



BOARD OF COMMISSIONERS

1300 NW Wall Street, Bend, Oregon
(541) 388-6570

FOR RECORDING STAMP ONLY

BOCC MEETING MINUTES

9:00 AM

WEDNESDAY May 8, 2024

Barnes Sawyer Rooms
Live Streamed Video

Present were Commissioners Patti Adair, Tony DeBone and Phil Chang. Also present were County Administrator Nick Lelack, Assistant Legal Counsel Kim Riley and BOCC Executive Assistant Brenda Fritsvold.

This meeting was audio and video recorded and can be accessed at the Deschutes County Meeting Portal webpage www.deschutes.org/meetings.

CALL TO ORDER: Chair Adair called the meeting to order at 9:00 a.m.

PLEDGE OF ALLEGIANCE

CITIZEN INPUT:

- Carl Shoemaker commented on the current political environment.
- Catherine McCoy said her husband, while employed by the County, had inadvertently deactivated his life insurance policy months before he passed away. She sought assistance in reinstating this policy.
- Jeff Hubley submitted written comments on the proposal to allow RVs as rental dwellings on private property.

CONSENT AGENDA: Before the Board was Consideration of the Consent Agenda.

1. Approval of Chair Signature of Document No. 2024-035, a Notice of Intent to Award Contract for the Paving of Old Bend-Redmond Hwy/S Canal Blvd: Tumalo Rd to Helmholtz Way Project
2. Approval of minutes of the BOCC April 15 and 17, 2024 meetings

CHANG: Move approval of the Consent Agenda as presented
DEBONE: Second

VOTE: CHANG: Yes
DEBONE: Yes
ADAIR: Chair votes yes. Motion Carried

ACTION ITEMS:

3. Cannabis/Substance Use Disorders/Mental Health Presentation

Jessica Jacks, Prevention Program Manager for Health Services, introduced Drs. Sam Murray and Anne Linton.

Dr. Linton, an addiction psychiatrist, presented information on the prevalence of cannabis use. Saying that sustained regular cannabis use is associated with cognitive impairment, mood disorders and anxiety, she explained Cannabis Use Disorder (CUD) and described symptoms of cannabis withdrawal, the latter of which can mimic other psychiatric conditions.

Dr. Murray presented information on the link between cannabis use and psychosis, saying that the State-funded Early Assessment & Support Alliance (EASA) evaluates and treats persons experiencing psychosis. Adding that some cases managed by EASA appear to be cannabis-related or cannabis-induced, he said this program monitors patients for two years following their first psychotic episode.

Jacks shared current efforts to steer youth away from using cannabis and other substances such as alcohol.

Commissioner Adair asked how families are approached if there is cannabis use by others as well as by the adolescent(s). Dr. Murray said in his experience, most families are willing to modify their substance usage to reduce harm to the younger family members.

Jacks added that Health Services tries to influence teens in a positive way and help parents do the same. She referenced resources available at SharedFutureCoalition.org and summarized that cannabis use by adolescents is a concern for various reasons.

Dr. Linton added that youth who develop CUD are likely to develop other substance use disorders later.

Commissioner DeBone stressed that the potency of cannabis is much greater nowadays than in the past. He encouraged people to be aware of the potency of any cannabis they consider using.

Commissioner Adair said cannabis should be sold with warning labels that communicate the risks of usage.

Dr. Linton noted that some experts recommend the legal age for cannabis use be raised from 21 to 25.

Commissioner DeBone acknowledged the information on proposed model cannabis laws to address and reduce harms from cannabis use and spoke to the possibility that the State Legislature could take up warning labels and public education in its upcoming session.

4. Workforce Housing Program for Median-Income Earners (HOME Fund)

Cheri Helt, local business owner and HOME Fund initiator, described the need for affordable workforce housing in the Bend area and the proposal for a Workforce Housing Program for Median-Income Earners which would help persons making between 80-120% of annual median income purchase a house.

Morgan Greenwood from the Central Oregon Builders Association reviewed changes to the HOME fund proposal made since May 2023, contrasting the current proposal with the one previously submitted. If implemented, the program would provide a \$30,000 per house developer incentive to construct affordable housing as specified. A deed restriction would ensure that each house remained affordable for 30 years.

Karna Gustafson, attorney for Central Oregon Builders Association, clarified that under the program, homebuyers may gain equity that could be cashed out when a house is resold.

Discussion ensued regarding potential default situations, how to ensure compliance with the terms of the deed restriction, and which entity would be responsible for such enforcement.

Commissioner Adair said Habitat for Humanity requires a second silent deed of trust on its properties to help protect the intention of its program. Commissioner Adair voiced concern over the initial amount of two \$500,000 annual payments. Given the County's current financial situation, she was supportive of reducing the County's contribution for \$300,000 in developer reimbursements and a \$20,000 administrative fee for NeighborImpact.

Scott Cooper from NeighborImpact said annual verifications would be conducted by NeighborImpact. If an evasion of the deed restriction was discovered, NeighborImpact would refer that to the County.

Assistant Legal Counsel Kim Riley said if the intention is to require an annual declaration of continued residence and ownership, the pertinent documents should reflect that. Gustafson agreed, adding that the County would not be required to expend resources on enforcement of the deed restrictions—although it could choose to sue anyone who did not adhere to the restrictions.

Commissioner Chang concurred that the likelihood of fraud or default is low.

Riley noted that the draft Memorandum of Understanding states that NeighborImpact's involvement would cease when the allocated funds are spent. Cooper confirmed that NeighborImpact would continue to conduct annual verifications for the term of the deed restrictions.

Commissioner Chang said although he was initially skeptical that a \$30,000 per house subsidy would be effective in establishing workforce housing, he has been assured that it would be. While he was convinced of the importance of this initiative, he wanted to be sure that the County would not be signing on for duties that it does not have the resources to fulfill.

Helt described the efforts of the project team to create a program that would not burden the County for additional resources beyond the initial funding.

In response to Commissioner Adair, Helt confirmed that the program has identified lenders who are willing to participate.

Commissioner DeBone supported moving forward with this initiative. At his suggestion, discussion ensued regarding changing the term of the deed

restriction from 30 years to 20, with Helt noting that a 30-year term equates the public investment in each house at \$1,000 per year for 30 years.

Noting there are no programs like this anywhere in Oregon, Helt expected that once launched, the program would attract more funding that could be used to expand it.

Discussion ensued regarding the County's financial situation, the fact that expenditures are outpacing revenues, and the Board's previous commitment to provide funds for this program. Budget & Financial Planning Manager Dan Emerson advised discussing this following Budget week, before the FY 2025 Budget is adopted.

County Administrator Nick Lelack summarized the discussion to revise the proposed MOU to increase the agreement period to match the terms of the deed restrictions and also to outline NeighborImpact's responsibility to conduct annual verifications for all properties to ensure these remain occupied in accordance with the deed restriction.

DEBONE: Move approval of the Home Ownership for Median-Income Earners (HOME) program, amending the MOU as discussed today and shortening the timeframe of the deed restrictions to 20 years

ADAIR: Second

VOTE: CHANG: (abstained)

DEBONE: Yes

ADAIR: Chair votes yes. Motion Carried 2 – 1 – 0 (Chang abstaining)

Commissioner Chang clarified that his decision to abstain was not a vote of no confidence in this program, but rather reflected his disagreement with shortening the time period of the deed restrictions.

5. Second Reading of Ordinance No. 2023-016 updating the Tumalo Community Plan for 2020-2040

Tarik Rawlings, Senior Transportation Planner, said no changes were made to the ordinance since the Board approved first reading on April 24th.

CHANG: Move approval of second reading of Ordinance No. 2023-016

DEBONE: Second

VOTE: CHANG: Yes

DEBONE: Yes

ADAIR: Chair votes yes. Motion Carried

Chair Adair read the title of the ordinance into the record.

DEBONE: Move adoption of Ordinance No. 2023-016, repealing and replacing the Deschutes County Comprehensive Plan's Tumalo Community Plan

CHANG: Second

VOTE: CHANG: Yes

DEBONE: Yes

ADAIR: Chair votes yes. Motion Carried

Rawlings said the ordinance will take effect on August 6th.

6. 2024 Public Safety Campus Plan

Lee Randall, Facilities Director, presented the draft Public Safety Campus Plan for the Board's consideration. Referring to the proposal to incorporate a managed residential facility serving persons on parole or probation, he offered to schedule a work session if the Board wishes to discuss this further.

Commissioner Adair thanked Randall for setting up a meeting with the City of Bend to evaluate the site's potential for a Community Justice housing program. On another subject, she asked that page 15 of the plan be updated to reflect the seven cabins recently added to the Veterans Village site.

Commissioner DeBone was interested to learn more about the proposal for parolee housing on the campus, saying this might trigger more investment requirements due to the site's terrain.

Commissioner Chang wanted to understand the setback requirements for any housing that might be built on the campus. He specifically requested a high-level summary of requirements, potential costs and revenue sources, possible timeline for a transitional housing project, and information on the proposed OSP storage facility, including whether OSP will contribute funds to establish and/or lease this storage.

Commissioner DeBone noted that the plan's purpose is to guide future development as funds become available. Randall added that the Board could amend the plan in the future if desired.

Discussion ensued regarding the idea of using the area identified for OSP equipment storage for parolee housing. Following discussion, a majority of the

Board was in consensus to take no action at the current time and direct staff to bring the draft Public Safety Campus Plan back next week.

A break was announced at 11:28 am. The meeting resumed at 11:33 am.

7. Public Hearing: RVs as Rental Dwellings Text Amendments

Tanya Saltzman, Senior Planner, reviewed that in 2023, the Oregon Legislature adopted SB 1013 which authorizes the use of RVs as residential dwellings on private property in rural areas, subject to certain conditions. Saltzman referred to previous Board discussions of possible Code amendments to permit this use, including potential requirements of property owners, and said the Planning Commission has recommended against adopting such amendments.

The public hearing was opened at 11:39 am.

In response to Commissioner Chang, Peter Gutowsky, Community Development Director, said the County does not monitor incidental visits by friends or family members which involve the parking of an RV on private property; however, if this is occurring on a regular basis, an argument may be made that it constitutes a different use.

Commissioner DeBone said allowing someone to spend the night in an RV parked on private property is not an allowed use, and would be a Code violation if a neighbor complained.

- Edgar Julian Caballero commented that the Planning Commission's decision to recommend against these amendments was a close 3-4 vote, and the Commission did recognize the need for affordable housing. He noted that medical hardship situations allow the use of an RV as a dwelling without requiring connection to a septic system, believed that impacts on public safety could be paid for via an annual fee, and shared that because Avion will not serve a second dwelling on his property, it likely would not provide a "will serve" letter for an RV used as a residence.

Responding to Commissioner Chang, Saltzman said staff has interpreted the State regulations that septic disposal from an RV which is used a residence be accomplished via a direct hook-up to a permanent system. She added that medical hardship permits are understood to be temporary.

- Christina Colver spoke in support of the amendments, saying she has a tiny house that could be licensed by the DMV. She described her commitment to a sustainable lifestyle and said this kind of housing

renders living here affordable for her and her partner. She described other benefits, including reduced impacts on the environment and the opportunity to achieve financial stability.

- Alan Shaw shared his concerns about possible unintended negative consequences of allowing RVs as residential dwellings, including improper waste disposal and dogs running loose. He said the County should not allow RVs to be parked along a property line next to a neighboring property due to the potential for negative impacts. Saying that while he agreed with the spirit of this proposal, he said it could have significant negative effects, particularly in the absence of sufficient Code enforcement or public safety service capacity.
- Alexis Stephens encouraged approval of the amendments, saying that this type of living situation allowed her to save up to buy a house and also economically benefited her landlord. Noting that this kind of use is already happening, albeit not legally, she said Deschutes County has limited housing options.
- Nunzie Gould shared concerns with the language of some of the amendments, saying that compliance cannot be ensured because Code enforcement is complaint-based. She spoke to the need to be able to provide an address for emergency services, even on a ten-acre parcel. Saying that the DMV allows self-certification of RVs, she said CDD would need to certify these are habitable and not rely on self-certification. She asked for clarity on non-conforming lot sizes.
- Jeff Hubley supported the amendments, saying they would create a lawful opportunity for lower-cost housing in Deschutes County, and RVs are already being used as residences by some people.

Commissioner Adair noted the vacancy rate of apartments in Bend is now 9%, with 2,000 more units currently being built.

Commissioner Chang commented on the capacity of the Code Enforcement division, saying this is insufficient due to how it is funded. He wanted information on the level of funding available to this division, how many staff this allows for, and the size of the backlog of complaints. Peter Gutowsky, Community Development Director, agreed to submit this information during the written open record period on this matter.

Commissioner DeBone spoke regarding if and how to support responding public safety agencies for the increased burden associated with additional residences. He agreed on the need to document the location of any RV used as a residence, questioned what lot size would be allowed to have these, and asked if the Road Department has expressed interest in implementing a system development charge to offset the cost of increased vehicle traffic.

The public hearing was closed at 12:54 pm.

The Board was in consensus to leave the written record open until 4 pm on Wednesday May 29th and begin conducting deliberations on June 10th.

OTHER ITEMS:

- Commissioner Adair reminded that a public hearing will be held today at 5:30 pm on the draft update to the Comprehensive Plan.
- Commissioner Chang reported on yesterday's Public Safety Coordinating Council meeting, where Holly Harris presented information on the development of a deflection program and Presiding Judge Ashby shared concerns about the shortage of public defenders which is resulting in the release of persons who, while having been charged with a crime, are unable to secure legal representation in a timely manner.
- Commissioner DeBone reported on an event hosted by the Deschutes River Conservancy last Saturday.
- Commissioner DeBone commented on a spotlight on homelessness presented by Bethlehem Inn.
- Commissioner Adair referred to a compelling story shared by a former client of Bethlehem Inn.

At 12:57 pm, the meeting was recessed until 5:30 pm. The meeting reconvened at 5:31 pm.

8. Continued Public Hearing: Draft 2020-2040 Deschutes County Comprehensive Plan

Nicole Mardell, Senior Planner, introduced the public hearing on the 2020-2040 Comprehensive Plan Update, explaining that the Plan defines the community's vision for housing, recreation, transportation, and land use, among other elements. She recounted the extensive community outreach undertaken in developing the update as well as the Planning Commission's in-depth review, which included three public hearings. Major themes of the public input received thus far include the rezoning of farmland, protection of wildlife, dark skies, private property rights and water management.

The Planning Commission recommended several revisions relating to: balancing regulations with incentives; exploring a new zoning category to balance high desert resources with housing; revising Policy 8.1.2 (collaboration among recreation agencies and property owners for trail projects); and deleting Policy 5.1 regarding the consideration of impacts to water quality and quantity for destination resorts and other large-scale developments.

Mardell summarized comments submitted by agencies and members of the public in advance of today's hearing.

Commissioner Adair said it is appropriate to keep the record open until May 30th. Commissioner DeBone said he will provide a memo with comments and suggested edits. Saying he had previously submitted a number of comments, Commissioner Chang said he would also provide a copy of a guest column he wrote which was published in *The Bend Bulletin* and which contains additional comments.

- William John Kuhn urged the inclusion of provisions to protect dark skies.
- Angie Brewer, Oregon Department of Land Conservation and Development (DLCD), commended staff for the work done on the draft update and asked that the written comment period be left open until May 30th to allow time to respond to recent correspondence from the Central Oregon Builders Association, et al. which proposed various amendments.
- Jon Jining, also representing DLCD, concurred in the request to leave the written record open until May 30th.
- Louis Capozzi supported managing growth and reducing sprawl to decrease traffic congestion and make housing more affordable. He opposed allowing more destination resorts and the conversion of land zoned for exclusive farm use to residential.

Commissioner DeBone said the majority of voters in Bend should not be able to direct what private property owners outside of Bend do on their property.

- Molly Honea, representing the Think Wild conservation center, supported protecting wildlife and wildlife habitat and suggested specific language changes to the draft update.
- Tony Oliver supported a moratorium on destination resorts. She wished to see more specificity regarding changing farmland to residential use, noting the latter requires more services. She advocated for helping farmers make their farms more productive, advised evaluating the entire county in terms of zoning and deciding what uses should be allowed where, and shared that a BMX track was developed near her yet the owner of the property does not live there.
- Jean Carlton spoke regarding growth and described concerns about drought/water supply, fire risk, adequate housing, and protection of wildlife. She urged the implementation of conservation efforts as well as measurable and enforceable policies to address these things.
- Roberta Silverman supported a moratorium on destination resorts as allowing more would be at odds with significant environmental issues.

- Gordon Wetzel expressed his appreciation for the County's natural resources and wonderful recreational opportunities, but said these require protection. He said destination resorts are no longer appropriate and the County needs workforce housing built within urban growth boundaries.

Noting that 80% of the land in Deschutes County is publicly owned, Commissioner DeBone asked if development should be prohibited on the remaining 20%. He added that in Sunriver, the golf course uses effluent water.

- Naomi Sherpa was concerned about sprawl, questioned the availability of adequate water to accommodate growth, and said service jobs do not pay enough to afford housing in this area.

Commissioner DeBone said destination resorts can be thoughtful development.

The Board was in consensus to close the oral part of the hearing and leave the written record open until 4 pm on May 30th.

Discussion ensued regarding the recommendation of the Planning Commission that the County consider a new zoning category for "High Desert Housing." Mardell said the initial concept is this would apply to non-resource lands of 40 or more acres.

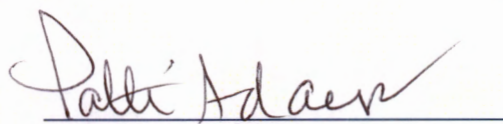
Peter Gutowsky, Community Development Director, added that the idea is to consider re-designations of exclusive farm use property that is not being farmed and cannot be farmed in a way that would allow for sustainable economic development, factoring in water conservation and wildlife impacts. He said establishing such a zone would involve a great deal of public outreach and community engagement over multiple years.

EXECUTIVE SESSION: None

ADJOURN:

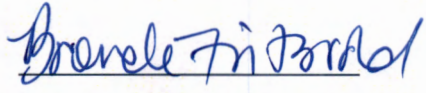
Being no further items to come before the Board, the meeting was adjourned at 6:25 pm.

DATED this 26th day of June 2024 for the Deschutes County Board of Commissioners.

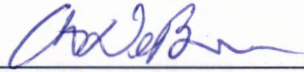


PATTI ADAIR, CHAIR

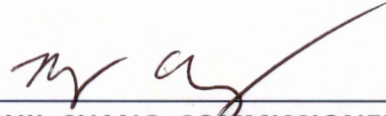
ATTEST:



RECORDING SECRETARY



ANTHONY DEBONE, VICE CHAIR



PHIL CHANG, COMMISSIONER