



## BOARD OF COMMISSIONERS

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

FOR RECORDING STAMP ONLY

# BOCC MEETING MINUTES

9:00 AM

**WEDNESDAY October 11, 2023**

Barnes Sawyer Rooms  
Live Streamed Video

Present were Commissioners Tony DeBone, Patti Adair and Phil Chang. Also present were County Administrator Nick Lelack; Assistant County 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 website [www.deschutes.org/meetings](http://www.deschutes.org/meetings).

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

### **PLEDGE OF ALLEGIANCE**

**CITIZEN INPUT:** None

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

1. Approval of Resolution No. 2023-059 extending 1.50 limited duration District Attorney FTE within the FY 2023-2024 Deschutes County Budget
2. Approval of Resolution No. 2023-057, adding 2.00 FTEs and increasing appropriations in Health Services and Adult Parole and Probation for use of the Opioid Settlement funds
3. Approval of Board Order No. 2023-042 appointing Health Services Director's Designees

4. Approval of a lease with Mosaic Medical to operate a School-Based Health Center at the Sisters Clinic
5. Approval of Chair signature of Document No. 2023-069, a Notice of Intent to Award a contract for the Gribbling Road Bridge #17C30 Replacement Project
6. Consideration of Board signature on letters reappointing Andrew Aasen, Dustin Miller and Hunter Neubauer for service on the Deschutes County Cannabis Advisory Panel
7. Consideration of Board signature on letters reappointing Renee Alexander, Mark Kelley, Jerry Milstead, Kent Vander Kamp, Mark Kneeshaw and Jim Starnes for service on the Deschutes County Facility Project Review Committee
8. Consideration of Board signature on letter of thanks to David Quiros for his service on the Deschutes County Facility Project Review Committee
9. Consideration of Board signature on letters appointing Greg Brady and Tamara Kuntz as alternate members on the Dog Control Board of Supervisors
10. Approval of August 30 and September 6, 13 and 18, 2023 BOCC meeting minutes

ADAIR: Move approval of the Consent Agenda as presented

CHANG: Second

VOTE: ADAIR: Yes

CHANG: Yes

DEBONE: Chair votes yes. Motion Carried

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#### **ACTION ITEMS:**

#### **11. Public Hearing and Board Order considering the annexation of certain properties totaling approximately 153.61 acres to the Bend Park & Recreation District**

Kim Riley, Assistant Legal Counsel, explained the request to annex eight parcels to the Bend Park & Recreation District; the parcels are contiguous, together total approximately 153.61 acres, and are sited in the vicinity of Cooley Road, Loco Road, Clausen Drive and Crooked Rocks Road.

*The public hearing was opened at 9:03 am. There being no one who wished to testify, the public hearing was closed at 9:03 am.*

Commissioner Chang asked for a map showing how the boundary of the Bend Park & Recreation District compares with Bend's urban growth boundary.

CHANG: Move approval of Board Order No. 2023-036 approving the Pahlisch Homes annexation of approximately 153.61 acres into the Bend Park & Recreation District

ADAIR: Second

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

## **12. Multiple Unit Property Tax Exemption application for 105 NE Franklin Avenue**

County Administrator Nick Lelack said the Multiple Unit Property Tax Exemption (MUPTE) program was established by the City of Bend to support development and redevelopment goals in designated areas. Proposals are presented to the various taxing districts which may be affected if a property tax exemption is granted—these include the County, the Deschutes County Sheriff's Office, and the County's 9-1-1 District.

Cate Schneider, Senior Management Analyst for the City of Bend, shared an overview of the MUPTE program which grants a property tax exemption to qualifying multi-story residential projects. Projects must result in three or more residential units and provide at least three defined public benefits.

Caroline Baggott, Development Manager for Project^ PDX, (via Zoom) reviewed details of the proposed project at 105 NE Franklin Avenue along with the proforma and budget showing that the project would not be financially viable without the property tax exemption. The proposal is for two five-story structures, one of which would be solely residential (95 rental units) and the other being mixed-use commercial (5,219 sf) and residential (96 rental units).

Schneider said because this project is within the Core Area Urban Renewable District, none of the County's taxing districts would experience financial impacts if the property tax exemption is approved.

Responding to questions from the Commissioners, Baggott said all of the units will be rentals and none of the parking will be underground.

Commissioner Chang was highly supportive of this project which will add much-needed housing in a key redevelopment area of Bend.

CHANG: Move approval of the application from New Zone Business, LLC for a Multiple Unit Property Tax Exemption relating to property at 105 NE Franklin Avenue in Bend

ADAIR: Second

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

### 13. Update to County Finance Policy No. F-4 Capital Asset Policy

Robert Tintle, Chief Financial Officer, explained the proposal to combine three County Finance policies F-4, F-5 and F-6 into one policy while updating two sections to assure appropriate internal controls. One of the updates will clarify when a budget adjustment or budget resolution is needed while the other specifies the tracking procedures for capital and non-capital assets.

ADAIR: Move approval of County Administrator signature of revised County Finance Policy No. F-4, Capital Asset Policy, and rescind policies F-5 and F-6

CHANG: Second

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

### OTHER ITEMS:

- County Administrator Nick Lelack announced the resignation of James Lewis from the board of the Central Oregon Intergovernmental Council (COIC); staff will initiate a recruitment process for this County-appointed position as a community representative for tourism and recreation interests.

Commissioner Chang commented on the importance of affordable housing in terms of maintaining a workforce and suggested reaching out to Visit Central Oregon and Visit Bend to alert them to this vacancy.

- Kristie Bollinger, Property Manager, distributed a draft letter of support for COIC's application for a \$25,000 technical assistance grant from the Department of Land Conservation and Development; the grant would be used to seek a Goal 3 exception for 75 acres of the 300-acre CORE3 project in Redmond.

Lelack said if awarded, this grant would not compete or conflict with any grants sought by the County.

CHANG: Move approval of a letter of support for COIC's application for a technical assistance grant from DLCD for the CORE3 project

ADAIR: Second

VOTE: ADAIR: Yes

CHANG: Yes

DEBONE: Chair votes yes. Motion Carried

- Lelack asked if the Board supports signing a draft letter to Representatives Ken Helm and Mark Owens regarding state groundwater allocation rules, noting it's proposed that the letter be signed by Central Oregon mayors and county commissioners.

Adding that this letter came forward at Doug Riggs' request, Commissioner DeBone asked if the County has a position on this subject.

Saying he has been tracking this matter fairly closely, Commissioner Chang was not comfortable signing the letter as drafted. He did not believe that all cities in Central Oregon are 100% aligned on this and said he could either write and submit a separate letter on his own, or draft a letter for the County to submit in conjunction with the joint water caucus.

Commissioner Chang added that the County has heard from hundreds of people whose wells have gone dry, and it is not known whether a few more feet of groundwater level decline would result in tens, hundreds, or thousands more wells drying up. He said while the draft letter addresses efforts to preserve and restore surface water volumes, groundwater levels have declined by one foot per year over the last 20 years. He objected that the letter does not address the need to slow, stop or reverse the decline of groundwater levels, said this would require conservation efforts across the entire spectrum of groundwater users, and stated his support for a comprehensive approach that considers existing groundwater permits as well as new ones.

Discussion ensued regarding domestic and agricultural water use and the need to prioritize municipal water systems such as the City of Redmond's; the effects of reduced precipitation, which is needed to recharge groundwater levels; the risk of allowing the most water-inefficient households to operate exempt wells while restricting others; not wanting existing exempt wells to go dry; whether the

rulemaking will curb exempt well permits; and the fact that advances in technology allow people to have much deeper wells than before.

Commissioner Adair asked what the County can do to help Redmond meet its municipal water needs. She agreed it is very expensive to re-drill and maintain wells and said sediment can fill in wells over time such that they have to be re-drilled after 30 or so years.

Commissioner Chang said the State's Water Resources Department has been issuing new permits for years without verifying whether or not water was available to fulfill each proposed use. Commissioner DeBone said while these permits may be overallocated, they are now constrained such that water rights can only be transferred, not created.

Chair DeBone concluded that the Board will not take action on the draft letter as presented at this time.

- Lelack announced two groundbreaking events next Monday for affordable housing projects: the Housing Works and RootedHomes groundbreaking on Simpson Avenue in Bend and the Housing Works groundbreaking at the Cleveland Commons project, also in Bend.
- Commissioner DeBone reported on a roundtable hosted by AOC regarding Measure 110 at which the subject of adult drug treatment courts was discussed. He supported drafting a letter to communicate to the State the effects which Measure 110 has had on Deschutes County and asking that the Legislature make needed changes. Commissioner Adair agreed this would be appropriate.

Commissioner Chang agreed that Deschutes County needs resources to re-establish a drug treatment court as this type of program helps move people out of addiction. He said the Board should receive a presentation to learn how BHRN funds are being spent and what they are accomplishing.

- Commissioner Adair reported that she toured the Ideal Options facility in Bend which receives BHRN funds and allows law enforcement personnel to refer anyone who is willing to receive treatment.
- Commissioner DeBone shared that he and Commissioner Adair attended the Redmond Patriots meeting on Monday, and he and Commissioner Chang both attended last night's Newberry Regional Partnership event.
- Commissioner DeBone said he will attend a roundtable on the North Unit Irrigation District Resiliency Project later today.

- Commissioner Chang reported that Senator Wyden visited Bend High School to learn about the Healthy Schools Partnership and talk with youth about behavioral health and mental health needs of students.

**EXECUTIVE SESSION:**

At 10:38 am, the Board moved into Executive Session under ORS 192.660 (2) (h) Litigation.

*The Board moved out of executive session at 11:20 a.m. to direct staff to proceed as directed. A break was taken.*

At 11:40 am, the Board went into Executive Session under ORS 192.660 (2) (i) for an employee evaluation.

*The Board moved out of executive session at 12:10 p.m. with no action taken.*

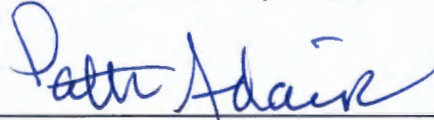
**ADJOURN:**

Being no further items to come before the Board, the meeting was adjourned at 12:10 pm.

DATED this 25<sup>th</sup> day of October 2023 for the Deschutes County Board of Commissioners.



**ANTHONY DEBONE, CHAIR**

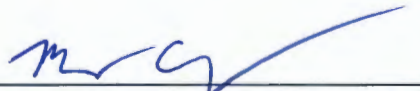


**PATTI ADAIR, VICE CHAIR**

**ATTEST:**



**RECORDING SECRETARY**



**PHIL CHANG, COMMISSIONER**