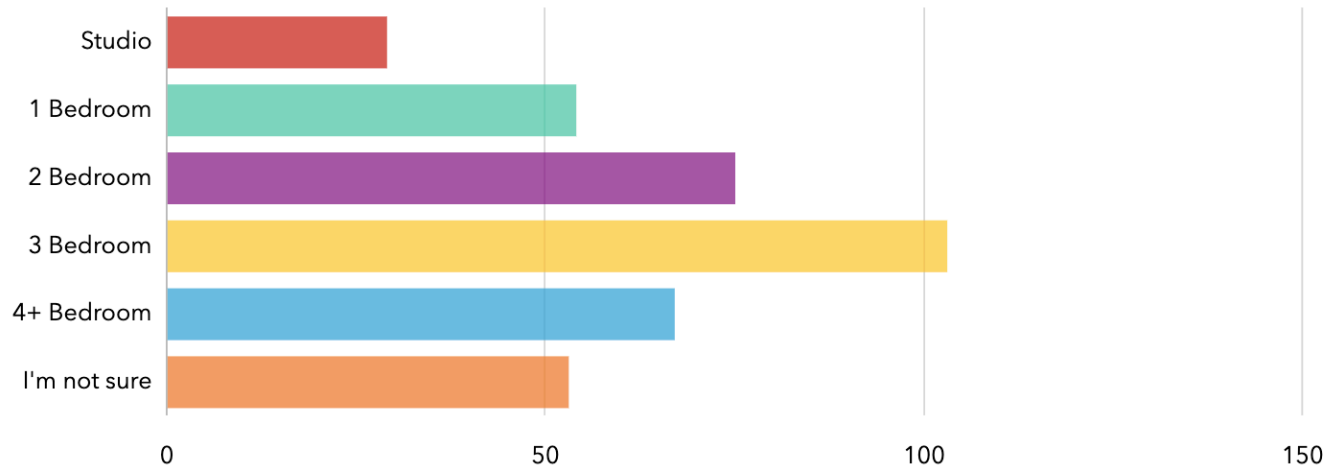
Second Choice



Answers	Count	Percentage
Recreational amenities (i.e. playgrounds, nature parks, trails, etc.)	46	18.85%
Commercial areas (i.e. grocery stores, strip malls, etc.)	49	20.08%
Medical establishments	23	9.43%
Downtown	29	11.89%
Schools	38	15.57%
Public transit	37	15.16%
Other (specify)	14	5.74%

Answered: 236 Skipped: 8

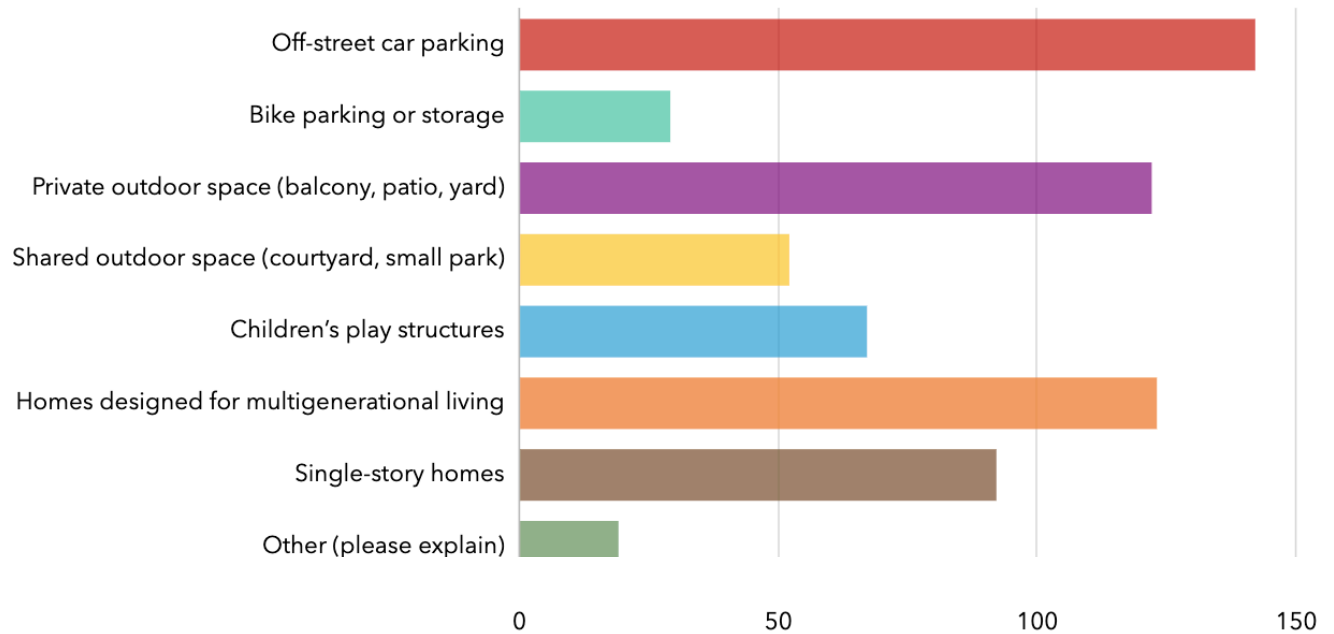
6. In your experience, which types of homes do you think are the most challenging to find in The Dalles?



Answers	Count	Percentage
Studio	29	11.89%
1 Bedroom	54	22.13%
2 Bedroom	75	30.74%
3 Bedroom	103	42.21%
4+ Bedroom	67	27.46%
I'm not sure	53	21.72%

Answered: 240 Skipped: 4

7. Which amenities or features related to housing are most important to you, but are often missing in homes in The Dalles?



[Hide table](#)

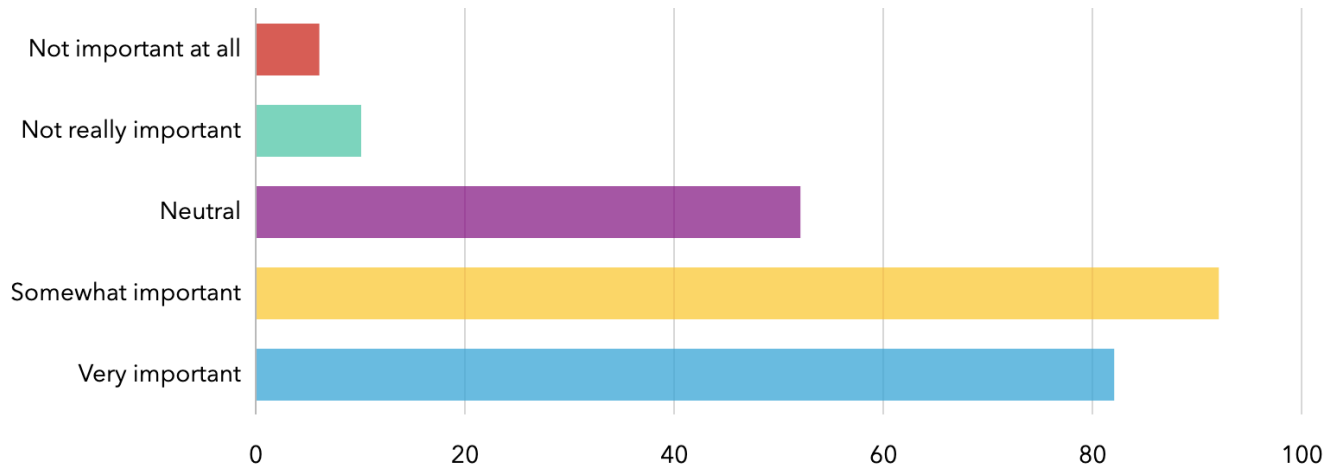
Other response Empty categories

Answers	Count	Percentage
Off-street car parking	142	58.2%
Bike parking or storage	29	11.89%
Private outdoor space (balcony, patio, yard)	122	50%
Shared outdoor space (courtyard, small park)	52	21.31%
Children's play structures	67	27.46%
Homes designed for multigenerational living	123	50.41%
Single-story homes	92	37.7%
Other (please explain)	19	7.79%

Answered: 239 Skipped: 5

8. The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes? Please rate each priority from not important to very important.

a. Create more opportunities to build for-sale homes

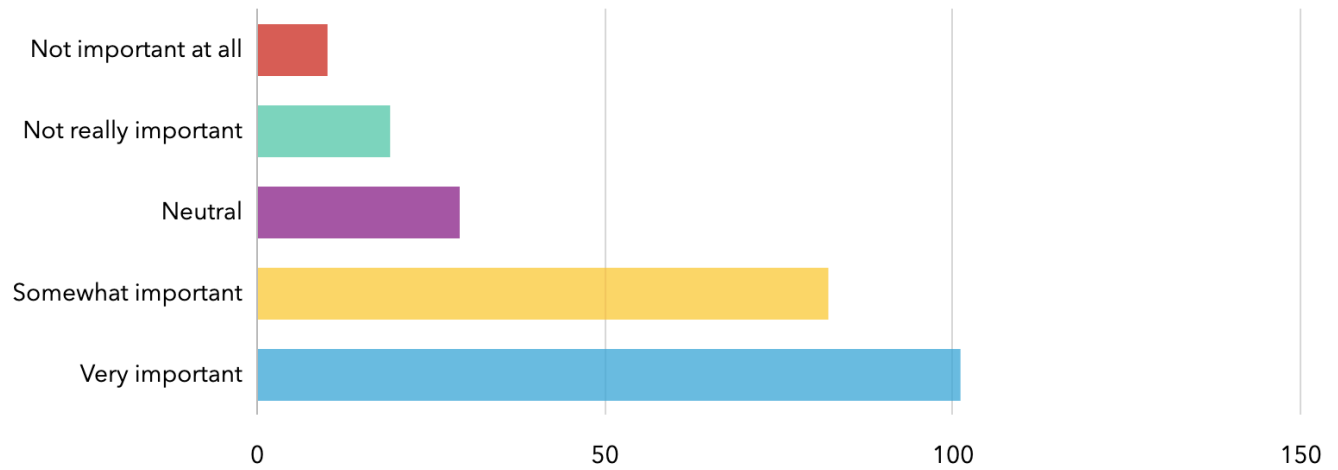


Answers	Count	Percentage
Not important at all	6	2.46%
Not really important	10	4.1%
Neutral	52	21.31%
Somewhat important	92	37.7%
Very important	82	33.61%

Answered: 242 Skipped: 2

8. The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes? Please rate each priority from not important to very important.

b. Create more opportunities to build rental homes

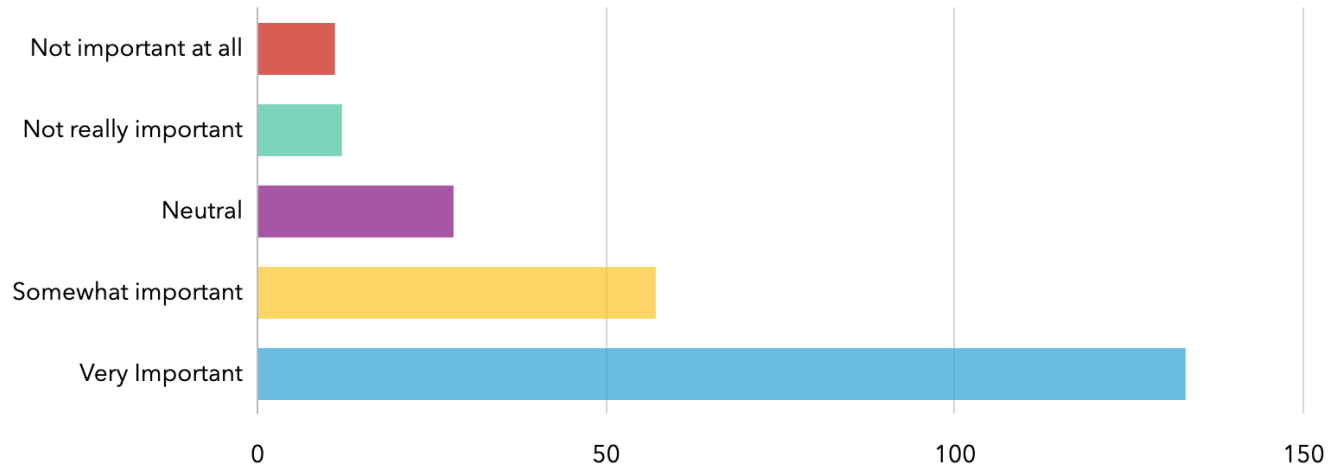


Answers	Count	Percentage
Not important at all	10	4.1%
Not really important	19	7.79%
Neutral	29	11.89%
Somewhat important	82	33.61%
Very important	101	41.39%

Answered: 241 Skipped: 3

8. The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes? Please rate each priority from not important to very important.

c. Reducing barriers to building unconventional housing types like tiny homes or modular homes

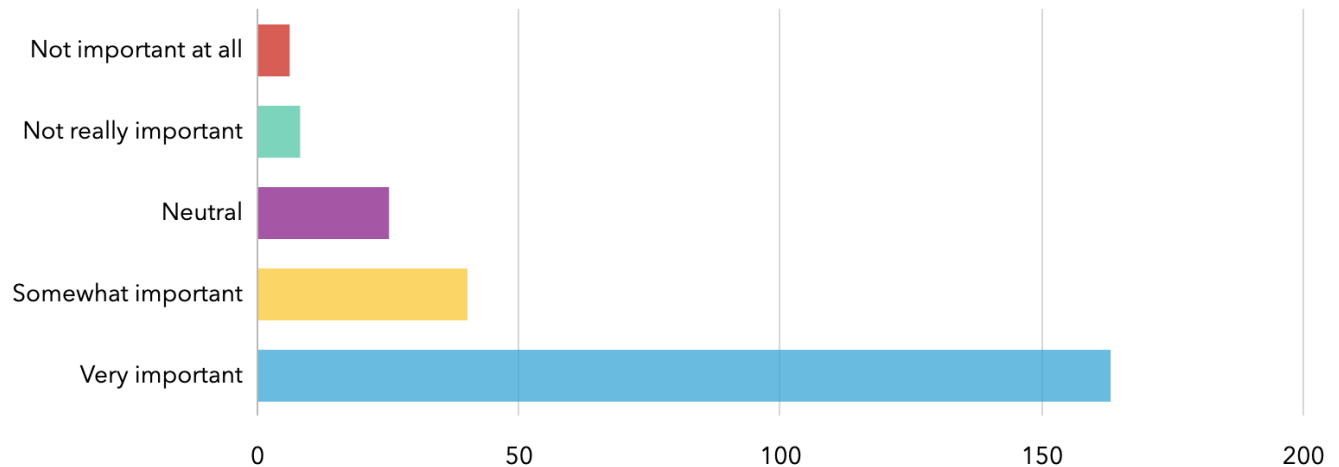


Answers	Count	Percentage
Not important at all	11	4.51%
Not really important	12	4.92%
Neutral	28	11.48%
Somewhat important	57	23.36%
Very Important	133	54.51%

Answered: 241 Skipped: 3

8. The City may make changes to zoning and land use rules to encourage more housing production. In your view, what goals should the City prioritize when designing these changes? Please rate each priority from not important to very important.

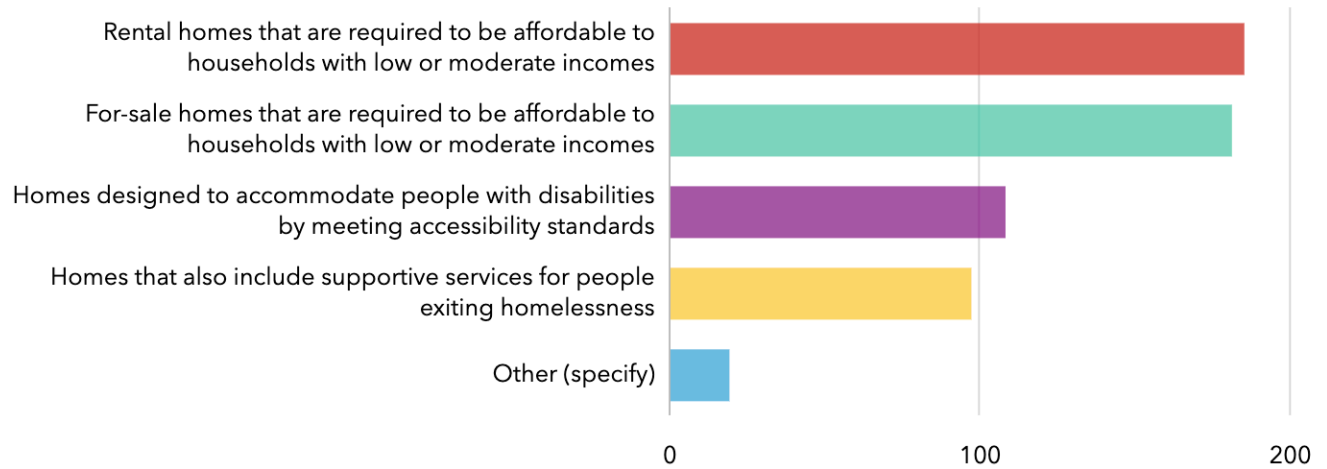
d. Using zoning rules to encourage builders to provide units that are required to be affordable to households with low or moderate incomes



Answers	Count	Percentage
Not important at all	6	2.46%
Not really important	8	3.28%
Neutral	25	10.25%
Somewhat important	40	16.39%
Very important	163	66.8%

Answered: 242 Skipped: 2

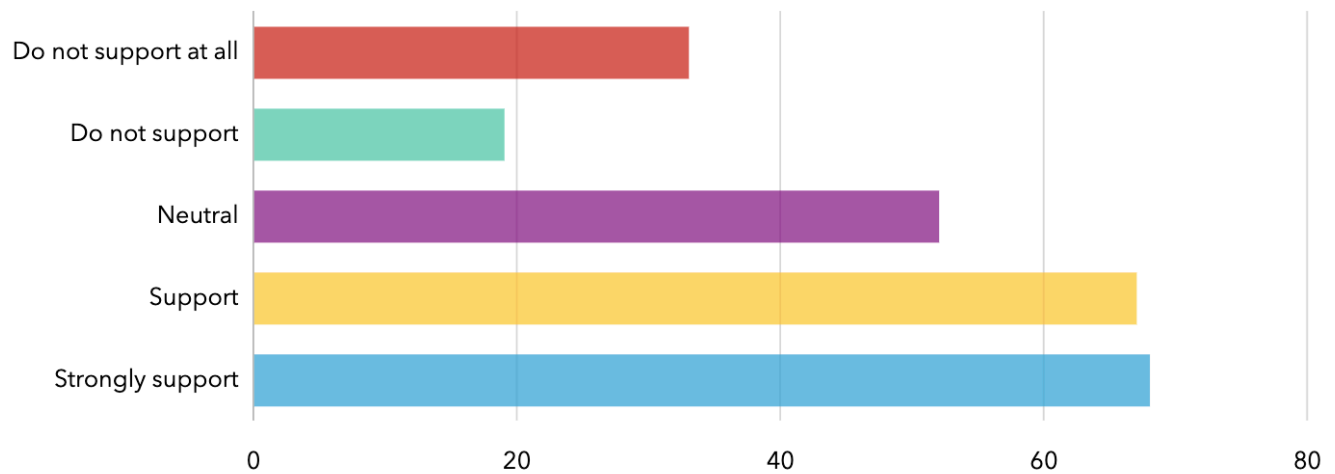
9. If the City were to offer a reduction in fees or taxes for builders that provide certain types of housing, what type of housing should receive this benefit?



Answers	Count	Percentage
Rental homes that are required to be affordable to households with low or moderate incomes	185	75.82%
For-sale homes that are required to be affordable to households with low or moderate incomes	181	74.18%
Homes designed to accommodate people with disabilities by meeting accessibility standards	108	44.26%
Homes that also include supportive services for people exiting homelessness	97	39.75%
Other (specify)	19	7.79%

Answered: 239 Skipped: 5

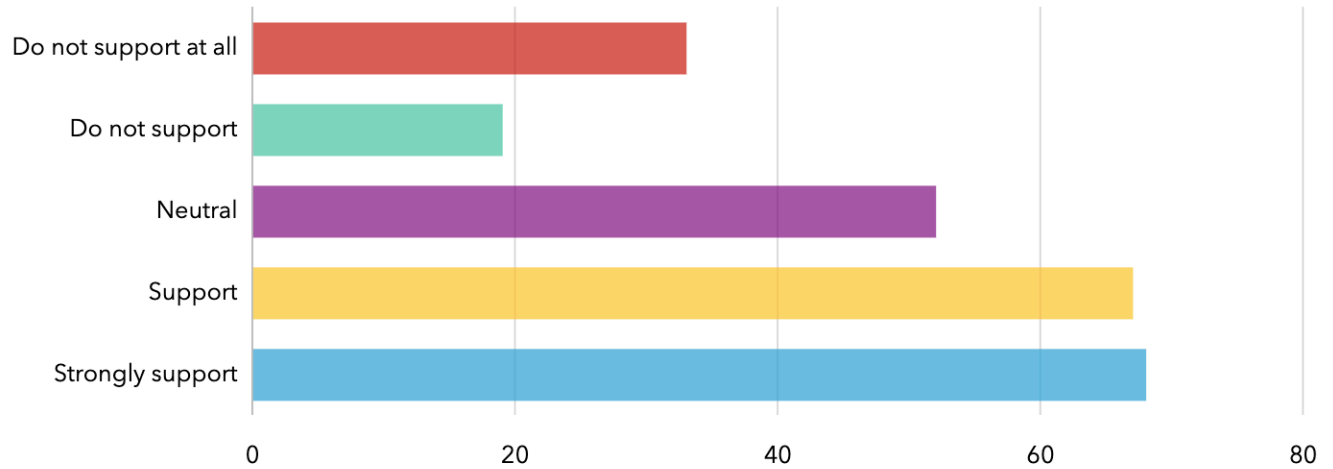
10. The City is looking for ways to raise revenue to fund affordable programs. Would you support a tax on new commercial and industrial development (limited to 1% of construction value) in order to fund affordable housing programs?



Answers	Count	Percentage
Do not support at all	33	13.52%
Do not support	19	7.79%
Neutral	52	21.31%
Support	67	27.46%
Strongly support	68	27.87%

Answered: 239 Skipped: 5

11. Would you support the City working with other government agencies and institutions to repurpose land that is no longer needed for public uses to build affordable housing?

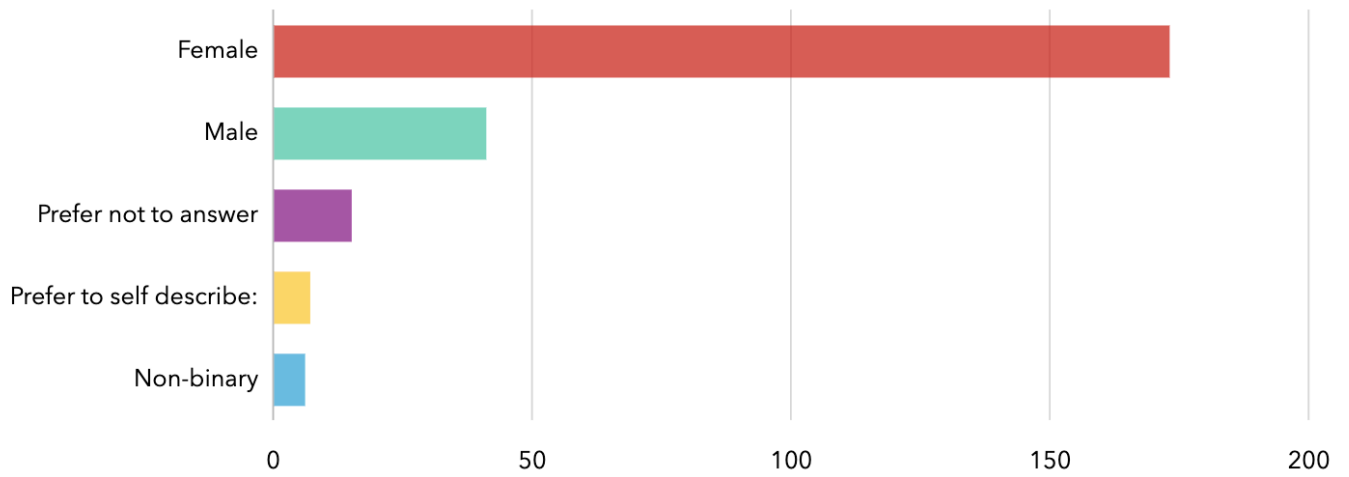


Answers	Count	Percentage
Do not support at all	33	13.52%
Do not support	19	7.79%
Neutral	52	21.31%
Support	67	27.46%
Strongly support	68	27.87%

Answered: 239 Skipped: 5

Answered: 240 Skipped: 4

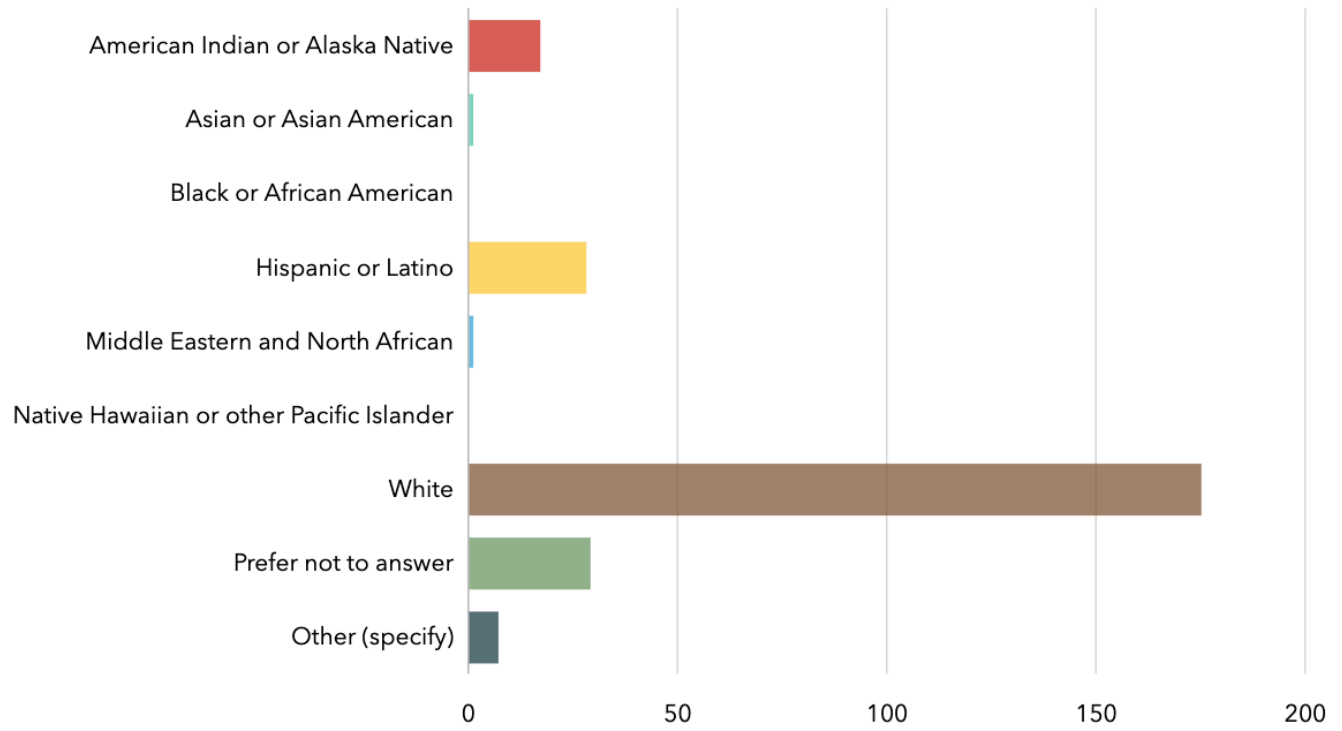
13. How do you identify your gender?



Answers	Count	Percentage
Female	173	70.9%
Male	41	16.8%
Prefer not to answer	15	6.15%
Prefer to self describe:	7	2.87%
Non-binary	6	2.46%

Answered: 242 Skipped: 2

14. Which of the below best describes your race/ethnicity?



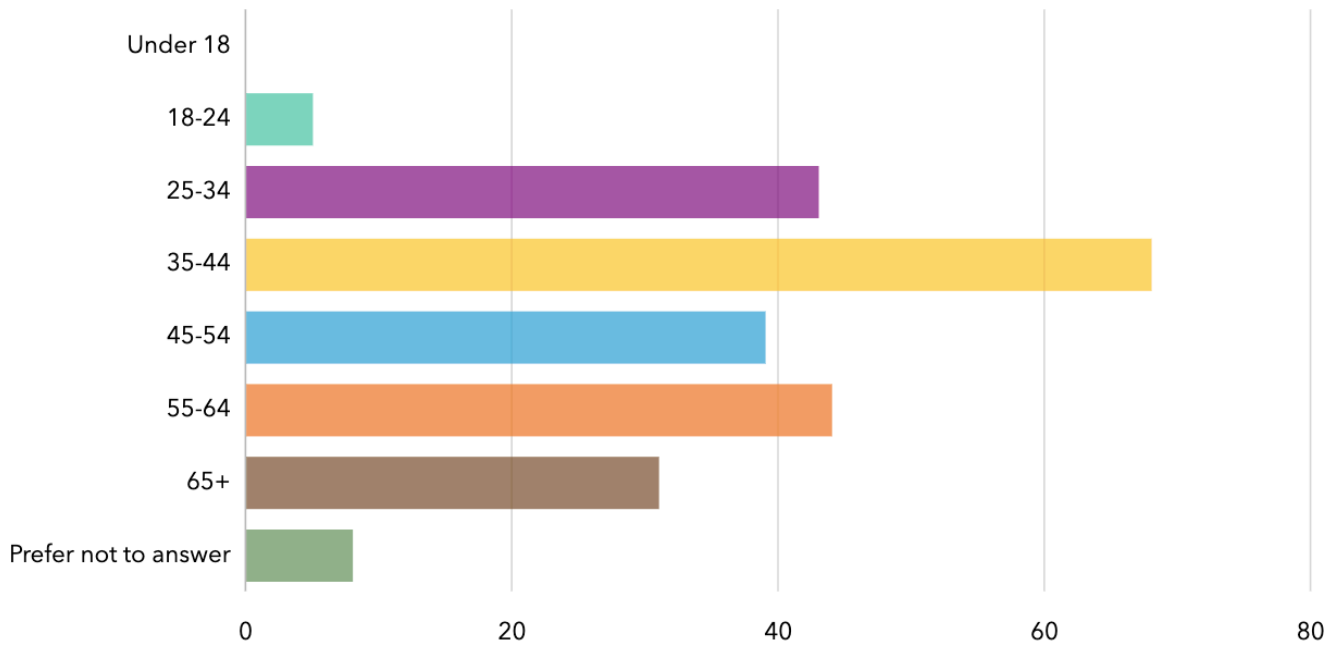
[Hide table](#)

Other response
 Empty categories
 Sort

Answers	Count	Percentage
American Indian or Alaska Native	17	6.97%
Asian or Asian American	1	0.41%
Black or African American	0	0%
Hispanic or Latino	28	11.48%
Middle Eastern and North African	1	0.41%
Native Hawaiian or other Pacific Islander	0	0%
White	175	71.72%
Prefer not to answer	29	11.89%
Other (specify)	7	2.87%

Answered: 241 Skipped: 3

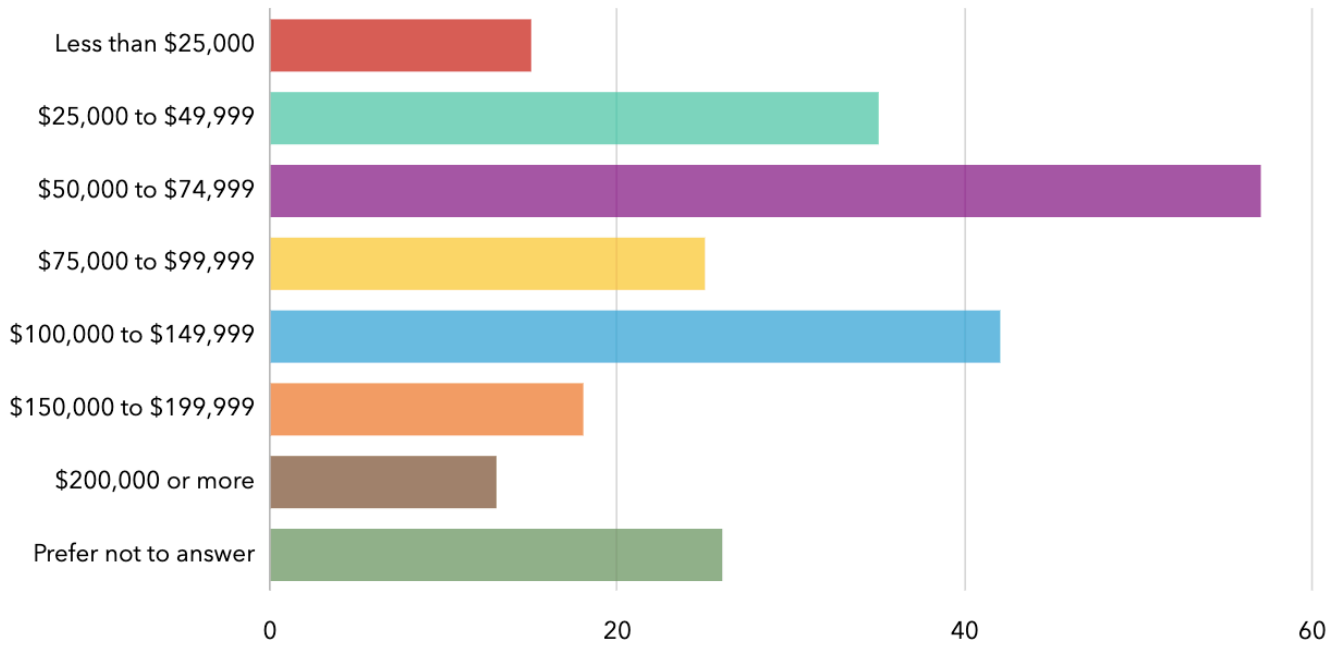
15. What is your age?



Answers	Count	Percentage
Under 18	0	0%
18-24	5	2.05%
25-34	43	17.62%
35-44	68	27.87%
45-54	39	15.98%
55-64	44	18.03%
65+	31	12.7%
Prefer not to answer	8	3.28%

Answered: 238 Skipped: 6

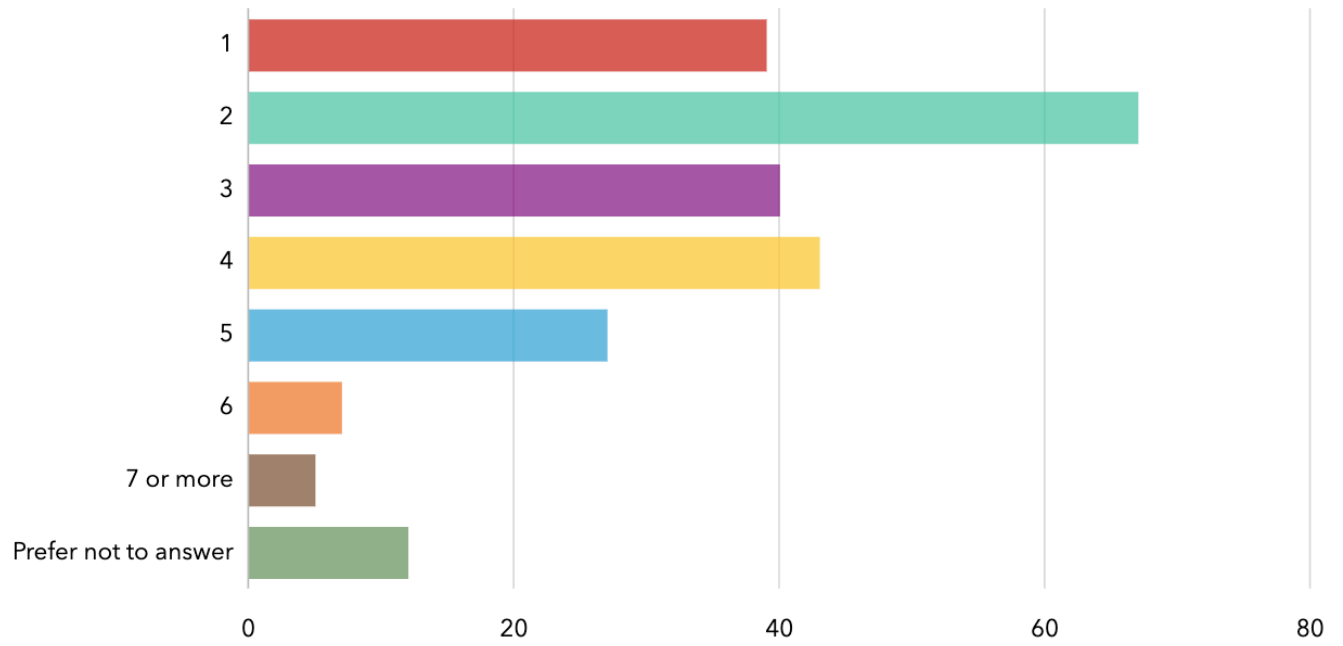
16. What is your total annual household income before taxes?



Answers	Count	Percentage
Less than \$25,000	15	6.15%
\$25,000 to \$49,999	35	14.34%
\$50,000 to \$74,999	57	23.36%
\$75,000 to \$99,999	25	10.25%
\$100,000 to \$149,999	42	17.21%
\$150,000 to \$199,999	18	7.38%
\$200,000 or more	13	5.33%
Prefer not to answer	26	10.66%

Answered: 231 Skipped: 13

17. How many people, including yourself, live in your household?



Answers	Count	Percentage
1	39	15.98%
2	67	27.46%
3	40	16.39%
4	43	17.62%
5	27	11.07%
6	7	2.87%
7 or more	5	2.05%
Prefer not to answer	12	4.92%

Answered: 240 Skipped: 4



AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11B

MEETING DATE: January 27, 2025

TO: Honorable Mayor and City Council

FROM: Jonathan Kara, City Attorney

ISSUE: Adopting Resolution No. 25-006, a resolution amending the City Fee Schedule (effective February 1, 2025)

BACKGROUND:

The City Fee Schedule was established in 2001 and provides both the City and the public with a catalog of charges for the City's provision of municipal services. The City typically reviews and revises the City Fee Schedule on an annual basis to reflect increases to the City's costs for its provision of services, and the most recent update occurred January 9, 2024.

A marked-up copy of the proposed City Fee Schedule (effective **February 1, 2025**) is attached to and made part of the proposed Resolution No. 25-006 as **Exhibit 1**. If Council adopts the Resolution, the adopted City Fee Schedule will be published containing only the final adopted fees (i.e., without the PROPOSED column in Exhibit 1). Any text contained in Exhibit 1 in red-color font indicates either an addition or deletion.

All City Department Managers reviewed the current City Fee Schedule and the following Departments propose the following amendments, only:

Public Works Department

- Increasing the **After-Hours Call-Out** fee (when Public Works staff responds to after-hours calls) from **\$20.00** to **\$30.00** to account for overtime.
- Clarifying the **Annual Monitoring** fee for industrial pretreatment users is actually charged semi-annually and that it is assessed at the **City's actual costs**. This is not a new fee.
- Public Works staff addressed two issues related to water rates that arose after adoption of the Water System Master Plan—

1. **Residential Monthly Base Water Rate.** City Council authorized a reduction in the Base Rate volume from 10,000 gallons to 7,500 gallons as a move toward industry standard practices and to be consistent with the normalization of water rates conducted by funding agencies (which assumes 7,500 gallons of monthly residential consumption). While implementing that authorized revision, Public Works staff realized that many of its older water meters still read in thousands of gallons so an allowance of 7,500 gallons could not be accurately metered. Public Works staff's proposed solution is to reduce the monthly allowance to 7,000 gallons to still address the intended objectives.
2. **Water SDCs for New Residential Developments.** Near the end of its October 23, 2024, Water System Master Plan work session, Council directed staff to keep the base SDC "per unit" rate unchanged from the current rate and to implement the updated scaling factor used to assess SDCs to larger water meters for nonresidential (commercial and industrial) developments only, resulting in some increases in Water SDCs assessed for new commercial and industrial developments that install larger water meters. That was a brief discussion at the end of a long work session and it was staff's understanding Council's intent was to avoid raising the Water SDC rates for residential developments at this time and allow that issue to be addressed in the future Housing Production Strategy discussions. The standard water meter size for a single-family residence is $\frac{3}{4}$ -inch and the SDC for that meter size will remain unchanged. The updated scaling factors for residential developments with meters larger than $\frac{3}{4}$ -inch actually provide lower Water SDC rates than the current rates. Therefore, Public Works staff used its interpretation of the Council's intent and proposed the new scaling factors for residential and non-residential developments in the proposed Fee Schedule, which benefits residential developments with larger-than-standard water meters. That revision does not preclude consideration of residential SDC adjustments in the upcoming Housing Production Strategy.

Community Development Department

- Clarifying the difference between the current **Building Permit – Major** fee and **Building Permit – Minor** fee and emphasizing those fees only apply to **Residential** developments (i.e., contingent on whether the *residential* development results in the creation of a dwelling unit).
- Adding a **Commercial Building Permit** fee of **\$140.00**. This is not a new or increased fee—Community Development Department staff has historically assessed commercial building permits under the current Fee Schedule's **Building Permit – Major** fee of \$140.00, but recommends adding it here as a separate line in the proposed Fee Schedule for enhanced clarity to the public.
- Adding a **Land Use Compatibility Statement (LUCS) Review** fee of **\$60.00** to account for at least one hour of Community Development Director time to ensure the State of Oregon mandate is fulfilled.
- Adding a **Land Use Application Expiration Timeline Extension** fee of **\$60.00** for at least one hour of Community Development Director time to ensure the State of

Oregon mandate is fulfilled.

- Adding a ***Sign – Refacing*** fee of **\$40.00** to clarify that existing businesses that change out their old sign facing should not incur a fee, which has historically been a point of confusion for the public.
- Increasing ***Short-Term Rental License*** fees to account for increased notifications per Council’s recent approval of the short-term rental ordinance:
 - increasing *1 bedroom/studio* from **\$75.00** to **\$115.00**;
 - increasing *2 bedroom* from **\$150.00** to **\$230.00**;
 - increasing *3 bedroom* from **\$225.00** to **\$345.00**; and
 - increasing *4 plus bedroom* from **\$300.00** to **\$460.00**.
- Adding a new section to distinguish fees for a ***new*** short-term rental license and the unchanged fees for ***renewal*** of an existing short-term rental license.
- Moving the ***System Development Charges for Transportation*** from the Planning section and to the Public Works section.
- Clarifying the current ***Site Team Discussion*** fee of **\$100.00** also applies to the following items to increase public transparency:
 - ***Adjustment – Administrative Action***;
 - ***Adjustment – Quasi-Judicial Action***;
 - ***Annexation***;
 - ***Home Occupation Permit***; and
 - ***Street Vacation***.

Administration

- Adding a new OLCC ***Special Event*** fee of **\$35.00** to cover City Clerk administrative time, since processing special event permits consumes an equivalent amount of administrative time as a liquor license’s annual renewal (which is currently \$35.00).
- Removing the OLCC ***Tape Recording of a Proceeding or Meeting*** fee since recordings are now available online for free.
- Increasing the ***Lewis & Clark Festival Park User (up to 6 Hours)*** fee from **\$100.00** to **\$200.00**.
- Increasing the ***Lewis & Clark Festival Park User (6 to 12 Hours)*** fee from **\$150.00** to **\$250.00**.
- Increasing the ***Lewis & Clark Festival Park User (Multi-Day Events)*** fee from **\$500.00 (flat-rate)** to **\$300.00 per day**.
- Increasing ***Lewis & Clark Festival Park Refundable Security Deposit (up to 12 Hours)*** from **\$100.00** to **\$200.00**.

- Adding a ***Minimum Annual Telecommunications Franchise*** fee of **\$500.00/quarter (\$2,000.00/year)** to cover costs associated with the administration of the City’s telecommunications franchise agreements. Adding this proposed fee is in alignment with the City’s current payment structure for franchisees and is slated to be included in a forthcoming General Ordinance. This fee is only paid by franchisees and only if 7% of their gross revenue derived from users located within the City’s corporate limits is less than \$500.00/quarter.
- Adding a ***Security Deposit for Non-Permitted Public Right-of-Way Use*** of **\$1,000.00**, which is credited back to the franchisee or other public right-of-way occupier upon entering a franchise agreement with the City or otherwise receiving the City’s non-permit permission to use the City’s public right-of-way. This deposit is intended to cover the City’s up-front administrative costs associated with negotiating public right-of-way permissions.
- Clarifying the ***Commercial Dock User*** fee of **\$250.00** should be **None During Lease** consistent with the terms of the City’s lease and license agreement with American Cruise Lines, Inc.; this proposed change is temporary and is intended to last so long as that or another similar agreement is effective.

Consistent with ORS 294.160(1), Council must provide an opportunity for interested persons to comment on the enactment of any resolution prescribing a new fee or fee increase or an increase in the rate or other manner in which the amount of a fee is determined or calculated—it would be appropriate for the Mayor to offer the public an opportunity to comment on the adoption of this Resolution prior to Council’s adoption.

BUDGET IMPLICATIONS: The City should receive a commensurate increase in revenue to the General Fund if the amended fees are implemented.

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt Resolution No. 25-006, a resolution amending the City Fee Schedule (effective February 1, 2025), as presented.*
2. Make modifications to then move to adopt Resolution No. 25-006, as amended.
3. Decline formal action and provide Staff additional direction.

RESOLUTION NO. 25-006

**A RESOLUTION AMENDING THE CITY FEE SCHEDULE
(EFFECTIVE FEBRUARY 1, 2025)**

WHEREAS, on November 26, 2001, the City Council adopted Resolution No. 01-030 to establish the City Fee Schedule;

WHEREAS, the City amends the City Fee Schedule from time to time, typically yearly, to reflect increases to the City’s costs for its provision of services, most recently on January 9, 2024;

WHEREAS, consistent with ORS 294.160(1), at its January 27, 2024, regular meeting, the City Council provided an opportunity for interested persons to comment upon the enactment of this Resolution; and

WHEREAS, after considering the Staff Report and any public comment, the City Council believes it is in the best interest of the City to adopt an amended City Fee Schedule.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF THE DALLES
RESOLVES AS FOLLOWS:**

1. Amended Fee Schedule. The City Council approves the City Fee Schedule (Effective February 1, 2025) attached to and made part of this Resolution as **Exhibit 1**.
2. Effective Date. This Resolution shall be effective upon adoption.

PASSED AND ADOPTED THIS 27TH DAY OF JANUARY, 2025,

Voting Yes	Councilors:	_____
Voting No	Councilors:	_____
Abstaining	Councilors:	_____
Absent	Councilors:	_____

AND APPROVED BY THE MAYOR THIS 27TH DAY OF JANUARY, 2025.

Richard A. Mays, Mayor

ATTEST:

Amie Ell, City Clerk

City of The Dalles
FEE SCHEDULE
Effective Date: February 1, 2025

	CURRENT	PROPOSED
<u>POLICE DEPARTMENT</u>		
Report (Search & Copy)	\$ 5.00	
Burglary Alarm Permit (annual fee)	\$ 20.00	
Robbery Alarm Permit (annual fee)	\$ 20.00	
Copies of digital images provided in digital format (per incident)	\$ 5.00	
Certified Copies (each true copy)	\$ 5.00	
Redaction fee (In-House) - Video/Audio of body camera footage	\$100/video hour	
Redaction fee (Third-Party Vendor) - Video/Audio of body cam footage	City cost	
Staff Time - Video/Audio of body cam footage	\$25.00/hour	
<u>LIBRARY</u>		
Overdue materials fee - juvenile, per day	\$ 0.05	
Overdue materials fee - juvenile, maximum	\$ 0.50	
Overdue materials fee - adult, per day	\$ 0.10	
Overdue materials fee - adult, maximum	\$ 1.00	
Interlibrary Loan	\$ 1.00	
Non-resident borrowing privilege (annual fee)* *Residents of Fort Vancouver Library District	\$ 25.00	
Non-resident borrowing privilege (annual fee)** **Non-residents of Special Library District (the Wasco County Library Service District) or the Sage Library System	\$ 75.00	
<u>FINANCE DEPARTMENT</u>		
Transaction fee (when account is set up)	\$ 25.00	
Delinquency Processing fee (door hanger)	\$ 25.00	
After-hours call-out fee (for overtime)	\$ 20.00	MOVED TO PUBLIC WORKS
Non-sufficient funds check fee	\$ 30.00	
Lien search	\$ 30.00	
Animal License fee	\$ 25.00	
Commercial Resale License (annual fee)	\$ 30.00	
Investigation fee	\$ 10.00	
<u>UTILITIES</u>		
Industrial Pretreatment fees:		
Initial permit application fee	\$ 1,000.00	
Renewal of permit	\$ 500.00	
Annual permit fee:		
SIU (Significant Industrial User)	\$ 500.00	
Non-SIU	\$ 335.00	
Semiannual monitoring fee		City cost
Monthly fees for Industrial User (IU) under Pretreatment Program:		
Volume charge: one sewer unit per 10,000 gallons of discharge.		
Strength surcharges:		
BOD greater than 200 mg/L, per pound BOD	\$ 0.50	
TSS greater than 200 mg/L, per pound TSS	\$ 0.25	
Discharge fees for batch discharges by permit under Pretreatment Program:		
One time discharger (per gallon/minimum \$250.00)	\$ 0.05	
Batch basis discharger (per gallon)	\$ 0.05	
Residential Water Rates (Monthly Fixed Charge):		
Meter size 0.75" (volume \$1.68 1.87 per 1,000 gallons over 40,000 7,000 gallons per month)	\$ 55.30	\$ 53.21

Meter size 1" (volume \$1.68 1.87 per 1,000 gallons over 40,000 7,000 gallons per month)	\$ 55.30	\$ 53.21
Meter size 1.5" (volume \$1.68 1.87 per 1,000 gallons over 40,000 7,000 gallons per month)	\$ 66.36	\$ 53.21
Meter size 2" (volume \$1.68 1.87 per 1,000 gallons over 40,000 7,000 gallons per month)	\$ 84.06	\$ 70.28
Meter size 3" (volume \$1.68 per 1,000 gallons over 10,000 gallons per month)	\$ 121.68	
Commercial Water Rates (Monthly Fixed Charge):		
Meter size 0.75" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 44.56	\$ 46.72
Meter size 1" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 50.30	\$ 50.81
Meter size 1.5" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 61.56	\$ 69.20
Meter size 2" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 78.95	\$ 89.65
Meter size 2.5" (volume \$3.61 per 1,000 gallons over 5,000 gallons per month)	\$ 101.85	
Meter size 3" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 119.00	\$ 183.68
Meter size 4" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 181.93	\$ 306.33
Meter size 6" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 325.06	\$ 612.96
Meter size 8" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 518.67	\$ 1,021.81
Meter size 10" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 763.17	\$ 1,471.53
Meter size 12" (volume \$3.64 4.08 per 1,000 gallons over 5,000 gallons per month)	\$ 1,056.71	\$ 1,839.49
Outside City limits WATER RATES ONLY (residential and commercial) are charged 1.5 times the applicable rates, in lieu of debt service property taxes collected inside the City for bonded water system improvements		
Sewer fees:		
Inside city limits (per unit, per month)	\$ 46.32	
Outside city limits (per unit, per month)	\$ 78.74	
Systems Development fees (Water):		
Application (per unit)	\$ 2,317.00	
<u>Residential Water Unit Calculations</u>		
.75" service or meter = 1 unit		
1" service or meter = 2 1.7 units		
1.5" service or meter = 4 3.3 units		
2" service or meter = 7 5.3 units		
3" service or meter = 14 units		
<u>Nonresidential Water Unit Calculations</u>		
.75" service or meter = 1 unit		
1" service or meter = 2 1.7 units		
1.5" service or meter = 4 4.7 units		
2" service or meter = 7 8.0 units		
3" service or meter = 14 23.3 units		
4" service or meter = 25 43.3 units		
6" service or meter = 50 93.3 units		
8" service or meter = 80 160.0 units		
10" service or meter = 122 233.3 units		
12" service or meter = 172 293.3 units		
Systems Development fees (Sewer):		
Application fee (per unit)	\$ 1,789.00	

<u>Sanitary Sewer Unit Calculations</u>		
Residential Dwelling = 1 unit		
Multiple Family Dwelling = 1 unit per residential dwelling		
Motor Courts, Motels, Hotels = 1 unit per 2 rental rooms		
Recreational Camping Parks = 1 unit per 2 spaces		
Schools:		
High & Middle Schools = 1 unit per 15 students		
Elementary Schools = 1 unit per 20 students		
Restaurants, Cafes, Coffee Shops open more than 60 hrs/wk = 1 unit per 10 seats Restaurants, Cafes, Coffee Shops open 60 hrs/wk or less = 1 unit per 20 seats (Banquet rooms are not to be included in the counting of seats)		
Taverns, Lounges = 1 unit per 10 seat capacity		
Hospitals:		
With Laundry Facilities = 1 unit per bed		
Without Laundry Facilities = 1 unit per 2 beds		
Rest Homes = 1 unit per 2 beds		
Commercial = 1 unit per 9 or less employees		
Laundromats = 1 unit per 2 machines		
Theaters = 1 unit per 100 seat capacity		
Churches = 1 unit per 100 seat capacity		
Auto Service Stations = 1 unit per 9 employees		
Commercial car washes = 1 unit per 10,000 gallons per month		
Medical, Veterinary = 1 unit per 10,000 gallons per month or 1 unit per 2 exam rooms		
Prison, Jails = 0.5 unit per bed		
Industrial, Domestic Strength = 1 unit per 10,000 gallons per month		
System Development fees (Storm Water): (Rate multiplied by the number of Equivalent Residential Units)	\$	342.00
Storm Water fee: (Monthly rate per Equivalent Residential Unit)	\$	2.00
<u>Storm Water Equivalent Residential Unit Calculations</u>		
Single family residential unit = 1 ERU		
Property other than a single family residential unit = 1 ERU per 3,000 feet of impervious surface		
Mobile Home Park = 1 ERU per space		
Multiple family building or facility = 1 ERU per multiple family unit on property		
Contractor Water - From Hydrant Meter:		
Hydrant meter placement/removal	\$	60.00
Hydrant meter with backflow device - Placement/testing/removal	\$	85.00
Hydrant meter with backflow device - Move and retest	\$	85.00
Hydrant meter fee: (Not prorated; provide 24 hours' notice for removal)		
3" meter on 2½" hydrant port: Up to two days	\$	35.00
Weekly rate	\$	75.00
¾" meter on 2½" hydrant port: Up to two days	\$	25.00
Weekly rate	\$	55.00
Water Usage - At commercial volume rate per 1000 gallons (No gallonage included)	\$	3.61
Contractor Water - From Public Works Department fill station:		
Water Usage - At commercial volume rate (per gallon)	\$	0.25
<u>PUBLIC WORKS</u>		
After-hours call-out fee (for overtime)	\$	20.00
Application fee for Reimbursement District (actual fee calculated at 5% of project value with no minimum fee)	\$	10,000.00
		\$ 30.00

Banner Permit	\$	25.00	
Sidewalk/Street Closure Permits:			
Application fee	\$	10.00	
Expediting fee (when application is turned in less than 5 days prior to event)	\$	25.00	
Deployment fee (on for-profit events which require the use of city signs and barricades that staff deliver to event location)	\$	50.00	
Document fees:			
Aerial copies (11"x17", per page)	\$	25.00	
Blue line/large format copies (per square foot)	\$	0.50	
Development standards, hardcopy	\$	25.00	
Development standards, electronic copy	\$	15.00	
Large maps/drawings (per square foot)	\$	0.50	
Wicks Treatment Plant Lab fees:			
Turbidity	\$	16.00	
pH (certified)	\$	20.00	
Alkalinity	\$	20.00	
Aluminum	\$	24.00	
Calcium	\$	16.00	
Copper	\$	16.00	
Fluoride	\$	32.00	
Hardness	\$	24.00	
Iron	\$	16.00	
Lead	\$	16.00	
Manganese	\$	24.00	
Phosphate - Ortho	\$	24.00	
Phosphate - Total	\$	36.00	
Silica	\$	32.00	
Sulfate	\$	32.00	
Certified Bio-Lab Tests			
Total Coliform/E. coli by CF Method	\$	30.00	
Total Coliform/E. coli by CF-Quanti-Tray Method	\$	50.00	
Nitrate	\$	30.00	
Adjustment - Administrative	\$	60.00	
Adjustment - Quasi	\$	235.00	
Single Family Residential Water Meter Installation Charges			
¾-inch Residential Water Service	\$	2,100.00	
4-inch Residential Sewer Service	\$	1,903.00	
System Development fees (Transportation): Calculated using Discounted Transportation SDC per Unit of Development, as shown in Table 10 attached as Exhibit "A"			
<u>PLANNING DEPARTMENT</u>			
*Adjustment – Administrative Action	\$	80.00	
*Adjustment – Quasi-Judicial Action	\$	310.00	
*Annexation	\$	375.00	
Appeal - "Permits" (as defined by ORS 227.160(2))	\$	250.00	
Appeal - Non-"permits" (as defined by ORS 227.160(2))	\$	1,000.00	
Residential Building Permit - Major (i.e., all residential development resulting in the creation of a dwelling unit)	\$	140.00	
Residential Building Permit - Minor (i.e., all residential development that does not result in the creation of a dwelling unit)	\$	40.00	
Commercial Building Permit			\$ 140.00
*Comprehensive Plan Amendment – Quasi-Judicial Action	\$	590.00	
*Comprehensive Plan/Zone Change – Quasi-Judicial Action	\$	1,015.00	

*Conditional Use Permit	\$	550.00	
Historical Review – Quasi-Judicial Action	\$	85.00	
*Home Occupation Permit	\$	85.00	
*Major Partition	\$	500.00	
*Minor Partition	\$	330.00	
Land Use Compatability Statement (LUCS) Review			\$ 60.00
Land Use Application Expiration Timeline Extension			\$ 60.00
Laydown Yard	\$	40.00	
Mobile Food Vendor License:			
Investigation fee (applied toward cost of license fee)	\$	20.00	
Type I: <i>Initial license valid for 30 days</i>	\$	30.00	
Initial 30-day extension Up to five 30-day extensions @ \$25.00 per extension are allowed for a total extension period of 180 days	\$	25.00	
Type II: <i>Initial license valid for 12 months</i>	\$	150.00	
One additional extension for 12 months	\$	130.00	
Type III: <i>Site Plan Review</i> fee *Applicants for mobile food vendor license who obtain verification of providing at least two healthy food items on their menu are entitled to a 15% reduction in their license fee.	\$	440.00	
*Mobile Home Park	\$	590.00	
Non-conforming Use – Administrative Action	\$	80.00	
Non-conforming Use – Quasi-Judicial Action	\$	310.00	
Physical Constraints Permit	\$	30.00	
*Planned Unit Development	\$	630.00	
System Development Charges: (transportation) <i>Calculated using Discounted Transportation SDC per Unit of Development, as shown in Table 10 attached as Exhibit "A"</i>			MOVED TO PUBLIC WORKS
Property Line Adjustment	\$	85.00	
Proposed Change of Use	\$	50.00	
Sidewalk/Approach Permit	\$	20.00	
Sign - Sidewalk Signboard Permit (one-time fee)	\$	20.00	
Sidewalk Signboard Impound Redemption fee (1st violation)	\$	15.00	
Sidewalk Signboard Impound Redemption fee (2nd violation)	\$	65.00	
Sidewalk Signboard Impound Redemption fee (3rd & subsequent violations)	\$	130.00	
Sign - Flush Mount	\$	40.00	
Sign - Freestanding under 8'	\$	85.00	
Sign - Freestanding over 8'	\$	120.00	
Sign - Refacing (all new sign face replacements for new businesses with no structural modification to existing sign)			\$ 40.00
Sign - over 250 square feet	\$	205.00	
*Site Plan Review	\$	440.00	
*Subdivision	\$	630.00	
Transient Merchant License:			
Investigation fee (applied toward cost of license fee)	\$	20.00	
License fee (6 months or less)	\$	50.00	
License fee (one six-month extension)	\$	50.00	
Utility Verification	\$	15.00	
*Vacation (Street)	\$	500.00	
*Variance	\$	500.00	
*Zone Change – Quasi-Judicial Action	\$	570.00	
NOTE: * denotes Site Team Discussion fee required	\$	100.00	
Community Development Director's Interpretation (TDMC 10.1.090)	\$	500.00	
Short Term Rental (STR) License (New License):			

1 bedroom/studio	\$ 75.00	\$ 115.00
2 bedroom	\$ 150.00	\$ 230.00
3 bedroom	\$ 225.00	\$ 345.00
4 plus bedroom	\$ 300.00	\$ 460.00
Short Term Rental (STR) License (License Renewal):		
1 bedroom/studio	\$ 75.00	
2 bedroom	\$ 150.00	
3 bedroom	\$ 225.00	
4 plus bedroom	\$ 300.00	
Document fees:		
Comprehensive Plan	\$ 20.00	
Comprehensive Plan Map	\$ 10.00	
Geologic Hazard Study	\$ 20.00	
Zoning Ordinance (LUDO)	\$ 20.00	
Zoning Map	\$ 10.00	
Copies 8 ½ X 11 and 11 X 17 (per page)	\$ 0.25	
Color copies	\$ 3.00	
Large Copies	\$ 5.00	
ADMINISTRATIVE FEES		
Photocopy fees: Per page (less than 50 pages)	\$ 0.25	
Document (between 50 and 100 pages)	\$ 15.00	
Document (over 100 pages)	\$ 25.00	
Ordinances, maps, odd size documents, filling public records requests that do not fit in another category, including research time, supervision, etc. (per hour)	\$ 25.00	
Liquor Licenses: (OLCC)		
New Outlet	\$ 100.00	
Change in Ownership/Privilege	\$ 75.00	
Annual Renewals	\$ 35.00	
Special Event		\$ 25.00
Tape recording of a proceeding or meeting	\$ 10.00	
Lewis & Clark Festival Park:		
User fee up to 6 hours	\$ 100.00	\$ 200.00
User fee 6 to 12 hours	\$ 150.00	\$ 250.00
User fee multi-day events (up to 6 days - includes set up & tear down) (per day)	\$ 500.00	\$ 300.00
Security Deposit (refundable) up to 12 hours	\$ 100.00	\$ 200.00
Security Deposit (refundable) multi-day events	\$ 200.00	
Minimum Annual Telecommunications Franchise fee (only paid if 7% of Franchisee's gross revenue is less than \$500/quarter)		\$500.00/quarter (\$2,000.00/year)
Security Deposit for Non-Permitted Public Right-of-Way Use (creditable upon entering a franchise agreement or other non-permit permission to use the City's public rights-of-way)		\$ 1,000.00
Commercial Dock:		
User fee	\$ 250.00	NONE DURING LEASE

from Table 9, respectively. The Discounted Transportation SDC Per Unit is calculated by adding columns 2, 3 and 4, with the result displayed in column 5.

TABLE 10
DISCOUNTED TRANSPORTATION SDC PER UNIT OF DEVELOPMENT

page 1 of 5

ITE LAND USE CODE/CATEGORY	Discounted	Discounted	Compliance	Disocuted	Unit *
	MV Cost	P/B Cost	Cost	Transportation	
	Per Unit	Per Unit	Per Unit	SDC Per Unit	
RESIDENTIAL					
210 Single Family Detached	\$1,020	\$350	\$130	\$1,500	/dwelling unit
220 Apartment	\$716	\$246	\$91	\$1,053	/dwelling unit
230 Residential Condominium/Townhouse	\$624	\$214	\$80	\$919	/dwelling unit
240 Manufactured Housing (in Park)	\$532	\$183	\$68	\$782	/dwelling unit
254 Assisted Living	\$292	\$100	\$37	\$430	/bed
255 Continuing Care Retirement	\$299	\$103	\$38	\$441	/unit
260 Recreation Home	\$337	\$116	\$43	\$495	/dwelling unit
RECREATIONAL					
411 City Park	\$187	\$64	\$24	\$276	/acre
412 County Park	\$269	\$92	\$34	\$395	/acre
416 Campground/RV Park **	\$485	\$167	\$62	\$713	/camp site
420 Marina	\$350	\$120	\$45	\$515	/berth
430 Golf Course	\$4,227	\$1,452	\$540	\$6,219	/hole
432 Golf Driving Range **	\$1,473	\$506	\$188	\$2,168	/tee
435 Multipurpose Recreation/Arcade **	\$3,948	\$1,356	\$504	\$5,809	/T.S.F.G.F.A.
437 Bowling Alley	\$3,942	\$1,354	\$503	\$5,800	/lane
443 Movie Theater w/out matinee	\$25,930	\$8,908	\$3,312	\$38,149	/screen
444 Movie Theater with matinee**	\$23,832	\$8,187	\$3,044	\$35,063	/screen
445 Multiplex Movie Theater (10+ screens)**	\$16,077	\$5,523	\$2,053	\$23,653	/screen
473 Casino/Video Poker/Lottery **	\$15,829	\$5,438	\$2,022	\$23,288	/T.S.F.G.F.A.
480 Amusement/Theme Park	\$8,929	\$3,068	\$1,140	\$13,137	/acre
488 Soccer Complex	\$8,407	\$2,888	\$1,074	\$12,369	/field
491 Racquet/Tennis Club	\$4,561	\$1,567	\$583	\$6,711	/court
492 Health/Fitness Club	\$3,881	\$1,333	\$496	\$5,710	/T.S.F.G.F.A.
495 Recreation/Community Center	\$2,706	\$930	\$346	\$3,981	/T.S.F.G.F.A.
* Abbreviations used in the "Unit" column:					
T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area					
T.S.F.G.L.A. = Thousand Square Feet Gross Leaseable Area					
V.F.P. = Vehicle Fueling Position					
** Because there is no ITE Weekday Average Trip Rate for this code/category, the Trip Rate shown is the ITE P.M. Peak Hour Trip Rate multiplied by a factor of ten.					

TABLE 10

DISCOUNTED TRANSPORTATION SDC PER UNIT OF DEVELOPMENT

page 2 of 5

ITE LAND USE CODE/CATEGORY	Discounted	Discounted	Compliance	Disocunted	Unit *
	MV Cost	P/B Cost	Cost	Transportation	
	Per Unit	Per Unit	Per Unit	SDC Per Unit	
INSTITUTIONAL/MEDICAL					
501 Military Base	\$201	\$69	\$26	\$296	/employee
520 Elementary School (Public)	\$55	\$19	\$7	\$81	/student
522 Middle/Junior High School (Public)	\$69	\$24	\$9	\$101	/student
530 High School (Public)	\$137	\$47	\$17	\$201	/student
536 Private School (K - 12)	\$198	\$68	\$25	\$292	/student
540 Junior/Community College	\$95	\$33	\$12	\$140	/student
550 University/College	\$189	\$65	\$24	\$278	/student
560 Church	\$728	\$250	\$93	\$1,071	/T.S.F.G.F.A.
565 Day Care Center/Preschool	\$190	\$65	\$24	\$280	/student
590 Library	\$2,296	\$789	\$293	\$3,377	/T.S.F.G.F.A.
610 Hospital	\$1,334	\$458	\$170	\$1,962	/bed
620 Nursing Home	\$268	\$92	\$34	\$394	/bed
630 Clinic	\$3,552	\$1,220	\$454	\$5,225	/T.S.F.G.F.A.
COMMERCIAL/SERVICES					
310 Hotel/Motel	\$1,182	\$406	\$151	\$1,738	/room
812 Building Materials/Lumber	\$2,111	\$725	\$270	\$3,106	/T.S.F.G.F.A.
813 Free-Standing Discount Superstore With Groceries	\$3,179	\$1,092	\$406	\$4,677	/T.S.F.G.F.A.
814 Specialty Retail Center	\$2,629	\$903	\$336	\$3,868	/T.S.F.G.L.A.
815 Free-Standing Discount Store Without Groceries	\$4,180	\$1,436	\$534	\$6,149	/T.S.F.G.F.A.
816 Hardware/Paint Stores	\$3,412	\$1,172	\$436	\$5,019	/T.S.F.G.F.A.
817 Nursery/Garden Center	\$2,141	\$735	\$273	\$3,149	/T.S.F.G.F.A.
820 Shopping Center	\$2,547	\$875	\$325	\$3,748	/T.S.F.G.L.A.
823 Factory Outlet Center	\$1,577	\$542	\$201	\$2,321	/T.S.F.G.F.A.
* Abbreviations used in the "Unit" column:					
T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area					
T.S.F.G.L.A. = Thousand Square Feet Gross Leaseable Area					
V.F.P. = Vehicle Fueling Position					
** Because there is no ITE Weekday Average Trip Rate for this code/category, the Trip Rate shown is the ITE P.M. Peak Hour Trip Rate multiplied by a factor of ten.					

TABLE 10

DISCOUNTED TRANSPORTATION SDC PER UNIT OF DEVELOPMENT

page 3 of 5

ITE LAND USE CODE/CATEGORY	Discounted	Discounted	Compliance	Disocunted	Unit *
	MV Cost Per Unit	P/B Cost Per Unit	Cost Per Unit	Transportation SDC Per Unit	
COMMERCIAL/SERVICES (continued)					
841 New Car Sales	\$1,978	\$679	\$253	\$2,910	/T.S.F.G.F.A.
843 Automobile Parts Sales	\$3,172	\$1,090	\$405	\$4,667	/T.S.F.G.F.A.
849 Tire Superstore	\$1,318	\$453	\$168	\$1,939	/T.S.F.G.F.A.
850 Supermarket	\$5,882	\$2,021	\$751	\$8,654	/T.S.F.G.F.A.
851 Convenience Market (24 hour)	\$12,965	\$4,454	\$1,656	\$19,075	/T.S.F.G.F.A.
853 Convenience Market With Fuel Pump	\$8,311	\$2,855	\$1,061	\$12,227	/V.F.P.
854 Discount Supermarket	\$2,791	\$959	\$356	\$4,107	/T.S.F.G.F.A.
860 Wholesale Market	\$502	\$172	\$64	\$739	/T.S.F.G.F.A.
861 Discount Club	\$3,119	\$1,071	\$398	\$4,588	/T.S.F.G.F.A.
862 Home Improvement Superstore	\$1,393	\$479	\$178	\$2,049	/T.S.F.G.F.A.
863 Electronics Superstore	\$2,429	\$834	\$310	\$3,574	/T.S.F.G.F.A.
867 Office Supply Superstore **	\$2,017	\$693	\$258	\$2,968	/T.S.F.G.F.A.
880 Pharmacy/Drugstore Without Drive-Thru Window	\$3,805	\$1,307	\$486	\$5,598	/T.S.F.G.F.A.
881 Pharmacy/Drugstore With Drive-Thru Window	\$4,042	\$1,388	\$516	\$5,946	/T.S.F.G.F.A.
890 Furniture Store	\$214	\$73	\$27	\$315	/T.S.F.G.F.A.
896 Video Rental Store **	\$14,202	\$4,879	\$1,814	\$20,895	/T.S.F.G.F.A.
911 Bank/Savings: Walk-in	\$11,675	\$4,011	\$1,491	\$17,176	/T.S.F.G.F.A.
912 Bank/Savings: Drive-In	\$11,743	\$4,034	\$1,500	\$17,277	/T.S.F.G.F.A.
* Abbreviations used in the "Unit" column:					
T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area					
T.S.F.G.L.A. = Thousand Square Feet Gross Leaseable Area					
V.F.P. = Vehicle Fueling Position					
** Because there is no ITE Weekday Average Trip Rate for this code/category, the Trip Rate shown is the ITE P.M. Peak Hour Trip Rate multiplied by a factor of ten.					

TABLE 10

DISCOUNTED TRANSPORTATION SDC PER UNIT OF DEVELOPMENT

page 4 of 5

	Discounted	Discounted	Compliance	Disocunted	
	MV Cost	P/B Cost	Cost	Transportation	
<u>ITE LAND USE CODE/CATEGORY</u>	<u>Per Unit</u>	<u>Per Unit</u>	<u>Per Unit</u>	<u>SDC Per Unit</u>	<u>Unit *</u>
COMMERCIAL/SERVICES (continued)					
931 Quality Restaurant (not a chain)	\$5,689	\$1,954	\$727	\$8,370	/T.S.F.G.F.A.
932 High Turnover, Sit-Down Restaurant (chain or stand alone)	\$6,487	\$2,228	\$828	\$9,544	/T.S.F.G.F.A.
933 Fast Food Restaurant (No Drive-Thru)	\$19,073	\$6,552	\$2,436	\$28,060	/T.S.F.G.F.A.
934 Fast Food Restaurant (With Drive-Thru)	\$13,215	\$4,540	\$1,688	\$19,443	/T.S.F.G.F.A.
936 Drinking Place/Bar **	\$3,021	\$1,038	\$386	\$4,444	/T.S.F.G.F.A.
941 Quick Lubrication Vehicle Shop	\$2,085	\$716	\$266	\$3,068	/Service Stall
942 Automobile Care Center **	\$2,091	\$718	\$267	\$3,076	/T.S.F.G.L.A.
944 Gasoline/Service Station (no Market or Car Wash)	\$4,404	\$1,513	\$562	\$6,479	/V.F.P.
945 Gasoline/Service Station (With Convenience Market)	\$3,226	\$1,108	\$412	\$4,747	/V.F.P.
946 Gasoline/Service Station (With Convenience Market and Car Wash)	\$3,029	\$1,041	\$387	\$4,457	/V.F.P.
OFFICE					
710 General Office Building	\$1,244	\$427	\$159	\$1,830	/T.S.F.G.F.A.
714 Corporate Headquarters Building	\$901	\$310	\$115	\$1,326	/T.S.F.G.F.A.
715 Single Tenant Office Building	\$1,307	\$449	\$167	\$1,923	/T.S.F.G.F.A.
720 Medical-Dental Office Building	\$4,081	\$1,402	\$521	\$6,004	/T.S.F.G.F.A.
730 Government Office Building	\$7,785	\$2,674	\$994	\$11,454	/T.S.F.G.F.A.
731 State Motor Vehicles Dept.	\$18,751	\$6,442	\$2,395	\$27,587	/T.S.F.G.F.A.
732 U.S. Post Office	\$10,142	\$3,484	\$1,295	\$14,921	/T.S.F.G.F.A.
750 Office Park	\$1,290	\$443	\$165	\$1,898	/T.S.F.G.F.A.
760 Research and Development Center	\$916	\$315	\$117	\$1,348	/T.S.F.G.F.A.
770 Business Park	\$1,441	\$495	\$184	\$2,120	/T.S.F.G.F.A.
* Abbreviations used in the "Unit" column:					
T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area					
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TABLE 10

DISCOUNTED TRANSPORTATION SDC PER UNIT OF DEVELOPMENT

page 5 of 5

ITE LAND USE CODE/CATEGORY	Discounted	Discounted	Compliance	Disocuted	Unit *
	MV Cost Per Unit	P/B Cost Per Unit	Cost Per Unit	Transportation SDC Per Unit	
PORT/INDUSTRIAL					
030 Truck Terminals	\$1,112	\$382	\$142	\$1,637	/T.S.F.G.F.A.
090 Park and Ride Lot With Bus Service	\$405	\$139	\$52	\$595	/Parking Space
093 Light Rail Transit Station With Parking	\$226	\$78	\$29	\$332	/Parking Space
110 General Light Industrial	\$787	\$270	\$101	\$1,158	/T.S.F.G.F.A.
120 General Heavy Industrial	\$169	\$58	\$22	\$249	/T.S.F.G.F.A.
130 Industrial Park	\$786	\$270	\$100	\$1,157	/T.S.F.G.F.A.
140 Manufacturing	\$431	\$148	\$55	\$635	/T.S.F.G.F.A.
150 Warehouse	\$560	\$192	\$72	\$824	/T.S.F.G.F.A.
151 Mini-Warehouse	\$282	\$97	\$36	\$415	/T.S.F.G.F.A.
170 Utilities**	\$712	\$245	\$91	\$1,048	/T.S.F.G.F.A.
* Abbreviations used in the "Unit" column:					
T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area					
T.S.F.G.L.A. = Thousand Square Feet Gross Leaseable Area					
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CITY of THE DALLES
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AGENDA STAFF REPORT

AGENDA LOCATION: Item # 11C

MEETING DATE: January 27, 2025

TO: Honorable Mayor and City Council

FROM: Matthew Klebes, City Manager

ISSUE: 2025 City Council Goal and Action Plan Adoption

BACKGROUND On November 15, 2024 The Dalles City Council and staff held a goal-setting retreat, marking their second year working with SSW consulting. This continued collaboration has provided clear focus and actionable goals, which have contributed to key successes. During the retreat, participants focused on the following outcomes:

- Build a shared understanding of the community and organizational context to inform the goals
- Set policy level goals aligned with the City's vision and available resources;
- Discuss and prioritize actions and projects to undertake in the coming year, and;
- Continue to build and strengthen the partnership between Council and staff.

SSW Consulting facilitated the retreat and led the team through a series of activities and discussions that resulted in the Goal and Action Plan included in your packet.

Prior to the Council retreat, SSW Consulting conducted outreach interviews with each City Councilor and gathered input from all Department Heads on the opportunities and challenges facing the organization and community. SSW also utilized other documents such as The Dalles 2040 Vision Action Plan as well as several community surveys conducted over the past year to prepare for the session. The conversations and feedback helped to design an agenda that supported a productive and engaging.

An important part of the retreat was to review the successes and continued challenges from the prior year. Below is a summary of some of the notable successes discussed at the retreat.

Action 1.1	Successful recruitment and retention of Police Officers leading to a fully staffed Department
Action 1.2	Creation of an IT Department and associated staffing changes
Action 1.3	New contract with Columbia Gorge Humane Society for animal control
Action 1.4	Creation of an Ad-Hoc Committee to facilitate the design and development of the proposed Federal Street Plaza
Action 1.5	Numerous sidewalk/ADA projects supported and completed
Action 1.6	Local Government Academy held with 12 participants with 3 graduates being appointed to City committees/commissions
Action 2.3	Completion of the Housing Production Strategy (HPS) and identification of future actions
Action 2.5	12 th Street project awarded to extend City infrastructure that will support housing development on the East side.
Action 3.2	Additional staff hired in Code Enforcement
Action 4.1	Completion of the Water Master Plan Update
Action 4.2	New ordinance adopted for Transient Lodging Tax (TLT)
Action 4.4	New IGA entered into with The Dalles/Wasco County Library District
Action 5.1	Passage of a resolution detailing budgetary guidance to staff on the use of Strategic Investment Program (SIP) dollars, notably to support City Master Plans and reducing imminent utility rate increases

The 2025 City Council Goal and Action Plan has been included with this staff report for Council review and adoption. These goals and action will define the focus of the City and serve as a guide for the work that City Council and staff will seek to accomplish in 2025.

BUDGET IMPLICATIONS: None

COUNCIL ALTERNATIVES:

1. **Staff recommendation:** *Move to adopt the 2025 City Council Goal Setting Document.*
2. Move to adopt the goals as amended.
3. Move to decline adoption at this time and provide further Council direction at a future date.

CITY OF THE DALLES



2025 CITY COUNCIL GOALS AND ACTION PLAN





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2025 Goals and Action Plan	11
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Introduction

The City of The Dalles is pleased to present a summary of its November 2024 Council Retreat.

On November 15, 2024, the City Council and leadership team met to gain a deeper understanding of the current community and organizational landscape. The focus was on refining strategic goals and actions to guide the organization over the next year.

To facilitate this process, the City engaged SSW Consulting, a professional facilitation and strategic planning firm. The retreat was aimed to achieve the following:

- Work with the City Council and Leadership Team to refine their 2024 high-level policy goals and supporting actions to guide the organization aligned with the City's recently adopted 2040 vision.
- Conduct team building that fosters alignment around the Council's goals and supports a high-performing team to advance the goals.
- Develop a summary report of the Council goals, action plan, and any team agreements.

Prior to the retreat, SSW Consulting conducted outreach interviews with each City Councilor and gathered input from the leadership team through online surveys and interviews. This information, along with The Dalles 2040 Vision Action Plan and community feedback, helped shape the retreat agenda to ensure a productive and engaging experience.

During the retreat, staff and Council members worked to refine the goals established last year, considering progress made and emerging priorities. They collaborated to assess the current community and organizational context, including staff capacity, the City's budget and financial outlook, and community needs. This collective effort resulted in the development of clear and measurable goals.

The City appreciates the engagement and participation of the Council and staff. The team looks forward to working together to advance these goals, aligning them with the community's vision.



The Dalles Team

City Council

Mayor Richard Mays
Councilor Position #1 Timothy McGlothlin
Councilor Position #2 Ben Wring
Councilor Position #3 Scott Randall
Councilor Position #4 Dan Richardson
Councilor Position #5 Rod Runyon

City Team

City Manager Matthew Klebes
City Attorney Jonathan Kara
City Clerk Amie Ell
Community Development Director Joshua Chandler
IT Director David Collins
Finance Director Angie Wilson
Public Works Director Dave Anderson
Deputy Public Works Director Eric Hansen
Police Chief Tom Worthy
Library Director Jeff Wavrunek
Airport Manager Jeff Renard



Mission + Vision

Mission

By working together, we will provide services that enhance the vitality of The Dalles.

Vision

A community that has involved citizens of all ages, strong local collaboration, green spaces, a revitalized downtown, efficient government, is a commercial hub, honors our cultural diversity, has a proactive education system, has compatible neighborhoods, a far ranging transportation system, and a comprehensive medical system.

The Dalles 2024 Vision Action Plan

In 2021 the City completed a community-wide visioning plan with the goal of creating a shared vision and create an actionable roadmap for the future. The community focus areas were taken into consideration as Council and staff outlined goal themes and priorities for the next 1-2 years.

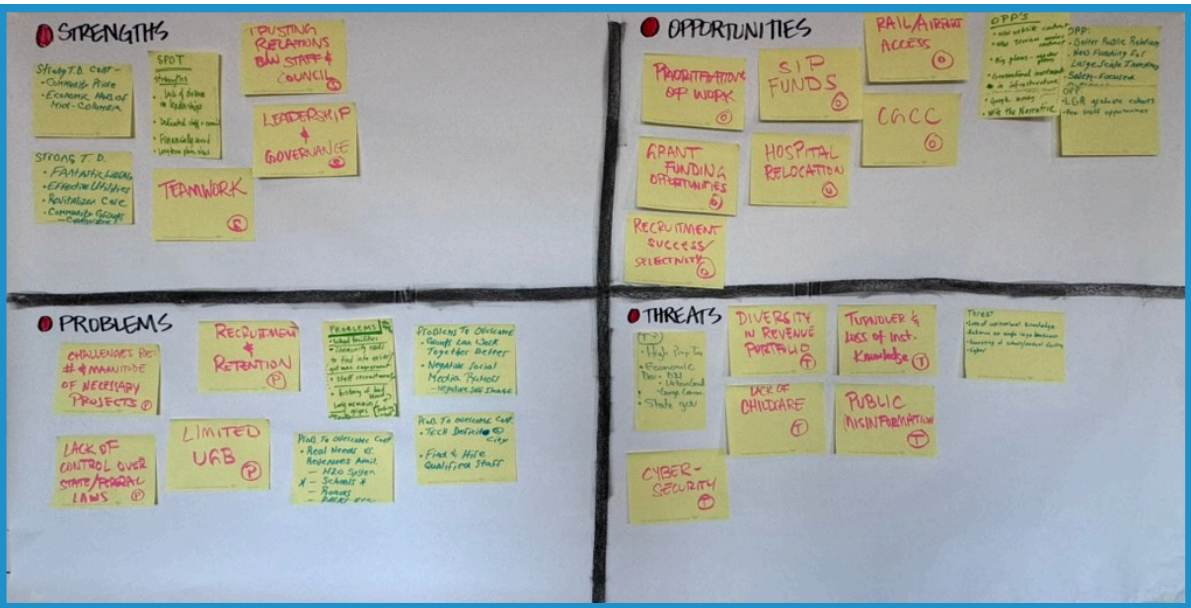
Community Focus Areas

-  ENHANCING EDUCATION
-  CREATING ECONOMIC VITALITY
-  PROVIDING RECREATION & OPEN SPACE
-  STRENGTHENING & SUSTAINING COMMUNITY LIFE
-  IMPROVING GOVERNANCE & INFRASTRUCTURE

Community Context

SPOT Matrix

To refine the goals and priorities for the next 1-2 years, Council and staff participated in a SPOT Matrix exercise, identifying current strengths, problems, opportunities, and threats (SPOT) to the organization and community. This exercise builds a shared understanding of the organization and community. It describes "where we currently are," before considering "where we want to go."



Community Context

Strengths

- Revitalized downtown
- Passionate community groups
- Community pride
- Economic health of Mid-Columbia
- Efficient utilities
- Lack of drama on Council - a collaborative approach on Council
- Dedicated staff + Council
- We are financially sound
- Long-term planning + thinking
- Trusting relationship between staff + Council
- City's team work from the top to the bottom
- Leadership in governance

Problems

- Recruitment and retention
- Urban growth boundary area
- Lack of control of state and federal laws
- Challenges with the number and magnitude of projects
- School facilities - aged-out facilities
- Lack of sidewalk infrastructure
- The Dalles has an attitude problem - issues from the past continue to come up
- Community groups conflict
- Negative social media + rumors = negative self-image
- Tech deficit
- Recruitment

Community Context

Opportunities

- Community college
- SIP funds
- New tourism services contract
- Master Plan
- Investments in infrastructure
- Prioritization of work
- Grant funding opportunities
- Hospital relocation
- Rail/airport access
- Recruitment success
- New website content
- New tourism
- Generational investments in infrastructure
- Salem focused outreach
- New staff opportunities
- Google money
- How we write the narrative
- Better public relations
- New funding for large scale investing

Threats

- Perceived high property taxes
- Urban growth boundary
- Measure 3115
- Enticing people to move here
- School district keeps families away
- Cybersecurity
- Lack of childcare
- Public misinformation
- Staff turnover + loss of historical knowledge
- Diversifying our revenue portfolio
- Loss of businesses



Goal Refinement Process

The Dalles City Council and staff meet annually to refine the Council goals, providing policy direction for the upcoming year. These goals serve as a foundation for the City's budget and department work plans, ensuring alignment of resources and staff capacity.

During the retreat, the team collaboratively reviewed the 2024 retreat goals and supporting actions. They assessed the completion status of each action, identifying those that were complete, ongoing, or requiring refinement. Drawing on insights from the environmental scan, the team worked in small groups to update the goals and actions. These updates reflected the work accomplished in 2024 and incorporated opportunities for 2025 and beyond.

Additionally, the small groups brainstormed new proposals for the Council to consider adding to the 2024 goals. Following the small group discussions, the team reconvened to map out the refined and new actions. For each action, the team discussed desired outcomes to ensure alignment with The Dalles 2040 Vision.





VISION

A community that has involved citizens of all ages, strong local collaboration, green spaces, a revitalized downtown, efficient government, is a commercial hub, honors our cultural diversity, has a proactive education system, has compatible neighborhoods, a far ranging transportation system, and a comprehensive medical system.



LIVABILITY: Enhance the livability of The Dalles by prioritizing safety, economic vitality, and access to modern services while creating and strengthening spaces that foster meaningful community connections.



HOUSING: Expand the City's housing supply and diversity of housing options.



HOUSELESSNESS: Address the immediate impacts of houselessness on the community while advocating for enhanced access to comprehensive wraparound services that support individuals experiencing houselessness.



FISCAL SUSTAINABILITY + PLANNING: Achieve near- and long-term fiscal sustainability through strategic planning, sound policy development, and responsible financial management.



INFRASTRUCTURE: Create a comprehensive long-term plan that prioritizes sustainable infrastructure, ensuring it meets the community's current needs while anticipating and adapting to future growth and challenges.



PUBLIC RELATIONS: Promote an accurate and inclusive community narrative to inspire greater engagement and foster a strong sense of community pride among residents.

MISSION

By working together, we will provide services that enhance the vitality of The Dalles.

Goal 1: Livability

Enhance the livability of The Dalles by prioritizing safety, economic vitality, and access to modern services while creating and strengthening spaces that foster meaningful community connections.

ACTION	LEAD	TIMELINE
1.1 Proactively train and retain police officers while cultivating the next generation of leaders by assessing market conditions, exploring shift schedule options, and ensuring a strong training budget for all officers	PD/HR	Ongoing
1.2 Begin construction of the Federal Street Plaza	CM/ CDD/ PW	18-24 months
1.3 Deploy CAD/RMS System and associated infrastructure in partnership with Wasco County and Mid Columbia Fire and Rescue (MCFR)	PD	6 months
1.4 Reimagine Neighborhood Enforcement Action Team (NEAT) with a focus on local business support and Re-establish Mid Columbia Interagency Narcotics Team (MINT)	PD	6-12 months
1.5 Maintain funding for sidewalk rehabilitation and ADA replacement programs	PW	Ongoing
1.6 Update the Economic Opportunities Analysis (EOA), craft a vision, prioritize, and begin implementing economic development actions	CDD	6 months
1.7 Review and update animal control ordinance(s)	PD	3 months
1.8 Form an ad-hoc committee to review and streamline sign code	CDD	12-15 months
1.9 Coordinate joint work sessions between City Council, Wasco County, and School District 21 School Board to collaboratively discuss the future of school facilities in The Dalles	CM	6 months

Goal 2: Housing

Expand the City's housing supply and diversity of housing options.

ACTION	LEAD	TIMELINE
2.1 Establish a Housing Working Group to support and advance the implementation of the Housing Production Strategy	CDD	2-4 mtgs /year
2.2 Explore interest and possibility of City representation on the Mid-Columbia Housing Authority (MCHA)	CDD	6 months
2.3 Explore the creation of pre-approved housing plans to streamline application process	CDD	6-12 months
2.4 Amend zoning regulations to permit triplexes, fourplexes, and cottage cluster housing in the RL Zone	CDD	9 months
2.5 Evaluate the potential for implementing a Multi-Unit Property Tax Exemption (MUPTE) to encourage housing development	CDD	6 months

Goal 3: Houselessness

Address the immediate impacts of houselessness on the community while advocating for enhanced access to comprehensive wraparound services that support individuals experiencing houselessness.

ACTION	LEAD	TIMELINE
3.1 Consistently tag and abate camps and other debris within the ROW or on public property in partnership with private property owners and other agencies (UPRR and ODOT)	PD	Ongoing
3.2 Identify legislative policy changes and improve access and entry into medical and behavioral health services. City Manager, Mayor/ Council President submit letters of support and/or submit legislative testimony	CM/ Council	Ongoing
3.3 Ensure City Council and staff are well-informed on homelessness and wraparound services by actively engaging in relevant informational opportunities and inviting partner agencies to present on these issues	PD/CM /Clerk	Ongoing
3.4 Maintain vigilance and responsiveness to nuisance reports throughout the community and evaluation of existing and potential tools and resources needed to mitigate said nuisances	PD	Ongoing

Goal 4: Fiscal Sustainability + Planning

Achieve near- and long-term fiscal sustainability through strategic planning, sound policy development, and responsible financial management.

ACTION	LEAD	TIMELINE
4.1 Adhere to Council policy on allocating Google revenue to effectively support City operations, address generational infrastructure needs, and fund opportunity projects	Finance /CM	Ongoing
4.2 Maintain and continually improve process for reviewing funding requests from local agencies and nonprofits with a distinction between tourism related requests and general community benefit.	CM/ Finance	Ongoing
4.3 Maintain an unappropriated ending fund balance equal to 4 months operating and 10% contingency	Finance	Ongoing
4.4 Ongoing review and updates of Right-of-Way Use and Franchise Agreements, with the goal of creating a comprehensive chapter to govern all future agreements	CM/ Legal	6-12 months

Goal 5: Infrastructure

Create a comprehensive long-term plan that prioritizes sustainable infrastructure, ensuring it meets the community's current needs while anticipating and adapting to future growth and challenges.

ACTION	LEAD	TIMELINE
5.1 Complete an update to the Wastewater Master Plan	PW	12-18 months
5.2 Identify and develop revenue streams to fund the implementation of Water Master Plan projects	PW/CM	Ongoing
5.3 Complete a master plan for City owned buildings and public facilities.	Facilities	12 months
5.4 Complete assessment of the 6th St Bridge and seek State funding for replacement.	PW/CM	12 months
5.5 Evaluate the City-related improvements required from developers for commercial, residential, and industrial projects in alignment with master plans and community needs	PW	12 months

Goal 6: Public Relations

Promote an accurate and inclusive community narrative to inspire greater engagement and foster a strong sense of community pride among residents.

ACTION	LEAD	TIMELINE
6.1 Create a new City website to enhance accessibility, improve user experience, and provide easier access to essential City information.	Clerk/IT	12 months
6.2 Complete the digitization of City records, enhance public accessibility, and create educational materials to guide users on how to search and access records.	Clerk	3 months
6.3 Implement new ClearGov budget book software to improve transparency in the budgeting process.	Finance	6 months
6.4 Plan and execute the 5th Local Government Academy, using feedback to make it more interactive and better align with participants' interests, including opportunities for involvement in local government.	Clerk	Annually in August
6.5 Grow and enhance the City's overall media engagement with initial focus on Facebook, Instagram, and YouTube, collecting input through relevant content and surveys, and identifying key topics of interest to constituents.	Clerk	Ongoing
6.6 Develop and distribute brand guidelines to all employees, covering logo usage, typesetting, color palettes, and templates for presentations, business cards, letterhead, and maps	Clerk	12 months

Appendix

MASTER PLANS

The City's Master Plans form the foundation of our infrastructure strategy. These plans address current needs while preparing for future growth. Together, these plans support a resilient and thriving community.

The master plans allow the city to:

- Develop a capital improvement plan,
- set system development charge fees ,
- and prepare rate analysis reports.

Master plans support timely delivery of system improvements as required by community growth.

The City and its consultants prepare master plans with input from the community. The Public Works Department reviews each master plan and then recommends it for adoption by the City Council.

Drinking Water Master Plan: The Drinking Water Master Plan focuses on modernizing and expanding infrastructure to ensure a safe and reliable drinking water supply.

Storm Water Master Plan: The Storm Water Master Plan addresses flood prevention through upgraded drainage infrastructure.

Transportation Master Plan: The Transportation Master Plan aims to improve mobility and safe passage, reduce traffic congestion, and expand access to public transit.

Wastewater Master Plan: The Wastewater Master Plan enhances the sanitary sewer to increase capacity, protect public health, and safeguard environmental water quality.

ECONOMIC DEVELOPMENT

While specific economic development goals are not explicitly stated in this document, economic development is a core theme interwoven into each of our City's goals, specifically Action Item 1.6 seeks to update the Economic Opportunities Analysis (EOA), craft a vision, and prioritize and begin implementing economic development actions. A vibrant economy is essential for a thriving community, requiring strong housing, quality education, and robust business sectors.

The Dalles Economic Development Division helps private developers, business and property owners through various programs. We serve as a resource connecting diverse stakeholders to help streamline the development process.

We promote commercial development through identification of incentive programs. We may be able to identify tax incentives and development cost reduction incentives.

The Dalles Economic Development Division may assist with negotiations on behalf of The City and Columbia Gateway Urban Renewal Agency where appropriate.

Current Programs:

- Brownfield Revitalization Community-Wide Assessment
- Urban Renewal Property Rehabilitation Program
- Columbia Gorge Regional Airport business park and industrial lands
- Housing Production Strategy, family-wage housing
- Industrial land expansion
- Expanded riverfront public access and redevelopment
- Columbia River Scenic Highway bike route completion and other tourism initiatives
- Downtown beautification
- First Street reconstruction
- Federal Street Plaza
- Partner with The Dalles Area Chamber of Commerce and The Dalles Main Street

CITY OF THE DALLES

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