

**GRANDVIEW CITY COUNCIL
COMMITTEE-OF-THE-WHOLE MEETING MINUTES
APRIL 23, 2019**

1. CALL TO ORDER

Mayor Gloria Mendoza called the Committee-of-the-Whole meeting to order at 6:00 p.m., in the Council Chambers at City Hall.

2. ROLL CALL

Present were: Mayor Mendoza and Councilmembers Gay Brewer, David Diaz, Mike Everett, Bill Moore and Javier Rodriguez.

Councilmember Diana Jennings arrived at 6:10 p.m.

Absent was Councilmember Joan Souders.

Staff present were: City Administrator/Public Works Director Cus Arteaga, City Attorney Quinn Plant, City Treasurer Matt Cordray and City Clerk Anita Palacios.

3. PUBLIC COMMENT – None

4. NEW BUSINESS

On motion by Councilmember Everett, second by Councilmember Moore, Council agreed to conduct tonight's C.O.W. and Council meetings until 8:30 p.m., and any items not addressed would be scheduled for a special meeting on Tuesday, April 30, 2019.

A. Hotel Feasibility Study – Casey Kidd, NaviRetail

Present on behalf of the Port of Grandview were Commissioners Jim Sewell, Richard Shenyer and Frank Lyall.

Casey Kidd with NaviRetail presented the Hotel Feasibility Study prepared by HVS Consulting & Valuation for a proposed limited-service hotel in Grandview.

The Feasibility Analysis chapter of the report converted the cash flows into a net present value indication assuming set-forth debt and equity requirements. The conclusion of this analysis indicated that an equity investor contributing \$2,376,000 (roughly 35% of the \$6,800,000 development cost) could expect to receive a 5.0% internal rate of return over a ten-year holding period, assuming that the investor obtains financing at the time of the project's completion at the loan-to-value ratio and interest rate set forth. Based on market analysis, there was not sufficient market support for the proposed limited-service hotel. Review of investor surveys indicated equity returns ranging from 12.7% to 26.1%, with an average of 18.8%. Based on market parameters, the calculated return to the equity investor, 5.0%, was below the average and the range of market-level returns given the anticipated cost to build a hotel of this type, estimated to be approximately \$6,800,000. In order for a project of this type to be feasible, it would need the support of the City and/or County government via incentives to help offset the construction cost. These incentives could include (but were not limited to) property tax exemptions, providing the land at no cost, waiving the development and impact fees, and providing discounted or free utilities connections.

In addition, Grandview would need to attract more local employers, particularly employers that utilize overnight lodging, for a hotel of this type to remain successful in the long term.

Discussion took place. No action was taken.

B. Hotel/Motel Taxes to Chamber of Commerce

City Treasurer Cordary explained that the City received the accounting of the Chamber of Commerce's 2018 tourism expenditures of the Hotel/Motel taxes remitted in and prior to 2018. Review of the expenditures included cancelled checks written on the Chamber's account and corresponding invoices for services or materials. The 2018 expenses claimed by the Chamber were \$1,788.78. City of Grandview Resolution No. 87-15, paragraph 3 Records states "*The Chamber shall keep and provide all copies of any and all records, receipts, lists, descriptions and itemizations of expenses involved in the Chamber's activities in promoting and advertising the City of Grandview and encouraging tourism expansion upon request by the City.*" There was sufficient evidence of invoice support for all checks written on the tourism account. Expenses for 2018 were consistent with recent prior years. Based on review of the Chamber records, the Chamber was due the Hotel/Motel Taxes received by the City during 2018. That amount was \$1,761.72, to be processed by a Treasurer's check after Council's approval at the April 23, 2019 Committee-of-the-Whole meeting.

Discussion took place and Council approved the hotel/motel tax payment to the Chamber of Commerce in the amount of \$1,761.72.

5. RECESS & RECONVENE OF C.O.W. MEETING

On motion by Councilmember Everett, second by Councilmember Moore, the Council recessed the Committee-of-the-Whole meeting at 7:00 p.m., to reconvene following the regular Council meeting.

On motion by Councilmember Moore, second by Councilmember Diaz, the Council reconvened the Committee-of-the-Whole meeting to discuss the following items at 7:30 p.m.

C. Ordinance amending the 2019 Annual Budget

City Treasurer Cordray explained that staff monitoring and review of fund and department budgets identified a few budget accounts to be amended. An ordinance would be prepared to provide for the amending of the 2019 Annual Budget to accommodate the changes in sources and uses. By Fund the highlights of the budget changes were:

- Street Fund: Increased appropriations for Overtime and Repairs & Maintenance in Snow and Ice Control. Net effect was a decrease in estimated ending fund balance.
- Transportation Benefit District Fund: Increased appropriations for Wine Country Road Resurfacing – E. Stover to I-82 Ramp project. Net effect was a decrease in estimated ending fund balance.
- Capital Improvement Fund: Increased appropriations for museum roof. Net effect was a decrease in estimated ending fund balance.

Discussion took place.

On motion by Councilmember Moore, second by Councilmember Jennings, the C.O.W. moved an ordinance amending the 2019 Annual Budget to the May 14, 2019 regular Council meeting for consideration.

D. Ordinance prohibiting the distribution of plastic straws and polystyrene-based food containers and requiring retail establishments to collect a pass-through charge from customers for the distribution of plastic bags, and adding a new chapter to the Grandview Municipal Code entitled 8.44–Carryout Bag and Food Container Regulation

At the January 22, 2019 C.O.W. meeting, the C.O.W. tabled an ordinance prohibiting the distribution of plastic straws and polystyrene-based food containers and requiring retail establishments to collect a pass-through charge from customers for the distribution of plastic bags, and adding a new chapter to the Grandview Municipal Code entitled 8.44–Carryout Bag and Food Container Regulation to the February 26, 2019 C.O.W. meeting for further consideration. At the February 26, 2019 C.O.W. meeting, the C.O.W. tabled said ordinance to the April 23, 2019 C.O.W. meeting for further consideration.

Councilmember Everett reiterated his position on the issue that the ordinance would not solve the problems of waste in the world, but would be a small step in making individuals aware of the problem.

Discussion took place.

On motion by Councilmember Everett, second by Councilmember Moore, the C.O.W. moved an ordinance prohibiting the distribution of plastic straws and polystyrene-based food containers and requiring retail establishments to collect a pass-through charge from customers for the distribution of plastic bags, and adding a new chapter to the Grandview Municipal Code entitled 8.44–Carryout Bag and Food Container Regulation to the May 14, 2019 regular Council meeting for consideration.

Councilmember Brewer voted in opposition.

6. OTHER BUSINESS – None

7. ADJOURNMENT

The C.O.W. meeting adjourned at 7:50 p.m.

Mayor Gloria Mendoza

Anita Palacios, City Clerk