



## BOARD OF COMMISSIONERS

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

FOR RECORDING STAMP ONLY

# BOCC MEETING MINUTES

9:30 AM

**MONDAY November 13, 2023**

Allen Room  
Live Streamed Video

Present were Commissioners Tony DeBone, Patti Adair and Phil Chang. Also present were County Administrator Nick Lelack; Deputy County Administrator Whitney Hale; County Counsel David Doyle; 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 9:30 a.m.

**CITIZEN INPUT:** None

### **AGENDA ITEMS:**

#### **1. Camping Feasibility Study Final Report**

Jen Patterson, Strategic Initiatives Manager, introduced Mark Buckley, Alicia Milligan and Bob Parker from ECONorthwest which was contracted by the County to conduct a study on the feasibility of developing private or public RV parks and campgrounds in three areas: Thompson Road, Drafter Road (La Pine), and Crooked River Ranch/Lower Bridge Way.

Buckley spoke to the challenge of meeting the demand for campground space in Deschutes County, with no new sites having been established in 40 years at the same time tourism to Central Oregon has significantly increased. He shared factors involved in the demand for campgrounds, including resident population and visitor

growth, tourism in the summer as well as in the winter, and the various recreational activities offered in the Deschutes National Forest.

Responding to Commissioner Chang, Buckley agreed to find out whether the County's Transient Room Tax (TRT) is collected on overnight stays at campgrounds.

Milligan then described the three sites considered, saying the feasibility study analyzed each of the three possible sites in terms of their zoning and regulatory constraints, access and natural resources, and development potential and challenges.

Parker explained possible challenges posed by State and local land use regulations, including the County's Comprehensive Plan and, for the Drafter Road property, the City of La Pine's Development Code.

Referring to the State regulation that campgrounds are not allowed within three miles of an urban growth boundary (UGB) unless an exception is approved, Commissioner Chang asked which authority has the ability to grant such an exception. Parker said these requests are publicly reviewed by the Department of Land Conservation and Development (DLCD).

Commissioner Adair noted that because the Drafter Road property is within La Pine's city limits, this regulation does not apply to that particular site. Commissioner Chang suggested that staff find out who owns the two parcels in-between the County-owned Drafter Road sites to determine if their owner(s) are interested to sell or swap properties.

Referencing the State regulation that campgrounds must be adjacent to or contain a park or other natural amenity for recreational use, Commissioner Chang asked if a trail would qualify as a "natural amenity." Parker surmised that it would.

Commissioner Chang said while RV parks are not an authorized use in EFU-zoned land, campgrounds are (via a conditional use), and campgrounds can have RV sites. He said the Fort Thompson site could be rezoned from EFU, consistent with other Comprehensive Plan designation and zoning changes approved elsewhere by the County.

Continuing, Milligan summarized the infrastructure available to each site in terms of access to utilities: potable water, sanitary sewer, electricity, stormwater, natural gas, and telecommunications.

Buckley next shared information on occupancy rates in the County by month and annually as well as expected occupancy rates at each of the proposed sites along

with in-season and off-season average daily rates. He reviewed a chart which assumed construction in 2025 and “natural occupancy rate” in 2029 to project annual cash flows out to 2033. The study estimates the 15-year net present value of each of the sites to be as follows: Drafter Road--\$3 million; Crooked River Ranch--\$11 million; and Thompson Road--\$15 million.

Buckley then reviewed the key findings of the study, as follows:

- All sites are likely to have strong return on investment, if permitting and zoning challenges can be addressed;
- Both market demand and occupancy are likely strong;
- Public-private partnership opportunities exist; and
- A variety of federal, state and local funding support is available.

Buckley concluded that the Drafter Road site appears most suitable for a public-private partnership.

Commissioner Adair asked if the East Cascade Audobon Society was contacted regarding the suitability of the Lower Bridge Way (i.e., Crooked River) site for a campground. Patterson confirmed that the letter submitted by FANs was taken into consideration when evaluating the site.

The Board expressed appreciation for the study and agreed to continue to evaluate all of the sites for potential development of a new campground, particularly the Drafter Road site.

Commissioner Chang noted an upcoming grant cycle of the Oregon State Department of Parks & Recreation and advised researching whether one of these grants would be a good source of revenue or financing.

## **2. Short Term Business License Program Consideration**

Jen Patterson, Strategic Initiatives Manager, reviewed that at the Board’s previous direction, staff developed possible components of a business license program for short-term rentals as a way of instituting guidelines and compliance standards without requiring a permit and/or making a land use determination. Patterson summarized the considerations before the Board, which address wastewater systems, fire and life safety standards, 24/7 property manager availability, and which zones short-term rentals can operate in.

Commissioner Chang asked if the County currently conducts checks on properties used as short-term rentals to survey wastewater capability and fire safety as well as compliance with authorized zoning uses.

Peter Gutowsky, Community Development Director, explained that CDD along with Finance screens new applications for short-term rentals. If the dwelling associated with the address in the application is lawfully established (i.e., has been permitted), no inspections are conducted.

Patterson described the current process utilized by Finance, which begins with notifications received via GovOS, a software program which identifies short-term rentals in the County by crosschecking most online booking platform listings and makes Finance aware of new active advertisements. Staff then contacts the property owner or manager to register for a certificate of authority which allows for the collection, payment and reporting of transient room taxes (TRTs).

Judi Hasse, Deputy Tax Collector, added that both AirBNB and VRBO send the requisite transient room taxes in one check without listing the properties for which TRT was collected, and have refused to provide such lists when asked.

Commissioner Chang said without a business license, the County would have no mechanism to ensure a 24/7 property manager for each short-term rental, which is necessary as these uses can have negative effects on neighboring properties. He further supported a defensible space requirement for properties used as short-term rentals which allow outside recreational fires.

Commissioner Adair said the destination resorts likely regulate short-term rentals in their areas as far as fire and life safety issues. She agreed it would be beneficial to have a phone number for directing complaints other than to the Sheriff's Office.

Commissioner DeBone suggested convening a roundtable on this matter to air and discuss the varying perspectives. He agreed that destination resorts likely manage the short-term rentals which are located in their respective areas.

Commissioner Chang said a two-tier fee structure might be appropriate, with one fee applied to rentals outside of destination resorts, and a different one (or even no fee) applied to those within the resorts. He agreed it would be good to have public input and advised that notification of any meeting on this subject be given to affected properties and their neighbors.

Commissioner Adair was in agreement on the need to hear from the public on this matter.

Robert Tittle, Chief Financial Officer, confirmed that no CDD costs related to permitting short-term rentals are covered using TRT revenues.

Gutowsky said if CDD is tasked with inspecting properties which have short-term rentals, the incurred costs would have to be recovered.

Commissioner DeBone summarized that the intention of licensing short-term rentals is to reduce risks and impacts to neighbors. Noting that STRs pose a free market opportunity, he said if these are allowed by way of a business license program, the County should strive to structure that program so it is positive for everyone.

Commissioner Adair noted another consideration is the fact that utilizing residences as short-term rentals can decrease the availability of long-term housing for those who live and work here.

Commissioner Chang said it is important to protect groundwater and safeguard neighbors from fire and noise. He supported requiring a license and fee for all short-term rentals and reiterated that the most efficient and responsive system to complaints is a 24/7 property manager.

Patterson offered to reach out to the resorts and ascertain if and how they manage short-term rentals.

Chair DeBone noted the consensus of the Board to proceed as discussed, including with conducting public outreach on this issue.

### **3. Consideration of Letter of Support for Removal of the A.J. Tucker Building**

Whitney Hale, Deputy County Administrator, presented a draft letter from the Board to the Bend Landmarks Commission supporting the County's application to remove the A.J. Tucker building. Hale said this request will go before the Landmarks Commission next week.

Commissioner DeBone suggested revising the letter to open with a statement that the County has, over the last several months, explored options to removing the building. The Board was in consensus to incorporate this change.

Lee Randall, Facilities Director, reported that the planning application for the courthouse expansion was determined to be complete, and the County will next submit building plans.

CHANG: Move approval of the letter to the Bend Landmarks Commission supporting the County's application to remove the A.J. Tucker building, as modified as discussed

ADAIR: Second

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

**OTHER ITEMS:**

- Commissioner DeBone proposed that the County consider convening a citizen's assembly on the topic of homelessness.

Commissioner Chang was open to the idea of initiating broader community engagement on this topic, saying such efforts are beneficial when well-facilitated.

**EXECUTIVE SESSION:** None

**ADJOURN:**

Being no further items to come before the Board, the meeting was adjourned at 11:18 a.m.

DATED this 29<sup>th</sup> Day of November 2023 for the Deschutes County Board of Commissioners.

  
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ANTHONY DEBONE, CHAIR

**ATTEST:**

  
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PATTI ADAIR, VICE CHAIR

  
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RECORDING SECRETARY

  
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PHIL CHANG, COMMISSIONER