

# CITY OF LA PINE, OREGON REGULAR CITY COUNCIL MEETING VIA ZOOM

Wednesday, August 12, 2020 at 5:30 PM La Pine City Hall: 16345 Sixth Street, La Pine, Oregon 97739 via Zoom

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Hall at (541-536-1432). For deaf, hearing impaired, or speech disabled dial 541-536-1432 for TTY.

### **AGENDA**

- 1. CALL TO ORDER
- 2. ESTABLISH A QUORUM
- 3. ADDED AGENDA ITEMS

Any matters added to the Agenda at this time will be discussed during the "Other Matters" portion of this Agenda or such time selected by the City Council

1. Urban Renewal Agency Board Appointments

### 4. CONSENT AGENDA

Information concerning the matters listed within the Consent Agenda has been distributed to each member of the City Council for reading and study, is considered to be routine, and will be enacted or approved by one motion of the City Council without separate discussion. If separate discussion is desired concerning a particular matter listed within the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda by request of any member of the City Council.

- 2. 7.22.2020 Regular City Council Meeting Minutes
- 5. HD BOTANICALS- REQUEST FOR TEMPORARY DRIVE THRU APPROVAL- ACTION ITEM
- 6. LEGEND CIDER REQUEST TO AMEND FORGIVABLE LOAN AGREEMENT AND CERTIFY LOAN REQUIREMENTS HAVE BEEN MET AND APPROVE REVERSION TO GRANT STATUS- ACTION ITEM
- 7. RV/CAMPGROUND PARK CODE AMENDMENT- DISCUSSION ITEM
- 8. OTHER MATTERS

Only Items that were previously added above in the Added Agenda Items will be discussed.

### 9. PUBLIC COMMENTS

Three (3) minutes per person; when asked to the podium, please state your name and whether you live within La Pine city limits.

### **10. STAFF COMMENTS**

### 11. MAYOR & COUNCIL COMMENTS

### 12. ADJOURNMENT

**Pursuant to ORS 192.640:** This notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meeting. This notice does not limit the ability of the City Council to consider or discuss additional subjects. This meeting is subject to cancellation without notice. The regular meeting is open to the public and interested citizens are invited to attend.



### **CITY OF LA PINE**

### STAFF REPORT

Meeting Date:	August 12, 2020	August 12, 2020				
TO:	La Pine City Council	La Pine City Council				
FROM:	Melissa Bethel, Staff	Melissa Bethel, Staff				
SUBJECT:	ADDED AGENDA ITEM: Appoint	ADDED AGENDA ITEM: Appointment of Urban Renewal Appointments				
TYPE OF ACTION RE	EQUESTED (Check one):					
[] Res	Resolution		Ordinance			
[] No	Action – Report Only	[]	Public Hearing			
[X] For	Formal Motion		Other/Direction:			

### Councilors:

On June 30, 2020 Ann Gawith and Jean Spetter Sutton's terms ended on the Urban Renewal Board. Ann Gawith has expressed an interest in staying on the board for another term and Scott Asla has expressed an interest in serving. A letter has been mailed to Jean Spetter Sutton thanking her for her service and contribution to the Board.

### Suggested Motion:

I move the La Pine City Council approve the appointment of Ann Gawith to a second term and Scott Asla to a first term on the Urban Renewal Board effective immediately for terms ending on June 30, 2024.



# City of La Pine

## **Advisory Committee Application**

Which Committee would you like to apply for? Please check as many as are applicable. Urban Renewal Agency Board ☐ Planning Commission □ Public Works Committee ☐ City of La Pine Budget Committee (must be a City Resident) ☐ Urban Renewal District Budget Committee (must be a City Resident) General Information Name: Scott R. ASLA Address: 17142 NORWALK RD City: SUNRIVER State: OR Zip Code: 97201 Phone Number: 541-815-3872 Email Address: Scotto ASLAZE GMASL. Com Do youreside within the city limits of La Pine? Statement indicating reason you would like to serve on this voluntary board, committee, or commission: sec AttAcHed Special skills, interest, and/or hobbies that you believe would bring value to your ability to serve on this board, committee, or commission: see attached Current Occupation: Volunteer History Other volunteer committee, board, or commission experience: see Attached When: \_\_\_\_\_Organization: \_\_\_\_ Type of Organization: Address: \_\_\_\_\_ Phone Number:

Describe activities and achievements:

When:	Organization:
	ganization:
	Phone Number:
Describe ac	ctivities and achievements:
When:	Organization:
	ganization:
Address:	Phone Number:
Role:	
Describe act	tivities and achievements:
Oo youhave	thear about this position? Cray of La PTNE e any neighbors, friends, or relatives presently working for the City of La Pine? Yes No If yes, plea se
References:	Name: JEEF GROVES Number: 541-480-1333
	Name: VFC RUSSEll Number: 541-420-4842
	Name: PON HONTON Number: 541-280-0475
ppointed to. ppointed by	affirms that the information contained in this application is true to the best of my knowledge. I understand and agree sentation and/or omission of facts are cause for my removal from the board, committee, or commission to which I am. I further understand and agree that City policy requires disclosure of actual or potential conflicts of interest by persor the City Council to any committee. All information and/or documentation related to service on this board, committees subject to public records law disclosure, except as otherwise provided under applicable law.  Date: \$\frac{\gamma/7/2020}{2} \frac{\gamma}{2} \
rinted Name	= Scott R. ASLA

### Page 1: Reason for volunteering:

I believe that La Pine is poised for exponential growth soon. I would love to be a part of the planning process for that growth. I own property and have an office in La Pine and I am very committed to seeing the area prosper and grow the best way possible. I have a heart for La Pine.

### Page 1: Skills

I have been on numerous board's and committees over the past 40 years and I love to find ways to raise the bar and yet always find common ground. I love small towns and business.

### Page 1: Occupation

I am currently self employed in Real Estate Sales and Management. I did have a previous career in the Automotive Parts field for 41 years owning our own auto parts stores for 26 of those years.

### Page 1: Volunteer History

- 1. My most current volunteer position as of 8/6/2020 is my appointment to the Deschutes County Planning commission as the South County Representative.
- 2. Christmas Baskets of La Pine board member.
- 3. La Pine Park Foundation member
- 4. Bend Park and Recreation elected board member 2002-2003, 2009-2014. Also served as chair.
- 5. Northwest Automotive Trades Association board member and treasure.
- 6. Bend United Soccer Club, board member. President.
- 7. A.E.D. Automotive co-operative, board member President.
- 8. Bend High Site council member.

Thank you for your consideration for this position.

4. Cora

Sincerely,

Scott R Asla

# CITY OF LA PINE, OREGON REGULAR CITY COUNCIL MEETING VIA ZOOM

Wednesday, July 22, 2020 at 5:30 PM
La Pine City Hall: 16345 Sixth Street, La Pine, Oregon 97739 via Zoom

### **MINUTES**

### 1. CALL TO ORDER

Meeting begins at 5:33 p.m.

### 2. ESTABLISH A QUORUM

**PRESENT** 

Mayor Daniel Richer

Councilor Don Greiner

Councilor Connie Briese

Councilor Colleen Scott

Councilor Mike Shields

### **STAFF**

City Manager Melissa Bethel Public Works Manager Jake Obrist City Recorder Robin Neace

### 3. ADDED AGENDA ITEMS

Any matters added to the Agenda at this time will be discussed during the "Other Matters" portion of this Agenda or such time selected by the City Council

### 4. CONSENT AGENDA

Information concerning the matters listed within the Consent Agenda has been distributed to each member of the City Council for reading and study, is considered to be routine, and will be enacted or approved by one motion of the City Council without separate discussion. If separate discussion is desired concerning a particular matter listed within the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda by request of any member of the City Council.

- a. City Council Meeting Minutes
  - i. 6.17.2020 Special Meeting Minutes
  - ii. 6.24.2020 Regular City Council Meeting Minutes
  - iii. 6.24.2020 Joint Meeting with DCBOCC Minutes
- b. TRT Payment to Visitor Center

Councilor Scott noted a technical change to the minutes to add her name as attending a meeting. Councilor Greiner also noted a typo in the minutes.

Motion made by Councilor Greiner, Seconded by Councilor Shields Voting Yea: Councilor Greiner, Councilor Briese, Councilor Scott, Councilor Shields

### 5. SLED ADVISORY BOARD CHANGE OF APPOINTMENT- ACTION ITEM

# REGULAR CITY COUNCIL MEETING VIA ZOOM MINUTES JULY 22, 2020

Change of Council SLED Advisory Board appointment from Councilor Shields to Councilor Scott due to a better fit in scheduling.

Motion made by Councilor Greiner, Seconded by Councilor Shields Voting Yea: Councilor Greiner, Councilor Briese, Councilor Scott, Councilor Shields

# 6. LA PINE PARK AND RECREATION DISTRICT- FINLEY BUTTE PARK WATER MEMORANDUM OF UNDERSTANDING- ACTION ITEM

Bethel notes that this MOU is entered into every year with the Park District in order for the City to donate water to the Park District for Finley Butte Park. This years MOU is modified to only donate 2 million gallons, which, according to Obrist, is in like with the Park's District actual usage for irrigation at the park. MOU will be in effect from July 1, 2020 until June 30, 2021. Councilor Briese questioned how much the Park District usually uses, and Obrist noted that only once when there was a leak did the Park District use anywhere near 2 million gallons.

Motion made by Councilor Shields, Seconded by Councilor Scott Voting Yea: Councilor Greiner, Councilor Briese, Councilor Scott, Councilor Shields

# 7. CENTRAL OREGON INTERGOVERNMENTAL COUNCIL MEMORANDUM OF UNDERSTANDING TO PROVIDE LEGAL SERVICES- ACTION ITEM

Bethel notes that the City has an opportunity to use the COIC legal counsel at a reduced rate from the City Attorney. Mayor also noted that in the future, COIC may be able to be used a municipal judge if the City's code ever allows for that.

Motion made by Councilor Greiner, Seconded by Councilor Scott Voting Yea: Councilor Greiner, Councilor Briese, Councilor Scott, Councilor Shields

### 8. TRANSPORTATION SDC PRESENTATION

Presentation by Steve Donovan re: Transportation SDC. Contents reflected in Packet Documents.

Councilor Greiner asks Donovan to clarify if this SDC is based on study of projected growth from several years ago, or the current one. Donovan states that it is the current projection.

Councilor Greiner asks for clarification on the Recommended schedule of Transportation SDCs slide about recreational homes. Greiner thinks that single family and recreational should be the same. Donovan notes that Deschutes County disagrees, but that the City could always make a different policy decision than Deschutes County.

Mayor Richer asks for clarification is the City of La Pine's Water and Sewer SDCs are larger than surrounding cities. Donovan agrees that the fees are higher in order to increase capacity, noting that the SDC plan is working.

Councilor Greiner wants to know if the City is doing information meetings for the public. Donovan states that the statute does not require it, as the City has already given the public notice through publication in local newspapers and the website.

Mayor Richer does not support raising the SDCs any more than what has been proposed. Emphasizes that the City stays in line with other local cities.

# REGULAR CITY COUNCIL MEETING VIA ZOOM MINUTES JULY 22, 2020

Councilor Briese is a little concerned about how much higher the proposed SDC is in comparison with other similarly situated cities. The SDCs does affect where people are choosing to build.

Mayor Richer asks why ODOT isn't footing some of this bill as with Sisters. Donovan notes that even though Highway 97 runs through town, ODOT does not have facilities that depend on city roads in town, unlike places like Sisters.

Councilor Greiner does not think the fees are out of line at all, but also notes that the fees are not permanent and can be changed at any time.

Councilor Scott questions the rate of the SDC as compared to surrounding areas, including Redmond. Donovan emphasizes that our SDCs are based on the City's costs, not on surrounding cities costs.

### 9. COVID-19 UPDATE PRESENTATION

COVID-19 presentation pushed until next meeting

Bethel notes new restrictions from governor:

- Limiting outdoor gathering to 100 people; indoor gathering to 50 people; social gathering to 10 people.
- Bars and restaurants closed at 10:00 pm.

### 10. PUBLIC EVENT PERMITS- DISCUSSION

Bethel gives a staff reporting, questioning what the Council wants to do with even permits, asking if they prefer a case by case decision or a blanket denial until a certain date.

Councilor Briese believes that the City should do their best to help facilitate events and put the expectations to social distancing plans on the website. She emphasizes it is the City's job to educate the public.

Mayor Richer suggests that the City put up a sample social distancing plan on the website. Bethel emphasizes that a sample social distancing plan does not exist at the present, but other cities may have examples. Mayor Richer wants citizens to be able to get Permits.

Councilor Greiner states that he sees a lot of individuals, especially those from out of town, not following the governor's orders and guidelines and the City should keep this in mind when approving Event Permits.

Councilor Scott generally agrees with Councilor Greiner assessment.

It is agreed that the City will assess each Event Permit on a case by case basis.

### 11. OTHER MATTERS

Only Items that were previously added above in the Added Agenda Items will be discussed.

Planning File 04-FPR20 review.

Bethel notes that under new Code, these decisions must go through City Council.

Motion made by Councilor Scott, Seconded by Councilor Greiner.

Voting Yea: Councilor Greiner, Councilor Briese, Councilor Scott, Councilor Shields

# REGULAR CITY COUNCIL MEETING VIA ZOOM MINUTES JULY 22, 2020

### 12. PUBLIC COMMENTS

Three (3) minutes per person; when asked to the podium, please state your name and whether you live within La Pine city limits.

No public comment.

### **13. STAFF COMMENTS**

Bethel touches on the following topics:

- TGM Grant is moving forward, being ghost written by the County.
- County gave the lift station land to the City.
- Multiuse Path seems to be a sticking point with the County Commissioners. County Commissioners requested a presentation from the City and another joint meeting.

### 14. MAYOR & COUNCIL COMMENTS

Councilor Scott noted that the Wickiup parking lot looks great, as well as the BiMart landscaping.

### **15. ADJOURNMENT**

Meeting adjourned at 6:57 p.m.



### **CITY OF LA PINE**

### STAFF REPORT

Meeting Date:		August 12, 2020				
TO:		La Pine City Council				
FROM:		Staff				
SUBJECT:		Request to use drive thru for Marijuana during declaration of emergency				
TYPE OF ACTION REQUI		ESTED (Check one):				
[]	Resolut	ion	[]	Ordinance		
[]	No Acti	on – Report Only	[]	Public Hearing		
[ X ]	Formal	Motion	[]	Other/Direction:		

### Councilors:

Background: On March 18<sup>th</sup> the City declared a state of emergency in response to the COVID-19 pandemic (Resolution No. 2020-03 – attached). On March 22, 2020 the Oregon Liquor Control Commission (OLCC) approved a temporary rule applicable to marijuana retailers which allowed licensed retailers to take orders and deliver marijuana product outside the retailer's store within 150 feet of the licensed premises. The rule did not change any city or county ordinance.

Based on these rulings the City issued letters on March 27<sup>th</sup>, 2020 to retailers allowing the temporary sale of Marijuana outside the premises within terms and conditions (see attached letter to HD).

On July 22, 2020 the OLCC issued an approval to HD Botanicals LLC for an alteration request to use the existing drive thru located within the building (see attached letter from OLCC dated July 22, 2020).

Request: HD Botanicals is requesting the City allow the use of the drive thru temporarily while the State of Emergency resolution is still active (see email and documents). If the City Council approves the request it can not be extended past the emergency declaration as our code does not allow outside, curbside or drive thru sales of marijuana.

15.108.050 Marijuana Business: C- 8 "All Marijuana Businesses will conduct operations inside secure, enclosed structures. Marijuana Products may not be displayed in a manner that is externally visible to the public. No drive-through, curb-side, mobile, or other external sale methods are permitted."

### **RESOLUTION NO. 2020-03**

A RESOLUTION OF CITY OF LA PINE DECLARING A STATE OF EMERGENCY IN RESPONSE TO THE COVID-19 PANDEMIC; AND AUTHORIZING THE CITY MANAGER TO TAKE ACTIONS NECESSARY AND APPROPRIATE TO PROTECT THE HEALTH, SAFETY, AND WELFARE OF THE CITY AND CITY'S CITIZENS.

WHEREAS, City of La Pine ("City"), an Oregon municipal corporation, has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant or allow City; and

WHEREAS, coronavirus (COVID-19) is a virus that can cause respiratory disease with the potential to cause serious illness and/or loss of life for individuals, especially individuals with underlying health conditions; and

WHEREAS, on March 8, 2020, Governor Kate Brown declared a state of emergency due to the COVID-19 outbreak in Oregon (Executive Order No. 20-03), finding that COVID-19 has created a threat to public health and safety, and constitutes a statewide emergency under ORS 401.025(1); and

WHEREAS, on March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization; and

WHEREAS, under ORS 401.025(1), an emergency is defined to include, without limitation, a natural event, including disease, that causes or threatens widespread loss of life, injury to person or property, human suffering, and/or financial loss; and

WHEREAS, ORS 401.305 to 401.335 grants cities in Oregon general and specific powers to respond to emergencies; and

WHEREAS, ORS 401.309(1) provides that the governing body of a city may declare, by ordinance or resolution, that a state of emergency exists within the city; and

WHEREAS, under ORS 401.309(2), City may adopt procedures to prevent, prepare for, minimize, respond to, and/or recover from an emergency; and

WHEREAS, the La Pine City Council (the "Council") finds that COVID-19 is a public health crisis that threatens the health, safety, and welfare of City and City's citizens and constitutes an imminent threat of severe damage, injury to person or property, illness, human suffering, financial loss, and/or loss of life; and

WHEREAS, the Council finds it necessary to adopt procedures to prevent, prepare for, minimize, respond to, and/or recover from the COVID-19 pandemic, including, without limitation, adopting such measures and/or actions necessary for the protection of the health, safety, and/or welfare of persons, property, infrastructure, and/or the environment; and

WHEREAS, the Council finds that COVID-19 necessitates a state of emergency declaration.

NOW, THEREFORE, BE IT RESOLVED that City of La Pine resolves as follows:

- 1. <u>Findings</u>. The above-stated findings contained in this Resolution No. 2020-03 (this "Resolution") are hereby adopted. Without otherwise limiting the generality of the immediately preceding sentence, the Council finds that COVID-19 threatens the health, safety, and/or welfare of City and its citizens and/or causes or may cause severe damage, financial loss, illness, injury, and/or death to persons and/or property in City.
- 2. <u>Emergency Declaration; Notice</u>. Council finds that COVID-19 threatens the health, safety, and/or welfare of City and its citizens and/or causes or may cause damage, injury, and/or death to persons and/or property in City. In accordance with ORS 401.309, the Council declares a state of emergency commencing March 18, 2020 and ending April 18, 2020; provided, however, the city manager may, without prior Council authorization, extend the emergency declaration as necessary or appropriate. The emergency declared in this Resolution applies to all areas within City's incorporated limits. City will give notice of the emergency declaration through press releases, public media, and such other means the city manager deems reasonable under the circumstances.
- 3. Temporary Regulations. For purposes of preventing, preparing for, minimizing, responding to, and/or recovering from the emergency, City may, to the fullest extent permitted under applicable law, adopt such procedures, measures, and/or actions necessary for protection of the health, safety, and/or welfare of persons, property, infrastructure, and/or the environment. Without otherwise limiting the generality of the immediately preceding sentence, City is hereby authorized to take such actions necessary to prepare for, prevent, mitigate, and/or respond to the emergency, including, without limitation, the following: (a) transferring and/or redirecting any City funds necessary or appropriate for uses and/or purposes related to the emergency; (b) suspending City's public contracting and/or procurement rules, procedures, and/or requirements for any contract or purchase necessary and/or appropriate to respond to the emergency, including, without limitation, contracts for goods, services, and/or construction services; (c) cancelling non-essential City meetings and/or events, including, without limitation, committee, commission, task force, and other City meetings, and/or modifying the manner and/or method in which essential City meetings are held and conducted; (d) suspending code enforcement actions; (e) suspending utility shut-offs and/or utility service terminations; (f) limiting the congregation and/or gathering of individuals; (g) reducing and/or eliminating City business hours; (h) closing and/or limiting access to City property and City buildings, including City Hall; (i) adopting, modifying, and/or suspending City personnel policies, including, without limitation, adjusting work schedules, adopting remote work policies, and/or modifying leave policies; (j) any actions authorized under ORS chapter 401; and/or (k) adopting and implementing such actions, precautions, measures, and/or procedures recommended by federal, state, and/or local governments and/or agencies, including, without limitation, the Centers for Disease Control and Prevention, Oregon Health Authority, and/or Deschutes County Health Services.
- 4. <u>Authorization</u>. The Council authorizes, approves, and directs the city manager, and his or her designee, acting individually and without further Council approval and/or authorization, to take all actions necessary or appropriate to prevent, prepare for, minimize, respond to, and/or recover from the emergency, including, without limitation, adopting, implementing, administering, and/or effectuating any policy, procedure, measure, and/or action described in Section 3 of this Resolution. The approval and authority provided under this Section 4 will remain in full force and effect until the earlier of (a) conclusion of the state of emergency declaration provided under Section 2 of this Resolution, or (b) revocation by Council resolution. The city manager is further authorized to coordinate with other federal, state, and/or local agencies concerning City's response to, and recovery from, the emergency, including, without limitation, requesting assistance and reimbursement from the State of Oregon and/or

appropriate federal agencies.

5. <u>Miscellaneous</u>. All pronouns contained in this Resolution and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The provisions of this Resolution are hereby declared severable. If any section, subsection, sentence, clause, and/or portion of this Resolution is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Resolution. This Resolution may be corrected by order of the Council to cure editorial and/or clerical errors.

ADOPTED by the City Council of City of La Pine and signed by the mayor this 18<sup>th</sup> day of March, 2020.

Daniel Richer, Mayor

ATTEST:

Melissa Bethel, City Manager



16345 Sixth Street — PO Box 2460 La Pine, Oregon 97739 TEL (541) 536-1432 — FAX (541) 536-1462 www.lapineoregon.gov

March 27, 2020

### Via First Class Mail

HD Botanicals 51366 Hwy 97 PO Box 3081 La Pine, Oregon 97739

Re: Outside/Onsite Sales of Marijuana

Dear Sir or Madam:

On March 22, 2020 the Oregon Liquor Control Commission ("OLCC") approved a temporary rule applicable to marijuana retailers in response to the COVID-19 outbreak (the "Rule"). The Rule permits licensed retailers to take orders and deliver marijuana product outside the retailer's store within 150 feet of the retailer's licensed premises. The Rule does not, however, change any city or county ordinances, including, without limitation, City of La Pine ("City") Ordinance No. 2016-10, as amended (the "TPM Ordinance").

As you are aware, the TPM Ordinance requires that all sales must occur inside the retailer's licensed premises. The TPM Ordinance also prohibits walk-up or drive-through service (marijuana sales). Similarly, City's development code prohibits drive-through, curbside, mobile, and/or other external marijuana sales.

On March 18, 2020, the La Pine City Council adopted Resolution No. 20-679, which resolution declared a state of emergency in City in response to COVID-19. This resolution authorizes the city manager to take appropriate action to protect the health, safety, and welfare of City and City's citizens. In furtherance of this objective, City is *temporarily* permitting marijuana sales to be conducted outside the retailer's licensed premises subject to and in accordance with the following terms and conditions:

- 1. The retailer must have obtained and maintain a license with OLCC. The retailer must have obtained and maintain all necessary licensing with City.
- 2. All "outside" sales, transfers, and/or deliveries must occur within the lesser of (a) 150 feet from the retailer's licensed premises (i.e., the physical business location), or (b) the boundary line of the real property on which the retailer's licensed premises is located.
- 3. All "outside" sales, transfers, and/or deliveries must occur during daily operating hours for retailers (i.e., no earlier than 7:00 a.m. and/or later than 10:00 p.m., Monday through Sunday).
- 4. All "outside" sales, transfers, and/or deliveries must be conducted subject to and in accordance with the Rule, including, without limitation, all documentation requirements for orders and deliveries, and all other applicable provisions of the TPM Ordinance and City's development code.
- 5. Prior to conducting any outside sales, the marijuana retailer must provide City prior written notice of its election to conduct outside sales.

6. The marijuana retailer must conduct its business and operations subject to and in accordance with all applicable federal, state, and local laws, regulations, and ordinances, including, without limitation, the TPM Ordinance.

Failure to comply with the terms and conditions contained in this letter will result in immediate revocation of the temporary outside sales authorization provided under this letter.

Notwithstanding anything contained in this letter and/or the Rule to the contrary, City may, in City's sole discretion, revoke the temporary outside sales authorization provided in this letter at any time. Without otherwise limiting the generality of the immediately preceding sentence, the temporary authorization contained in this letter may remain in effect until the earlier of following: (a) revocation by City; (b) expiration, termination, or revocation of City's emergency declaration; or (c) the expiration, termination, or revocation of the Rule. This letter will not be construed to waive (temporarily or otherwise) any provisions contained in the TPM Ordinance and/or City's development code, except as expressly provided above concerning outside sales.

City is committed to the health, safety, and welfare of its employees, customers, and residents. The onsite delivery option contemplated in this letter is a choice for retailers. City is not mandating that retailers provide or conduct outside sales. City encourages all businesses to take measures necessary to protect the health and safety of its employees, customers, and the public.

Please feel free to contact me if you have any questions. Thank you in advance for your anticipated assistance and cooperation.

Sincerely,

Melissa Bethel City Manager

Meliss Betul

cc: Mayor Daniel L. Richer

Jeremy M. Green, Bryant, Lovlien & Jarvis, P.C.



**Liquor Control Commission** 

9079 SE McLoughlin Blvd. Portland, Oregon 97222-7355 503-872-5000 800-452-6522 www.oregon.gov/olcc

July 22, 2020

HD Botanicals LLC 10061656460 DBA: HD Botanicals

### RE: ALTERATION TO MARIJUANA LICENSED PREMISES

Thank you for submitting your documents requesting approval to alter your licensed premises on or about 07/07/2020.

The alteration request that you submitted has been approved and will soon be uploaded into the online licensing system.

If you want to make any additional changes to your licensed premises, OAR 845-025-1175 requires that you obtain prior written approval before making any physical changes to the licensed premises that materially or substantially alter the licensed premises or the usage of the licensed premises from the plans originally approved by the Commission.

Regards,

Cindi Girard

C. Greard

Interim Marijuana Compliance Technician

541-776-6277

cindi.girard@oregon.gov



Matthew Toepfer <hdbotanicals541@gmailsਰਆ

Wed, Jul 22, 2020 a553化显然如中

# Alteration Request Approval Letter- HD Botanicals LLC 10061656460

1 message

Girard Cindi \* OLCC <Cindi.Girard@oregon.gov>
To: "hdbotanicals541@gmail.com" <hdbotanicals541@gmail.com>
Cc: BROWN Larry F \* OLCC <Larry.F.Brown@oregon.gov>

Good afternoon Matthew,

online licensing system. Please see the attached letter formally approving your alteration request. The approved alteration request file will also soon be uploaded to and viewable in the ind ne

Cindi Girard

Interim Marijuana Compliance Technician

Marijuana Regulatory Specialist/Inspector

Oregon Liquor Control Commission

Medford Regional Office

855 Medford Center Dr.

Medford, OR 97504

(541) 499-7596

(541) 776-6188 (fax)

cindi.girard@oregon.gov



Attn: to the city Council of La Pine. Please Consider for our Saftey & for our Customers. Thanks Matt loopter

HD Botanicals

### Written Explanation of proposed changes:

Our retail establishment is located in an old bank building. This building has a built in drive thru with a well secured drawer, bullet proof glass and microphone. There are cameras that cover the area of the drive thru, two of which are within 15 feet of the drive thru window. We are asking for changes to allow the usage of this drive thru.

The recent COVID-19 outbreak has been challenging for our safety and the safety of our customers. The safety of my employees is my upmost concern. Recently with the mandatory face mask order we have hit even more challenges. Many customers are rude and threatening and do not want to abide by the order. Curbside delivery did not work well for us. We believe that this drive thru could be a huge help with the problems we are facing today and with the uncertainty of tomorrow.

Please consider giving us permission to use our drive thru for the safety of our employees, our community, and the people of Oregon as a whole.

Thank you for your consideration.

Matthew Toepfer

HD Botanicals, LLC

OLCC# 10061656460



### Matthew Toepfer <a href="https://www.ncals541@gmail.com">https://www.ncals541@gmail.com</a>

### Question about Drive-thrus & TAX payment

1 message

Matthew Toepfer <hdbotanicals541@gmail.com>

Thu, Jul 2, 2020 at 10:51 AM

To: BROWN Larry F \* OLCC <|arry.f.brown@oregon.gov>, Licensing Marijuana \* OLCC <Marijuana.licensing@oregon.gov>, Oregon Retailers of Cannabis Association <info@oregoncannabisretailers.com>

Hey Guys,

We all know how difficult it has been to live life and go to work through this global pandemic. It has been especially difficult to manage our customers through our retail facility. The safety and health of our employees and customers is number one priority.

We would like to ask for permission to use our Drive-thru at our OLCC licensed retail dispensary for the safety of our employees and customers. We operate in an old bank that has a really nice drive-thru and it would be the best overall situation when handling transactions. We have 2 cameras that are pointed at the drive thru both inside and outside. I know that drive-thrus are not allowed and only wish for the OLCC to consider this for the future of cannabis sales in Oregon. Other states have implemented drive-thru windows and are operating perfectly, as well as OLCC licensed liquor stores and restaurants within Oregon.

Our drive thru window is a bullet proof glass/safe style that is very secure. This would be a perfect scenario for not coming into contact with the public. Our medical patients and customers with bad health would greatly benefit from this change.

Please consider a drive-thru for Retailers as COVID-19 is not going away, and Oregon needs to stay ahead of this pandemic by allowing us retailers a chance to prove there is a better way.

Also, we are having a very difficult time trying to schedule an appt, with the IRS to pay our Federal income tax, but there are no offices open. The tax deadline is approaching and we are just trying to pay on time, with no penalties or fees. Please let us know if you have any helpful information or ideas of how to help us. Thank you for your time.

Matt Toepfer, owner HD BOTANICALS, LLC OLCC# 10061656460 (541)771-1300



Matthew Toepfer <hdbotanicals541@gmail.com>

### **Drive-up Window**

2 messages

BROWN Larry F \* OLCC <Larry.F.Brown@oregon.gov>
To: Matthew Toepfer <hdbotanicals541@gmail.com>

Thu, Jul 2, 2020 at 2:08 PM

Apparently they have been approving these, even though we have a rule that specifically says you cannot do it.

What I need you to do is go onto our web site, and fill out an alteration request for this and send it to the email on the top of the form and then we will get it going through the process.

It may also require camera coverage outside of the drive-up similar to what you have outside of your doors, everything within 15 foot of the window would need coverage.

For the time being this would only be temporary, but they are working on a concept for a permanent rule for curbside delivery and I keep throwing in that they need to address walk up and

Larry Brown

Oregon Liquor Control Commission (OLCC)

Marijuana Regulatory Specialist (Inspector)

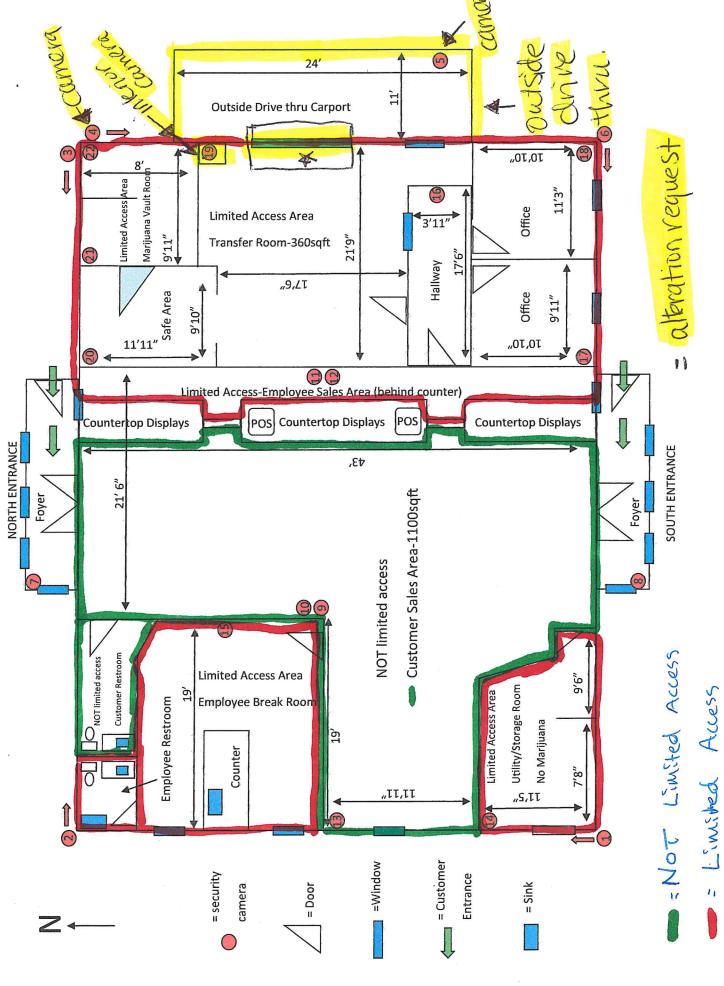
Larry.f.brown@oregon.gov

336 SW Cyber Drive #104

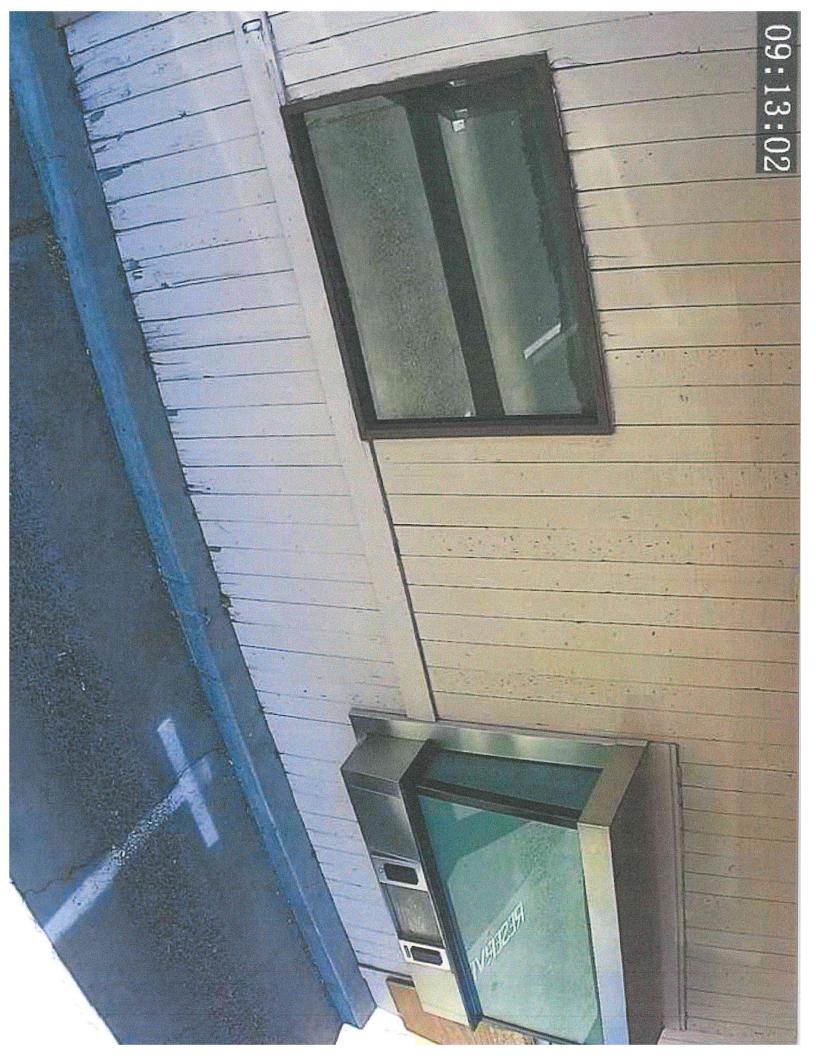
Bend, OR 97702

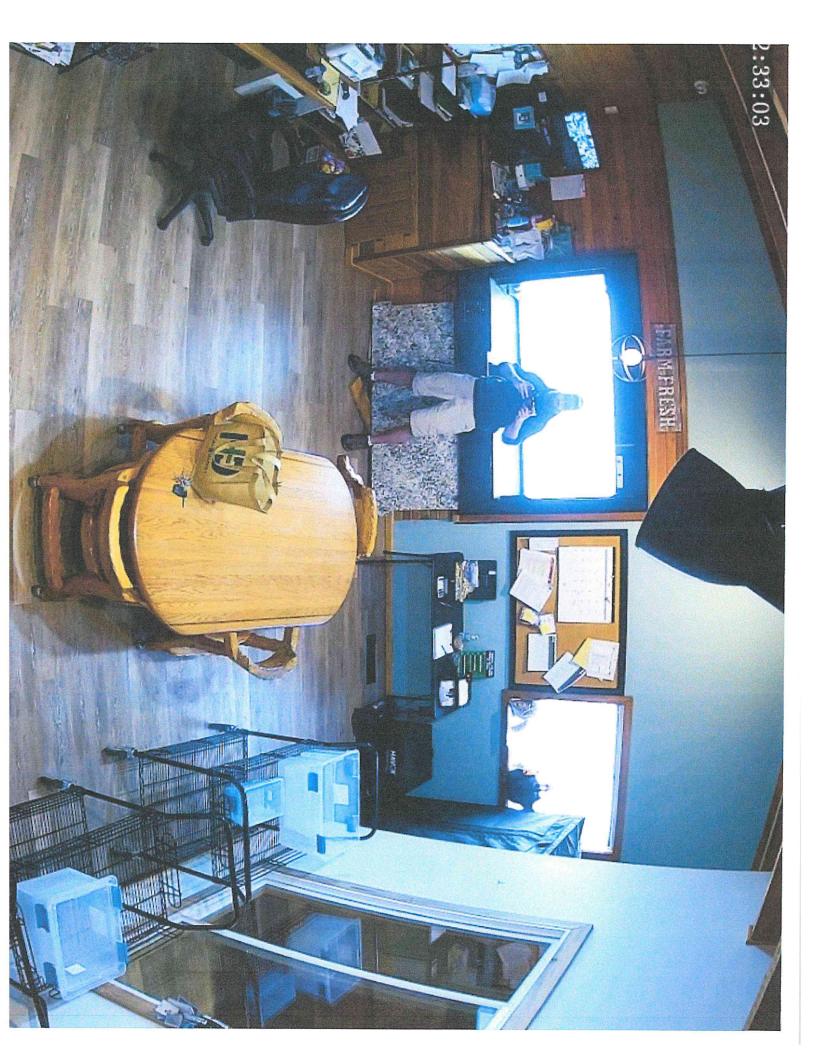
541-325-2997

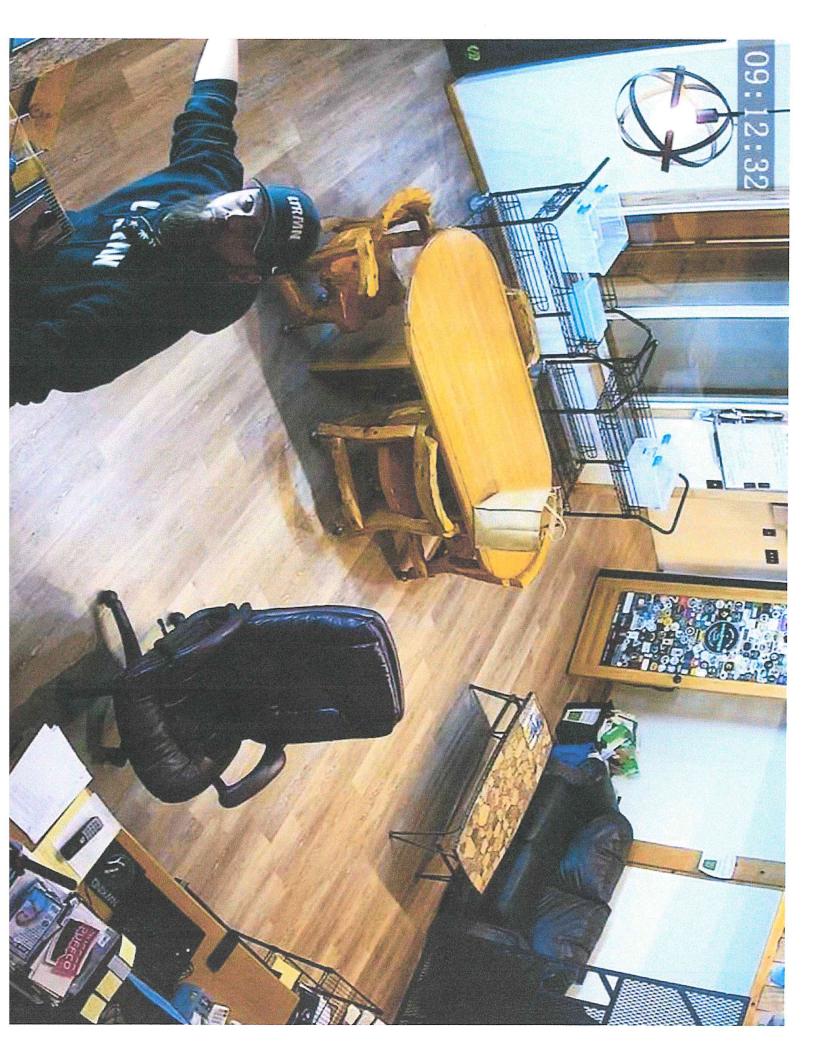
Fax 541-388-6321













### Alterations to a Licensed Premises

The following changes must be APPROVED by the OLCC before changes are made

### What is this form?

Complete this form if you are making physical changes that require the installation of additional video surveillance cameras or a change in the security system and/or you are sealing off, creating or relocating common entryways, doorways, passages or other such means of public ingress or egress, when such common entryway, doorway or passage alters or changes limited access areas. This may include areas where cultivation, harvesting, processing, or the sale of marijuana items occur within the licensed premises.

Submit your request via email to: marijuana.licensing@oregon.gov

Section 1 - Licensee information						
License Number:	060-10061656460	Request Date:	1	7	20	
Licensee:	Matthew Toepfer					
Trade Name:	HD Botanicals					
Premises Address:	51366 HWY 97 1	LaPine, OR	29	77	39	
Person Requesting:	matthew Toepfer	Position/Title:	UV			
Contact number:	541-771-1300	Email:	hdi	bot	anicals5418	
Contact number: 541-771-1300 Email: habotanicals 5416  Section 2 - Documentation						

Castian d. Linemana Information

### Submit the items below:

- A detailed written explanation of changes being made
- A sketch of your revised proposed premises that includes:
  - o The location of your property relative to surrounding properties or landmarks.
  - o The location of any residences on the property.
  - o Location and dimensions for all fences and structures.
  - A clear line showing the boundary of your proposed licensed area and the boundary of your limited access area as defined in OAR 845-025-1015(29).
  - The locations of all cameras, assigning each camera a number.
  - The location of your surveillance room/area as required by OAR 845-025-1460(1).
- Floor plans for all enclosed areas with clear identification of walls, partitions, counters, windows, and all areas of ingress and egress
- If there is any change in the operating and security plan for your business, complete Section 3 of this form.



### Alterations to a Licensed Premises

### Section 3 - Operating and Security Plan

The Commission has set minimum standards for the security of a licensed recreational marijuana premises. Licensees are responsible for the security of all marijuana items on the premises and those in transit on behalf of the licensee.

The questions below collect basic information to determine the compliance of security in place at your proposed premises. Adherence to the below requirements does not release a licensee from the responsibility to maintain the security of marijuana items.

OAR 845-025-1405 allows any licensee or applicant to request a waiver of any of the security requirements described in OAR 845-025-1400 to 845-025-1470. A "No" answer to the security requirements as specifically identified in the relevant section below <u>must</u> be accompanied by a security waiver request documenting the specific rule to be waived and a proposed alternative to meeting that goal. Waiver requests are subject to approval by the Commission and may be denied. Broad requests to waive all of the security requests will be denied. You must propose an alternate method to meeting the goal of the requirement to be waived.

You can find the full text of the Marijuana Division administrative rules at http://marijuana.oregon.gov

	Yes	No	3.1 Premises Access			
1.			Will all external doors and gates be secured by commercial locks rated to ANSI grade 1 or similar standards and will materials be available on-site for inspection to verify the security rating?			
2.	$   \sqrt{} $		Producers, Processors, Wholesalers, Laboratories: When not operating, will all usable marijuana, harvested plants, and finished product be stored indoors on the licensed premises in a secure area with all entries secured with a steel door in a steel frame and commercial locks?			
		/	Retailers: Will the premises use vaults and/or safes to store all marijuana items, including immature plants, on the premises when the premises is closed?			
3.			When not operating, will all exterior doors, windows, or other points of ingress/egress be locked?			
	Yes	No	3.2 Premises Alarm & Monitoring			
4		M	Will the premises have an authorized representative such as an employee, owner, or contracted security professional on the premises (not in a residence or outside the premises) at all times when not in operation?			
5.	V		Will the premises have an alarm system programmed to activate upon unauthorized breach of any door, window, or other point of entry?			
6.	V		Is the alarm system capable of detecting unauthorized access to any portion of the premises, including any unenclosed portion of an outdoor production operation?			
7.	V		Does the alarm system provide notification to an authorized representative in the event of any unauthorized entry to any portion of the premises?			



### **Alterations to a Licensed Premises**

	Yes	No	3.2 Premises Alarm & Monitoring (continued)				
8.			Does the alarm system provide a mechanism to contact law enforcement by one or more of the following methods? (Indicate all that apply.)				
			At least two "panic buttons" are installed on the premises that can trigger the alarm system and immediately notify a security company or law enforcement.				
			Mobile "panic buttons" are carried by all license representatives on the premises that can trigger the alarm system and immediately notify a security company or law enforcement.				
			An operational landline telephone is present at all times within the limited access area that is capable of contacting security or law enforcement.				
			3.3 Transportation				
			allow you to transport marijuana, but may not allow you to transport all types of marijuana to all en if you do not plan to exercise this privilege, you must acknowledge the following:				
9.	V	l ackno	wledge the following statements below:				
•	<ul> <li>All marijuana must be transported to another licensed premises only pursuant to a valid transfer manifest recorded in the Cannabis Tracking System (CTS);</li> </ul>						
•	<ul> <li>Any person transporting marijuana on behalf of a licensee must have a valid Driver License and a Marijuana Worker Permit. In addition that person must be recorded as an employee in CTS and as the person responsible on the Transfer Manifest.</li> </ul>						
•	Any	vehicle us	sed in the transport of marijuana items must be equipped with a functioning car alarm system;				
•			ns in transit between premises must be stored in a locked, enclosed area inside the vehicle and ns must not be visible from the vehicle exterior.				
Talka.	Yes	/No	3.4 Video Surveillance				
10.			Is the premises equipped with a video surveillance system?				
11.	V		Do cameras cover all areas where any marijuana items (including plants and waste) will be present at any time including pathways where product will be moved, without any "blind spots"?				
12.	Ø		Do cameras cover all areas within 15 feet of all points of entry/exit from the licensed premises in all directions?				
13.			Do all cameras record continuously 24 hours a day at a resolution of 1280 x 720 pixels or better in all lighting conditions?				
14.	<b>V</b>		Do all cameras covering areas where marijuana items will be present and all cameras covering the surveillance area record at a minimum of 10 frames per second?				



### **Alterations to a Licensed Premises**

	Yes	No	3.4 Video Surveillance (continued)
15.			Do all cameras covering exterior non-limited access areas record at a minimum of 5 frames per second?
16.	Ø		Is the surveillance system in a dedicated room or a dedicated enclosure on the premises and clearly identified on your submitted floor plan?
17.	$   \sqrt{} $		Does the surveillance room contain a list of personnel authorized to access the surveillance system?
18.			Will you keep a log of all maintenance activity for the surveillance equipment including name of the individual, date and time of access, and reason for access?
19.	d		Does the surveillance system on the premises include a monitor capable of viewing video from any camera, a digital archiving device, and a printer?
20.	V		Does the surveillance system have a backup battery that will provide at least one hour of continuous recording in the event of any power failure?
21.	Ø		Does an authorized representative receive immediate notification within one hour of the failure of any security camera or portion of the surveillance system?
22.	Ø		In addition to the on-site storage of camera recordings, is the recording of the surveillance area continuously backed-up to a secure, off-site location?
23.			Are all required recordings kept for 90 days with a method to store video longer than 90 days if requested?; <b>AND</b> Will all recordings of the surveillance area be backed up in real time to an offsite location and
			stored for at least 30 days?
			Do you understand that:
24.			If you intend to stop recording any area because marijuana items will not be present in that area due to a seasonal closure or prolonged inactivity,
			You must first submit a seasonal camera shutdown request form; AND
			That request must be approved by the OLCC prior to deactivating any cameras; AND
			Prior to bringing any marijuana items back into those areas, you must first resume recording?

### **Robin Neace**

From: Matthew Toepfer <hdbotanicals541@gmail.com>

**Sent:** Wednesday, July 29, 2020 11:51 AM

To: Melissa Bethel

**Subject:** Re: Drive thru window and curb side MJ in La Pine

**Attachments:** HD Botanicals Ltr 03.27.20.pdf

### Hi Melissa,

I appreciate the city taking the time to look at this request.

Over the last 6 mths our lives have been changed due to this pandemic. We have been hit especially hard at work with the masks, social distancing, extra cleaning, navigating customers thru crowd control lines, ect. All while trying to explain to the customer that we just want to stay open and stay compliant. We have taken above and beyond the necessary steps to achieve the governors order, while keeping a safe and clean atmosphere. It has been exhausting to say the least.

I have been talking with the Mayor about better ways to keep the community safe and he agrees that the "outside sales" was a way to help, but made things a little crazier. We also both agreed that we have a perfect solution to safe retail sales; the Drive Thru. This drive thru was used for the bank that was there previously and It has a solid bullet proof glass window with a stainless locking drawer. We are installing an electronic window tint to use so that we can turn on and clear the window when there is a sale, then turn off and have privacy. We only wish to use this for the people that cannot wear a mask or won't, medical patients, customers with disabilities, and preorders and prepackaged items. The drive thru will not be for a person to browse our menu or be undecided at the window. They must place an online order and receive a ticket number.

The OLCC has approved the "temporary" use of our Drive thru and Larry Brown even insisted on a future permanent rule to allow Drive thrus around the state. Obviously this would only work with city approval for a future permanent rule.

The letter that we received from the city, Resolution No. 20-679 to address "outside sales" clearly talks about drive thru, curbside, walkup, mobile, ect. not being allowed because of the cities development code and TPM rules. It states that the city is giving us "temporary" permission to conduct those "outside sales" under certain guidelines. I'm not sure why we would need to address this at the next meeting, nor would you be loosening the rules to add this request. The drive thru window is the safest, most practical option to conduct "outside sales" during this pandemic. I do appreciate the time that will be taken to address this request and hope that the city council will take into consideration the safety of our community by allowing the temporary use of the drive thru.

Thank you

Matt Toepfer HD BOTANICALS

On Wed, Jul 29, 2020 at 9:41 AM Melissa Bethel <a href="mailto:mbethel@lapineoregon.gov">mbethel@lapineoregon.gov</a> wrote:

Hi Larry and Matt,

Just wanted to give you an FYI: Our Development Code expressly prohibits drive thru and curbside sales/deliveries. When COVID hit, our Council allowed MJ businesses to conduct curbside sales which was only allowed under our emergency declaration. I will be putting Matt's request on the August 12<sup>th</sup> City Council agenda (The meeting will be held in zoom format) to see if the Council wants to "loosen" the requirements to include drive thru during the

emergency declaration period, but it would only be allowed until our City declares the emergency order over. In order for Matt (or any other MJ dispensary in town) to continue to operate out of the drive thru, we would have to go through a code amendment.

15.108.050 Marijuana Business: C- 8 "All Marijuana Businesses will conduct operations inside secure, enclosed structures. Marijuana Products may not be displayed in a manner that is externally visible to the public. No drivethrough, curb-side, mobile, or other external sale methods are permitted."

Thanks,



### Melissa Bethel

City Manager

www.lapineoregon.gov



### **CITY OF LA PINE**

### STAFF REPORT

Meeting Date:			August 12, 2020				
TO:			La Pine City Council				
FROM:			Melissa Bethel, Staff				
SUBJECT:			Legend Cider loan Forgiveness				
TYPE OF ACTION REQUE		N REQUE	ESTED (Check one):				
	[]	Resolution		[]	Ordinance		
	[]	No Action – Report Only		[]	Public Hearing		
	[X ]	Formal Motion		[X]	Other/Direction:		

### Councilors:

Background: On October 31, 2018, the City and Legend Cider entered into a loan forgiveness agreement (see attached exhibit 1) for \$5,600 which required among other things the borrower would create 5 full time employees for the period of one year within a two-year time frame. Upon satisfying the conditions, the loan would be forgiven by the City.

Request: The two-year time period was up on July 1, 2020. The City's EDD, Patricia Lucas met with Legend Cider owners and due to COVID-19; determined if the agreement could be amended to a 32-hour workweek and allow the equivalent of 3 full time employees instead of 5, the intent of the agreement would be met (see email from Patricia Lucas and Amended Agreement -exhibits 2 &3). If Council is agreeable to amending the terms, staff is requesting approval to sign the loan amendment and certify the loan has been met (see attached EDCO certification – Exhibit 4) and convert to a grant in accordance with the terms of the agreement.

Suggested motion: I move the La Pine City Council approve the Amended Loan Agreement for Legend Cider to reflect a change in eligible job creation from five full time employees to the equivalent of 3 full time employees within a one-year time frame. In addition, I accept the certification letter from EDCO that all conditions of the forgivable loan program have been met and forgiveness of the \$5,600. loan be granted.

### **LOAN AGREEMENT**

This Loan Agreement (this "Agreement") is made and entered into effective on Description, 2018 (the "Effective Date") between City of La Pine ("Lender"), an Oregon municipal corporation, whose address is 16345 Sixth Street, PO Box 2460, La Pine, Oregon 97739, and Legend Cider Company LLC ("Borrower"), an Oregon limited liability company, whose address is 52670 U.S. Highway 97, La Pine, Oregon 97739.

### **RECITALS:**

- A. Lender finds that the program described in this Agreement will promote state and local economic activity by creating new jobs and investments.
- B. Borrower desires to expand its business operations in the City of La Pine, Oregon. Such expansion will create certain Eligible Jobs between July 1, 2018 and July 1, 2019, for total employment by Borrower of five (5) Full-Time Employees. Once created and filled, the Eligible Jobs will be maintained for an additional one (1) year period commencing upon the date that all Eligible Jobs are filled.
- C. Lender desires to promote the expansion of Borrower's operations in the City of La Pine, Oregon by loaning funds in the amount of Five Thousand Six Hundred Dollars (\$5,600.00) for certain hiring and training expenses and such loan will later be converted to a grant upon the condition that Borrower satisfy certain requirements provided in this Agreement.
- D. Lender and Economic Development for Central Oregon ("EDCO") are parties to a certain Memorandum of Understanding Between City of La Pine and Economic Development for Central Oregon dated effective , 2018 (the "MOU") and attached hereto as Exhibit A. The MOU concerns the City of La Pine Forgivable Loan Program. Lender has engaged EDCO to assist in administering and implementing the Loan (as defined herein).
- E. Borrower desires to borrow funds from Lender, and Lender desires to loan funds to Borrower in the form of a forgivable loan, to enable Borrower to purchase furniture, equipment, and inventory in connection with the business of Borrower.

### AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

- 1. <u>Definitions</u>. Unless defined elsewhere in this Agreement, capitalized terms contained in this Agreement have the meanings assigned to them in the attached <u>Appendix A</u>.
- 2. <u>Loan</u>. Subject to the terms and conditions contained in this Agreement, Lender will loan to Borrower and Borrower will borrow from Lender the maximum sum of Five Thousand Six Hundred Dollars (\$5,600.00) (the "Loan"). The Loan will be evidenced by a promissory note in the principal amount of Five Thousand Six Hundred Dollars (\$5,600.00) dated as of the Effective Date (the "Note"). The Note will be in form and substance acceptable to Lender. The Loan will be paid in accordance with the terms of the Note.

- 3. <u>Loan Purpose</u>. Lender will disburse the Loan to Borrower, and Borrower will use the Loan funds to carry out the Project, and for no other purpose. Borrower represents and warrants that it will diligently pursue and complete the following:
- 3.1 Commencing July 1, 2018 and for a period not to exceed two (2) years from the Effective Date, Borrower will create the Eligible Jobs and fill the Eligible Jobs with at least five (5) Full-Time Employees employed by Borrower.
- 3.2 Commencing on the date that all Eligible Jobs are filled with Full-Time Employees and for a period of no less than one (1) year thereafter, Borrower will maintain the Eligible Jobs and continue to employ five (5) Full-Time Employees in the Eligible Jobs.
- 3.3 Wages for the Eligible Jobs will average approximately Twenty-Four Thousand Eight Hundred Eighty-One Dollars (\$24,881.00) excluding commissions, per annum.
- 3.4 Borrower will submit quarterly and annual progress reports to EDCO with documentation for job creation, capital investment relating to new facilities, and equipment associated with the Project.
- 3.5 Borrower will timely pay all Deschutes County real and personal property tax when due and will satisfy all delinquent property tax accounts in full.
  - 3.6 Borrower will comply with all requirements contained in the MOU.
- 4. <u>Security; Security Agreement</u>. Borrower's obligations to Lender which relate to the Loan will be secured by a perfected security interest in the collateral described in the Security Agreement (collectively, the "Collateral"). Lender's security interest will have a priority acceptable to Lender. Lender's security interest in the Collateral will be evidenced by, and Borrower will execute and deliver to Lender (and/or cause any other person to execute and deliver to Lender), such security agreements, assignments, Uniform Commercial Code financing statements, certificates of title, subordination agreements, guaranties, and all other documents and/or instruments as Lender may request from time to time to effectuate the Loan transaction contemplated by this Agreement and/or to grant, preserve, protect, perfect, and continue the validity and priority of Lender's security interest in the Collateral, including, without limitation, a certain Security Agreement dated as of the Effective Date made by Borrower in favor of Lender (the "Security Agreement"). The Security Agreement will be delivered by Borrower to Lender upon the funding of the Loan. The Security Agreement will be in form and substance acceptable to Lender.
- 5. <u>Loan Documents; Collateral</u>. Prior to disbursing any Loan proceeds to Borrower, Lender must have received fully executed originals of the following documents, and any other documents that Lender may require, each of which will be in form and substance acceptable to Lender (individually a "Loan Document" and collectively the "Loan Documents"): (a) this Agreement; (b) the Note; (c) the Security Agreement; and (d) such other documents and/or instruments as Lender may require. Lender will have a valid and perfected security interest in the Collateral (with a priority acceptable to Lender) and will have received satisfactory evidence of perfection and the priority of its security interest.
- 6. <u>Compliance with Laws</u>. Borrower is in compliance with all applicable federal, state, and local laws, regulations, and/or ordinances. Borrower will comply with all federal, state, and local laws, ordinances, regulations, directions, and/or rules.

7. <u>Indemnification</u>. Borrower will defend, indemnify, and hold Lender and each Lender Representative harmless for, from, and against all claims, actions, proceedings, damages, liabilities, obligations, costs, and expenses of every kind, whether known or unknown, including, without limitation, attorney fees, resulting from or arising out of, whether directly or indirectly, the following: (a) any breach and/or inaccuracy of any Borrower representation, warranty, and/or covenant made in this Agreement and/or any other Loan Document; (b) any failure by Borrower to pay and/or perform any covenant and/or obligation required to be performed by Borrower under this Agreement and/or any other Loan Document; and/or (c) the Loan. This indemnification and hold harmless provision will survive the termination of this Agreement and the satisfaction of the obligations of Borrower to Lender under this Agreement.

#### 8. Defaults and Remedies.

- 8.1 Events of Default. The occurrence of any one or more of the following events constitutes a default by Borrower under this Agreement and each Loan Document (each an "Event of Default"): (a) Borrower's failure to perform any covenant, agreement, and/or obligation contained in this Agreement and/or any other Loan Document within thirty (30) days after written notice from Lender specifying the failure with reasonable particularity; and/or (b) Borrower fails to comply with any applicable federal, state, or local law, rule, regulation, and/or ordinance.
- 8.2 Remedies in the Event of Default. On and after an Event of Default, Lender may exercise the following remedies, which remedies are cumulative and which may be exercised singularly or concurrently: (a) upon notice to Borrower, the right to accelerate the due dates of the Loan so that the Loan is immediately due, payable, and performable in its entirety; (b) upon notice to Borrower, the right to take possession, control, and charge of the Collateral; (c) any remedy available to Lender under any Loan Document; and/or (d) any other remedy available to Lender at law or in equity.

## 9. <u>Miscellaneous</u>.

- 9.1 No Waiver by Lender. No failure and/or delay of Lender in exercising any right, power, and/or remedy under this Agreement and/or any other Loan Document will operate as a waiver of such right, power, and/or remedy of Lender or of any other right. A waiver of any provision of this Agreement and/or any other Loan Document will not constitute a waiver of or prejudice Lender's right to demand strict compliance with that provision and/or any other provision. Any waiver, permit, consent, and/or approval of any kind or character on the part of Lender must be in writing and will be effective only to the extent specifically set forth in writing.
- Octs and Fees; Attorney Fees. Without otherwise limiting any other provision contained in this Agreement, Borrower will pay Lender immediately on demand an amount equal to all costs and expenses incurred by Lender in connection with the negotiation, preparation, execution, administration, and enforcement of the Loan Documents and the collection of amounts due to Lender, including, without limitation, all recording costs, filing fees, costs of appraisals, title insurance, inspection, collateral audits, costs of perfecting, protecting, and defending Lender's security interest in the Collateral and attorney fees. Notwithstanding the foregoing, if any arbitration, action, suit, and/or proceeding is instituted to interpret, enforce, and/or rescind this Agreement and/or any other Loan Document, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's attorney fees and other fees, costs, and expenses of

every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

- 9.3 <u>Notices</u>. Any notice required under this Agreement must be in writing. Any notice will be deemed given when personally delivered or delivered by facsimile or email transmission (with electronic confirmation of delivery), or will be deemed given three business days following delivery of the notice by U.S. mail, postage prepaid, certified, return receipt requested, by the applicable party to the address of the other party first shown above (or any other address that a party may designate by notice to the other party), unless that day is a Saturday, Sunday, or legal holiday, in which event it will be deemed given on the next following business day.
- 9.4 <u>Assignment and Participation</u>. Lender may from time to time assign or sell participating interests in all or any part of its interest in this Agreement and any other Loan Document and in connection therewith disclose any information (financial or otherwise) Lender may have concerning Borrower.
- 9.5 <u>Successors and Assigns</u>. This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns, except that Borrower may not assign or transfer any of its rights or obligations under this Agreement and/or any other Loan Document without the prior written consent of Lender, which consent may be withheld in Lender's sole and absolute discretion.
- 9.6 <u>Severability</u>. Each provision contained in this Agreement will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law.
- 9.7 <u>Governing Law; Venue</u>. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suit, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in Deschutes County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Deschutes County, Oregon.
- 9.8 <u>Additional Acts</u>. Upon request by Lender, Borrower will from time to time provide such information, execute such documents, and do such acts as may reasonably be required by Lender in connection with any indebtedness or obligations of Borrower to Lender. All information, documents, and instruments required to be executed or delivered to Lender will be in form and substance satisfactory to Lender.
- 9.9 Interpretation and Exercise of Discretion. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. When Lender is exercising any consent, approval, determination, and/or similar discretionary action under this Agreement, the standard will be Lender's sole discretion. For purposes

of this Agreement, the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity.

- 9.10 <u>Integration; Conflicting Terms</u>. This Agreement, together with the other Loan Documents, comprises the entire agreement of the parties on the subject matter hereof and supersedes and replaces all prior agreements, oral and written, on such subject matter. If any term of any of the other Loan Documents expressly conflicts with the provisions of this Agreement, the provisions of this Agreement will control; provided, however, that the inclusion of supplemental rights and remedies of Lender in any of the other Loan Documents will not be deemed a conflict with this Agreement.
- 9.11 <u>Counterparts and Amendments; Attachments</u>. This Agreement may be signed in counterparts. A fax or email transmission of a signature page will be considered an original signature page. At the request of a party, the other party will confirm a fax or email transmitted signature page by delivering an original signature page to the requesting party. This Agreement may be amended only by a written agreement signed by each party. Any exhibits, schedules, and other attachments referenced in this Agreement are part of this Agreement.
- 9.12 Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement and/or in any certificate or other instrument delivered by Borrower to Lender under this Agreement and/or any Loan Document. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties, and covenants will survive the making of the Loan and delivery to Lender of the Loan Documents, will be continuing in nature, and will remain in full force and effect until such time as Borrower has satisfied its obligations under the Loan Documents in full.
- 9.13 <u>Disclosure</u>. Under Oregon law, most agreements, promises, and commitments made by Lender concerning loans and other credit extensions which are not for personal, family, or household purposes or secured solely by the borrower's residence must be in writing, express consideration, and be signed by Lender to be enforceable.

[the signature page immediately follows]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed and effective for all purposes as of the Effective Date.

LENDER:

CITY OF LA PINE

an Oregon municipal corporation

By: Cory Misley City Manager

**BORROWER:** 

LEGEND CIDER COMPANY LLC,

an Oregon limited liability company

By: Tyler Baumann, Member

## Appendix A Definitions

"Collateral" has the meaning assigned to such term in Section 4.

"Eligible Job(s)" includes the no less than five (5) full-time jobs to be created as a result of the Project and consistent with the wage requirements under Section 3.3. "Eligible Jobs" does not include any Borrower full-time jobs existing before July 1, 2018.

"Full-Time Employee(s)" means any employee who has been hired with the expectation that the job will last for at least one year and who will work at least forty (40) hours per week or the equivalent of 2,080 hours per year.

"Lender Representative(s)" means Lender and its successors, assigns, divisions, affiliates, and related entities, and all past, present, and future officers, directors, shareholders, members, managers, employees, attorneys, agents, volunteers, contractors, representatives, and insurers of the aforementioned.

"Loan" has the meaning assigned to such term in Section 2.

"Loan Document(s)" means those documents described in Section 5.1.

"Note" has the meaning assigned to such term in Section 2.

"Project" means the growth and expansion of Borrower's business and employment in the City of La Pine, Oregon.

"Security Agreement" has the meaning assigned to such term in Section 4.

Exhibit A MOU

(attached)

#### MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (this "MOU") is between City of La Pine, Oregon ("City of La Pine") and Economic Development for Central Oregon, Inc. ("EDCO"), and shall be effective as of July 1, 2018, and shall remain in effect for five years thereafter unless terminated earlier in accordance with this MOU.

#### **RECITALS:**

EDCO and City of La Pine have an expressed interest in working more closely on continuing and expanding the efficient and effective industrial (traded sector) and commercial development program for the City of La Pine area, which includes business recruitment, expansion and retention activities. The City of La Pine community is prepared and motivated to have a local manager and support for implementation of this multi-faceted economic development program over an extended period of time. In addition, City of La Pine is prepared to facilitate, work and collaborate with Sunriver, Deschutes County, local chambers and business leaders in the La Pine and Sunriver area to achieve economic development for the region as contemplated by this MOU.

For mutual consideration, it is hereby agreed as follows:

#### AGREEMENT:

#### SECTION 1 SERVICES TO BE PROVIDED BY EDCO

EDCO shall continuean economic development program that is based locally in the City of La Pine (hereinafter the "Program"), to serve the City of La Pine and Southern Deschutes County (excluding the City of Bend), including, without limitation, Sunriver. EDCO shall hire, employ and direct a Program Director who will oversee all elements of the Program, parallel to EDCO's outreach efforts for business recruitment, expansion and retention activities in other geographic areas. The Program will be project and/or client-based to advise on substantive solutions, one company at a time, relating to workforce issues, business finance, marketing, access to incentive programs, real estate development and other factors impacting businesses. The Program Director will work a minimum of three-quarter time, however with mutual agreement of the City of La Pine and EDCO and with adequate funding, the position may move to full-time at any time.

Pursuant to this MOU, EDCO agrees to use commercially reasonable efforts to provide the services set forth on Schedule 1, performed and created in accordance with the specifications set forth on Schedule 1 (collectively, the "Services"). At no cost and expense to City of La Pine (other than as provided under this MOU), City of La Pine shall cooperate and assist EDCO with the Program. EDCO will present annually or biannually, as requested, a Program report to the City Council of City of

La Pine during a public meeting, which report will include updates as to effort and results of the Program.

#### SECTION 2 COMPENSATION AND FUNDRAISING

- 2.1 Compensation and Funding. City of La Pine shall provide funding to EDCO on an annual basis to run the Program. Such funding includes contributions collected by City of La Pine from Deschutes County, other public entities, and private fundraising. Each year EDCO and City of La Pine will mutually and reasonably determine the amount of funding necessary to run the Program; however, the amount of funding provided by City of La Pine, Deschutes County, other public entities, and private fundraising to EDCO for the Program shall not be less than \$55,000.00 annually. Note: the annual cost of other local programs within the Central Oregon region that EDCO operates with full-time directors currently rage from \$84,000 to \$138,000. The goal for all full-time programs is to have an annual budget of at least \$100,000 by 2023. Within ten (10) days after of the start of each quarter, EDCO will bill City of La Pine one quarter of the annual amount of funding required. Payment by City of La Pine shall be due and payable to EDCO within thirty (30) days after City of La Pine's receipt of the billing.
- 2.2 Private Fundraising. It shall be the responsibility of third-party volunteers, in conjunction with private sector businesses within City of La Pine, Sunriver and Southern Deschutes County (excluding City of Bend), to ensure and maintain adequate funding and fundraising to support continuation of the Program and Services that are the subject of this MOU and for payment of all compensation and expenses due to EDCO for the Services provided under this MOU. All fundraising dollars raised by and within City of La Pine (and Southern Deschutes County (excluding Bend)) shall be used for Program purposes only. Private funding donations may be made directly to City of La Pine (which will then be transmitted to EDCO). EDCO membership dues, EDCO sponsorships and any real and personal property donated under Section 2.4 of this MOU do not constitute private fundraising and shall not reduce City of La Pine's quarterly bill.
- 2.3 Government Funding. EDCO will maintain separate financial, tax and accounting documentation relating to Program and Services rendered. However, City of La Pine is responsible for maintaining its own financial and legal accounts resulting from its contributions to the Program and/or those made to City of La Pine from other public entities or private sector businesses for the Program.
- 2.4 Office Space. The Program and this MOU are contingent upon City of La Pine and/or the local business community providing proper and adequate office

space, utilities, supplies and equipment to EDCO free of charge for EDCO Program personnel. EDCO shall be responsible only for phone and internet charges. EDCO and City of La Pine shall work to ensure adequate office space.

- 2.5 Board Representation. Representatives from the City of La Pine community will play an active advisory role in monitoring and improving services delivered by the Program. With the expansion of services and financial contributions to EDCO which it is anticipated will result from this Program, for as long as this MOU is in effect, an additional seat may be added to the EDCO Board at EDCO's determination for one or more additional La Pine representatives. City of La Pine representatives will be eligible and encouraged to serve in officer positions and on various EDCO committees.
- 2.6 Program Personnel. The Program shall be run by the Program Director who shall be selected by a hiring panel composed of the EDCO CEO and five community leaders selected jointly by EDCO and City of La Pine. The Program Director shall be an EDCO employee, and all oversight, management, supervision and direction and control of the Program Manager will be the responsibility of EDCO, which shall also have the sole right to determine job duties, hours, salary and merit raises or bonuses and any other compensation and benefits, hours of work and other working conditions, and to terminate. However, feedback from City of La Pine, either through its elected officials and/or an Advisory Board, on the Program Director's performance is expected.
- 2.7 Advisory Board. A local Advisory Board will be established to provide direction and feedback, as necessary and appropriate. The Advisory Board will be composed of no more than twelve (12) members, who shall represent the La Pine / Sunriver areas and the public and private investors of the Program. The Advisory Board will meet monthly (or as otherwise agreed) to provide ideas, contacts, policy direction, feedback on results, and help with fundraising efforts. The members of the Advisory Board shall be selected by mutual agreement between EDCO and City of La Pine, and shall serve terms of three years.

## SECTION 3 RELATIONSHIP

3.1 Independent Contractor. EDCO will be an independent contractor of City of La Pine. EDCO and the Program Director will not be an employee of City of La Pine. EDCO will be free from direction and control over the means and manner of providing the Services. EDCO will have the authority to hire other persons to provide or to assist in providing the Services and will have the authority to terminate those persons.

- 3.2 No Agency Relationship. This MOU does not create an agency relationship between the parties and does not establish a joint venture or partnership between the parties.
- 3.3 City of La Pine Indemnification. To the fullest extent permitted by law, City of La Pine shall be solely responsible for its own conduct with respect to any action taken related to this MOU, and City of La Pine shall defend, indemnify and hold EDCO harmless for, from and against any and all claims, demands, actions, suits, damages, liabilities, costs, and expenses, including, without limitation, attorney fees, arising out of or related to City of La Pine's obligations and/or actions, and/or any breach and/or failure to perform any City of La Pine representation, warranty, obligation, and/or covenant under this MOU. City of La Pine's indemnification obligations provided under this Section 3.3 will survive the termination of this MOU.
- 3.4 EDCO Indemnification. To the fullest extent permitted by law, EDCO shall be solely responsible for its own conduct with respect to any action taken related to this MOU, and EDCO shall defend, Indemnify and hold City of La Pine (and its officers, employees, agents, contractors, and representatives) harmless for, from and against any and all claims, demands, actions, suits, damages, liabilities, costs, and expenses, including, without limitation, attorney fees, arising out of or related to EDCO's provision of the Services and/or breach and/or failure to perform any EDCO representation, warranty, obligation, and/or covenant under this MOU. EDCO's indemnification obligations provided under this Section 3.4 will survive the termination of this MOU.

## SECTION 4 LIMITED WARRANTY

- 4.1 Warranty. EDCO warrants to City of La Pine that the Services will be performed by qualified personnel in a professional manner, in accordance with the specifications set forth on Schedule 1.
- 4.2 Disclaimer of Warranties. Except for the express warranties in this MOU, EDCO expressly disclaims all warranties with respect to the Services, express and implied.

#### **SECTION 5** COVENANTS OF THE PARTIES

- 5.1 Compliance With Laws. Each party will comply with all applicable laws.
- **5.2** Governmental Authorizations. Each party will obtain and maintain all of the licenses, permits, registrations, and other governmental authorizations required to conduct the Program and perform the Services.

#### SECTION 6 INTELLECTUAL PROPERTY RIGHTS

- 6.1 Definition. "Creative Work" means any work that EDCO creates or has created in connection with the Services or any other services provided by EDCO.
- 6.2 Work Made for Hire. The Creative Work is, was, and will be specially ordered and commissioned for use by City of La Pine, and is a work made for hire for copyright purposes to the extent it qualifies as such under applicable law.
- 6.3 Assignment. City of La Pine assigns to EDCO its entire interest in the Creative Work (if any), including but not limited to all copyrights, patent rights, trade secret rights, trademark rights, and other intellectual and proprietary rights in the Creative Work.
- 6.4 Moral Rights. City of La Pine assigns to EDCO any moral rights that it may have in the Creative Work, and waives any right to assert any moral rights in any portion of the Creative Work.
- 6.5 Perfection. At the request and expense of EDCO, City of La Pine will sign such documents and take such actions that EDCO deems reasonably necessary to perfect, protect, and evidence EDCO's rights in the Creative Work.

## SECTION 7 TERMINATION

Absent a renewal in writing executed by the parties, this MOU will terminate upon the earliest to occur of the following:

- (a) Five (5) years from the effective date of this MOU;
- (b) Lack of adequate funding to support and maintain the Program and/or Services, as determined by EDCO in its sole discretion;
- (c) Upon the written agreement of the parties;
- (d) Upon 90 days' written notice by either party to the other party for any reason or no reason; or
- (e) Upon notice by EDCO to City of La Pine or vice versa, if either party materially breaches this MOU and fails to cure the breach within 20 days after written notification.

## SECTION 8 GENERAL

8.1 Assignment and Binding Effect. Neither party may assign any of the party's rights and/or obligations under this MOU to any person without the prior

- written consent of the other party. Subject to the immediately preceding sentence, this MOU will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit.
- 8.2 Amendment and Notices. This MOU may be amended only by a written document signed by the party against whom enforcement is sought. All notices or other communications required or permitted by this MOU must be in writing.
- 8.3 Waiver. No waiver will be binding on a party unless it is in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this MOU will not be a waiver of any other provision or a waiver of a subsequent breach of the same provision.
- 8.4 Severability. If a provision of this MOU is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the remaining provisions of this MOU will not be impaired.
- 8.5 No Third-Party Beneficiaries. The parties do not intend to confer any right or remedy on any third party. Subject to the terms and conditions contained in this MOU, each party will pay all wages and benefits due any of its personnel, including, without limitation, overtime and workers' compensation.
- **8.6** Remedies. The parties will have all remedies available to them at law or in equity. All available remedies are cumulative and may be exercised singularly or concurrently.
- 8.7 Attorney's Fees. If any arbitration or litigation is instituted to interpret, enforce, or rescind this MOU, including but not limited to any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including but not limited to the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.
- 8.8 Entire Agreement. This MOU contains the entire understanding of the parties regarding the subject matter of this MOU and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this MOU.

Dated Effective: July 1, 2018.

CITY OF LA PINE

Dennis Scott, Mayor

Cory Misley, City Manager

ECONOMIC DEVELOPMENT FOR CENTRAL OREGON, INC.

Roger Lee, CEO

Becky Johnson, 2017-18 President

#### SCHEDULE 1

#### Services

## La Pine Industrial Zoned Land

- Facilitate the marketing and promotion and development of Industrially-zoned property in La Pine and Sunriver.
- Manage the real publicly-owned property in the industrial zone within La Pine including:
  - monitor when leases expire
  - track availability of properties and adjacent uses
  - provide recommendations to the City and/or County for lease or sale transactions
  - provide recommendations to the City and/or County for needed improvements and infrastructure

## Recruitment

- Develop, coordinate, implement and monitor a City of La Pine economic development marketing and recruitment plan.
- Identify targeted business sectors and develop strategies for recruiting within these sectors, including cluster development.
- Make business recruitment a community-wide effort utilizing all resources and organizations in cooperative efforts.
- Coordinate the efforts of all public and private business recruitment entities to deliver a consistent message to the business community—internally and externally.
- Provide coordination for the on site selection process between the business client and the land developer.
- Maintain a communication network among financial entities, real estate firms, private developers and governmental agencies with a direct interest in development activity.
- Serve as an advocate for business expansion projects in areas such as siting, permitting, inspections and occupancy during the project development.
- Manage the industrial/primary employment recruitment process.
- Manage the La Pine and Sunriver portions of the Deschutes County Rural Enterprise
  Zone, including marketing to new firms, and coordination with the Deschutes County
  Assessor's Office and applicable state agencies.

- Coordinate visits to the Sunriver-La Pine area by prospective client companies and similarly, visit those prospective clients, in a targeted manner, at their place of operation – inside or outside the region.
- Coordinate all of the above stated economic development activities in the unincorporated areas in southern Deschutes County and Sunriver area in addition to the City of La Pine.

#### **Expansion and Retention**

- Proactively seek business expansion and/or relocation opportunities.
- Provide oversight review of job retention and expansion programs.
- Maintain and update the industrial property inventory to facilitate filling needs of both new and existing businesses.
- Perform retention interviews and identify the top five systemic constraints that should be addressed.
- Develop and implement retention strategies, partnering with local regional and statewide agencies.
- Aid existing businesses in reaching their growth potential.
- Gather and update website information related to resources and services for existing businesses.
- Conduct seminars and workshops to educate business leaders, community leaders, and elected officials on the value and need for economic development.
- Manage the La Pine and Sunriver portions of the Rural Deschutes County Enterprise
  Zone, including outreach to existing eligible companies, and coordination with the City
  of La Pine Assessor's Office and state agencies.

In addition to these items, EDCO will work with City of La Pine and Sunriver-La Pine Economic Development Advisory Board (SLED) to formulate specific goals and objectives outlined in three-year strategic plans (current plan is attached as Exhibit A, and will be updated by Jan. 1, 2019) that include, at a minimum:

 A target number of completed business development projects (retention, expansion and recruitment);

- A target number of new, primary family-wage jobs;
- A target amount of new, taxable investment; and/or
- Success/completion of strategic local projects (industrial park development, workforce initiative, etc.).

As with current measurement policies at EDCO, only projects where local or regional economic development efforts have played a lead or contributing role will be counted in the metrics.

#### ATTACHMENT A

## La Pine Economic Development Advisory Board FY 2015 – 2018 Strategic Action Plan Summary

#### Strategies Develop a unified and compelling brand identity and marketing strategy Critical need to Identify unique proposition for geographic coverage area Why would a business, family, individual move to the area? Metric: Identify outside professional help for LED/Community Branding (start in next 60 days - Aug./Sept. 2015) Metric: Initiate "roll out" to community including all local civic groups, key stakeholders, businesses, etc. (start Metric: In coordination with branding, develop key marketing pieces for La Pine Industrial Park, Newberry Business Park and Sunriver Business Park, including community overview (Jan. 2016) Focus on building employment, and diversification through traded sector companies (Move. Start. Grow.) > Work with all three types of business development projects including relocation of firms new to the area, helping launch scalable startups, and growing our own local employers. a. Targeted Industries (traded-sector) ideas discussed (but not limited to): I. Wood Products III. Alternative Energy II. Brewing & Distilling IV. Outdoor Gear & Apparel **Data Centers** V. Size/Scale: bread-and-butter will be small businesses (base hits), but also be opportunistic in capitalizing on large projects (home runs) c. Generate Leads Through: VI. Industry-Specific Tradeshows Primary research (periodicals, online, conf VII. Earned media placement (stories, articles, VIII. Business Retention & Expansion Meetings releases, blogs, social media) XI. Site Selectors X. **Industry Trade Groups** XII. EDCO Website **Business Oregon** Referrals from Partners (City, County, Chambers, COVA, etc.) Metric: Successful business development projects (Move. Start. Grow.): 9 Metric: Creation of new jobs = 50 Metric: Payroll = \$2 million Metric: Industrial Park Properties Sales = \$1million (\$500,000 in shared revenue for the City) Metric: Press Releases for Move.Start, Grow projects and other newsworthy development = 10 Resource for Businesses - resource for new business to help start up, existing businesses for retention and growth, source of information, assistance with workforce Database of traded sector companies Assist with supply chain opportunities Workforce issue identification Business data **Business Planning** Help connect with Capital Resources Connection to Public Resources (Urban Renewal, etc.) Referral to land use permitting processes and help shepherd through Site location options Early stage assistance (Stable of Experts) Metrics: Referrals/Assists = 100 Develop Strong Partnership with Business Service Organizations (BSOs) - (Chambers of Commerce, La Pine

Parks & Recreation, Score, SBDC, etc.) to reduce overlapping efforts, increase effectiveness and close gaps in service to employers in the designated geographic area

- Regular meetings (suggest quarterly)
- Define List, Resources
- Identify Key Issues for Coordination and Communication
- Better Define Roles and Functions

Metrics: Create directory of Business Service Organizations with first 12 months Metrics: Establish regular meetings of BSOs within the first quarter of the fiscal year On a Case-by-Case Basis, Assist Non-traded Sector - (retail/commercial, tourism, healthcare, etc.)

- Proactive or reactive is discretionary but targeted (such as health care, education) must have a business impact, fill a need, have strong community support
- Focus is business climate improvement
- > Opportunistic
- > Community development (such as housing development) is a component but not a primary focus

Metrics: Complete survey of business needs by end of 2015

Metrics: Connect to business license database, but continue to add to database as license database only covers business in the City of La Pine

Metrics: Compile list of needs from survey and create solutions-based plan community partners

#### Improve Business Climate within the Sunriver/La Pine Area

- Maintain/Improve ease of permitting and predictability
- Support City Development Process

> Explore Expansion of Enterprise Zone to include Sunriver

- > Connection for improving opportunities for housing mix in conjunction with community partners
- Participate in community development but not a primary responsibility

**Metrics: TBD** 

#### Geographic Area of Focus: Sunriver south to La Pine within Deschutes County

Also discussed was the market or catchment area for the Sunriver/La Pine area that includes other Incorporated and unincorporated areas in Lake and Klamath counties. While important to the south county economy, it was decided that those areas are outside the scope of this strategic plan. Citing no specific orientation or established connection, the Deschutes River Woods area south of Bend was also excluded.

## SWOT ANALYSIS (not all-inclusive or prioritized; a complete list of responses was provided prior to the meeting)

#### Strengths:

- Building-ready sites (land)
- Strengths of businesses and organizations (Sunriver Resort, Midstate Electric, School District, La Pine Community Health Center, Interfor, St. Charles Clinic (future))
- > Sunriver (national/international name recognition, history of visitors)
- > Pro-business climate (permitting, costs, incentives)
- Community (amenities, cost, family values, volunteers)
- Natural resources (forests, mountains, lakes, rivers and recreational opportunities to enjoy them all)

## Weaknesses:

- Economy (strength, diversity, size, capital)
- > Branding, image, identity, leadership vision
- > Demographics (high average age of residents, 90% part-time or transitory in Sunriver)
- > Lack of existing building inventory (industrial, light industrial, commercial)
- Education and workforce (lack of options, distance to training & education)
- Lack of community amenities (housing, shopping, night life, downtown)

#### **Opportunities:**

- > Cost advantages (over other parts of the tri-county region, state, national)
- > Specific industry development (expanding tourism south of Sunriver, wood products, etc.)
- Sunriver (building or drafting on four decades of national marketing and branding)
- > Branding, Image, Identity and marketing
- Education and workforce training
- Economic development (Sunriver/La Pine is still a blank page)

### Threats:

- Linked to a changing economy (local, state & national)
- > Continued lack of image/identity/branding (need unique proposition that resonates for entire area)
- Anti-business sentiment (primarily and potentially from Sunriver residents/visitors)
- > Lack of education and workforce training
- Competition from other places in Central Oregon, communities in other states

#### **Robin Neace**

From: businessasst1@aol.com

**Sent:** Monday, July 20, 2020 1:07 PM

To: Melissa Bethel
Cc: 'Adrianne Baumann'

**Subject:** Legend Cider Forgivable Loan Documents

**Attachments:** Job Creation Spreadsheet Legend Cider.0720.xlsx

Hello,

This morning Adrianne Baumann and I reviewed payroll information as it relates to the job creation requirement in the agreement with the city for the forgivable loan. In the agreement it states that in order for the \$5,600 loan to be forgivable, Legend Cider must create and maintain five new full time equivalent employees for a period of 12 months. Adrianne and her husband Tyler count toward two of the five for the full time job creation requirement. Based on my discussion with Adrianne, I have compiled the attached spreadsheet that provides information on the creation of three additional full time equivalent (FTE) jobs. For the last four quarters, (7/1/19-6/30/20) the total payroll was \$37,818. The business also provided form W-3 that indicated that there were five W2 forms attached.

As outlined on the spreadsheet, for a 32 hour workweek would result in the creation of 1.89 FTE jobs, a 35 hour workweek would result in the creation of 1.73 FTE jobs and a 40 hour workweek would result in the creation of 1.52 jobs. Adrianne is projecting that payroll for 7/1/20-6/30/21 will be \$61,000. If the business can reach that number, then the job creation will have been met for a 32 hour workweek.

When signing the agreement, Adrianne had the understanding that the monthly payroll would be approximately \$5,000, which would result in an annual payroll of \$60,000. No one could have predicted the impact of COVID on the economy and Legend Cider.

At your convenience, I would like to discuss with you whether the job creation requirement in the agreement could be amended or if the city would consider a 32 hour workweek for the FTE job creation calculation. Please let me know when you are available to discuss.

Thank you.

Patricia Lucas, CEcD Interim Director SLED businessasst1@aol.com M: (248) 693-3049

From: Adrianne Baumann <adrianne@legendcider.com>

Sent: Thursday, July 16, 2020 5:42 PM

To: businessasst1@aol.com

**Cc:** 'Melissa Bethel' <mbethel@lapineoregon.gov> **Subject:** Re: Legend Cider Forgivable Loan Documents

Let's do Monday! Maybe 10?

Adrianne Baumann Owner - Legend Cider Company

#### 541-840-9624

www.LegendCiderCompany.com

From: businessasst1@aol.com <businessasst1@aol.com>

Sent: Thursday, July 16, 2020 5:40:33 PM

**To:** Adrianne Baumann <adrianne@legendcider.com> **Cc:** 'Melissa Bethel' <mbethel@lapineoregon.gov> **Subject:** RE: Legend Cider Forgivable Loan Documents

Hi Adrienne,

Thank you so much for the information. The loan requires that five new full time equivalent jobs be created and retained for at least 12 months. The 2018 W3 shows five W2s were attached and the 2019 shows 1 W2 was attached. Can we set up at time to discuss? It would be great if we could discuss the number of workers during the time frame to see if you were able to accomplish the requirements of the loan/grant. I am free tomorrow after 3 p.m. or I will be in La Pine and could stop in early afternoon. I am free on Monday anytime.

Please let me know what might work for you.

Thank you,

Patricia Lucas, CEcD
Interim Director SLED
businessasst1@aol.com
M: (248) 693-3049
MOVE
START
GROW

From: Adrianne Baumann <adrianne@legendcider.com>

Sent: Thursday, July 16, 2020 4:57 PM

To: businessasst1@aol.com

**Cc:** Melissa Bethel <mbethel@lapineoregon.gov> **Subject:** Re: Legend Cider Forgivable Loan Documents

Hi Ladies!

I sent over the W3 for 2018/2019 however, they don't list the employees individually. If you want us to send that info let me know. I know we were delayed on some of the positions filled since it took longer than expected to open the tap room so that may put us under the amount needed. I remember when we put this together with Cory and Ryan there being a dollar amount... not just that it had to be full time employees. Is there any evidence of that anywhere in the files? Currently we are employing 4 warehouse workers and 3 bar tenders/ cart employees (besides ourselves) so Id imagine now that we are running at full capacity (finally) we are satisfying the goal of the loan and the city would be happy with the outcome :)

Let me know what else you need from me!

Adrianne

Adrianne Baumann Owner - Legend Cider Co. 541.840.9624 www.LegendCider.com From: businessasst1@aol.com <businessasst1@aol.com>

**Sent:** Thursday, July 2, 2020 8:09:49 AM

To: Adrianne Baumann <a drianne@legendcider.com>
Cc: Melissa Bethel <a href="mbethel@lapineoregon.gov">mbethel@lapineoregon.gov</a>
Subject: RE: Legend Cider Forgivable Loan Documents

#### Good Morning,

Please provide W-3 form for 2018 and/or 2019 for verification, which includes all employees, and then black out employee Social Security numbers. For reporting purposes, this form is submitted when a company reaches (or exceeds) the agreed upon employment level, and then submits it or similarly structured information for the required number of quarters specified in the agreement to maintain employment. In your case, the document was entered into in July of 2018 and it provided up to two years to create and maintain five full time new jobs for at least 12 months. Were you able to meet those hiring requirements? When employment levels have been met and sustained for the required 12 month period, a letter is sent by EDCO to the city that states we have collected and verified the information, to the best of our ability, and from that an agenda item for a future meeting of the city for discussion. At that point, then loan will convert to a grant when approved. If you have not been able to meet the hiring requirements, we can ask for an extension.

Please advise on the status of hiring. I am happy to answer any questions and assist you in any way that I can.

Kind Regards,

Patricia Lucas, CEcD Interim Director SLED businessasst1@aol.com M: (248) 693-3049

From: Adrianne Baumann <a drianne@legendcider.com>

Sent: Wednesday, July 1, 2020 10:28 PM

To: <a href="mailto:businessasst1@aol.com">businessasst1@aol.com</a>
Co: <a href="mailto:mbethel@lapineoregon.gov">mbethel@lapineoregon.gov</a>

Subject: Re: Legend Cider Forgivable Loan Documents

Can you remind me what exactly you needed? Is it a payroll report? Let me know the dates and I'll get it emailed to you ASAP

Adrianne Baumann Owner - Legend Cider Company 541-840-9624

www.LegendCiderCompany.com

From: Adrianne Baumann <adrianne@legendcider.com>

Sent: Wednesday, July 1, 2020 10:27:17 PM

To: businessasst1@aol.com <businessasst1@aol.com>

Cc: mbethel@lapineoregon.gov <mbethel@lapineoregon.gov>

Subject: Re: Legend Cider Forgivable Loan Documents

Hey Patricia!

I'm so sorry it's taken me so long to get back to you. We have still been working to get our back bar finished. We've had a few set backs but hopefully will wrap this up in the next couple days and I can focus on getting you what you need. Thanks for being patient with me!

## Hope you're well!

#### Adrianne

Adrianne Baumann Owner - Legend Cider Company 541-840-9624 www.LegendCiderCompany.com

From: businessasst1@aol.com <businessasst1@aol.com>

Sent: Monday, June 22, 2020 12:11:16 PM

**To:** Adrianne Baumann < adrianne@legendcider.com >

Cc: mbethel@lapineoregon.gov <mbethel@lapineoregon.gov>

Subject: RE: Legend Cider Forgivable Loan Documents

Hi Adrianne,

I hope you are doing well! I wanted to follow up to see how many new employees you hired by 7/1/19. The attached loan agreement provided up to two years to hire five new employees and maintain for one year. Please review and let me know the status of the project. I am happy to assist you with the close out process in any way that I can!

Thank you,

Patricia Lucas, CEcD Interim Director SLED businessasst1@aol.com M: (248) 693-3049

From: businessasst1@aol.com <businessasst1@aol.com>

Sent: Wednesday, April 15, 2020 1:45 PM

**To:** adrianne@legendcider.com **Cc:** mbethel@lapineoregon.gov

Subject: Re: Legend Cider Forgivable Loan Documents

Thank you so much, Adrianne! I look forward to working through the close out process with you!

Kind Regards,

Patricia Lucas, CEcD
Interim Director SLED
businessasst1@aol.com
M: (248) 693-3049
MOVE
START
GROW

----Original Message-----

From: Adrianne Baumann <a drianne@legendcider.com>
To: businessasst1@aol.com <b style="color: blue;">businessasst1@aol.com>
Co: mbethel@lapineoregon.gov <mbethel@lapineoregon.gov>

Sent: Wed, Apr 15, 2020 1:35 pm

Subject: Re: Legend Cider Forgivable Loan Documents

Hi Patricia!

Sorry I missed your call. Baby has been all over the place with naps lately so my schedule has been messed up. I will gather up my payroll info and send it back soon!

Thank you!

Adrianne

Adrianne Baumann Owner - Legend Cider Company 541-840-9624 www.LegendCiderCompany.com

From: businessasst1@aol.com <businessasst1@aol.com>

Sent: Monday, April 13, 2020 9:01:22 AM

**To:** Adrianne Baumann < adrianne@legendcider.com >

Cc: mbethel@lapineoregon.gov < mbethel@lapineoregon.gov >

**Subject:** Legend Cider Forgivable Loan Documents

#### Good Morning,

I am writing to follow up on our discussion about the forgivable loan provided to Legend Cider by the City of La Pine in 2018. I have attached the signed documents for the forgivable loan. Per the loan agreement, can you please provide documentation that you hired five full time employees as of 7/1/19. The agreement provided that the hiring would occur between 7/1/18 and 7/1/19, but also provided up to two years for the hiring to occur. Per the loan agreement, can you please provide documentation that you hired five full time employees as of 7/1/19. I will call you today to discuss.

Kind Regards,

Patricia Lucas, CEcD Interim Director SLED businessasst1@aol.com M: (248) 693-3049

# Legend Cider Job Creation Spreadsheet

	32 hours/ Week	Annual Payroll	35 hours/ Week
Full Time Equivalent Employee  3 full time equivalent employees	1664	\$19,968.00 \$59,904.00	1820
Average Wage \$12/hour			
Actual Payroll 7/1/19 - 6/30/20 Projected payroll 7/1/20-6/30/21	3rd quarter \$10,775.00 \$18,000.00	4th quarter \$10,761.00 \$15,000.00	1st quarter \$4,200.00 \$13,000.00

W-3 payroll for 2019 5 employees (part time)

Jul-20

Annual	40 hours/	Annual
Payroll	Week	Payroll
\$21,840.00	2080	\$24,960.00
\$65,520.00		\$74,880.00
2nd quarter		
\$12,082.00		\$37,818.00
\$15,000.00		\$61,000.00
		\$28,818.00

## AMENDED LOAN AGREEMENT

"Effect whose Compa	mended loan agreement is made and entered live Date") between the City of La Pine ("Lend address is 16345 Sixth Street, PO Box 2460, any LLC ("Borrower"), an Oregon limited liabi ay 97, La Pine, OR 97739.	der"), an Oregon municipal corporati La Pine, OR 97739, and Legend Cide	ion, r
A.	Lender loaned \$5,600 to Borrower in the fo expanding its operations on 10/31/18. At stufful time equivalent jobs and to maintain sation the date that the jobs were filled.	uch time, borrower promised to crea	te five
В.	Borrower had up to two years to create five full time equivalent jobs during the period $7/1/18-7/1/20$ .		
C.	C. Due to economic conditions beyond the control of the borrower from the COVID 19 pandemic, the borrower has created three new full time equivalent jobs.		
D.	D. Lender agrees to amend the eligible job creation requirement from five full time equivalent jobs to three full time equivalent jobs.		
E.	E. Borrower has created and maintained three full time eligible jobs for a period of one year.		
F.	F. Lender has collected the required documentation to verify that the borrower has created three full time jobs.		
time e	(c) from the promissory note will also be amo quivalent jobs. All other terms and condition curity agreement executed on October 31, 2	ns of the loan agreement, promissory	
-	r: La Pine icipal Corporation	Borrower: Legend Cider Company an Oregon Limited Liability Compan	у

By: Tyler Baumann, Member

By: Melissa Bethel, City Manager

## City of La Pine Business Development Forgivable Loan Program

Loan Recipient:

Legend Cider Company LLC

52670 U.S. Highway 97 La Pine, OR 97739 541-840-9624

Date of Agreement:

October 31, 2018

Date of Amended Agreement:

July 27, 2020

On behalf of Economic Development for Central Oregon, I hereby certify that Legend Cider Company LLC has met all conditions of the La Pine Forgivable Loan Program as specified in Agreement and Amended Agreement (attached).

I further attest that a representative of Economic Development for Central Oregon has reviewed employment and payroll records furnished by Legend Cider Company LLC and that such records confirm that the company:

- a) Created within and/or relocated to Deschutes County at least 3 new full-time, family wage positions by or before July 1, 2018, and
- b) Maintained these new positions in La Pine for a 12-month period beyond the creation/relocation date and by or before July 1, 2019.

I therefore, request that the La Pine City Council authorize that the business development loan made to Legend Cider Company LLC be converted to a grant in accordance with the terms of the attached agreement.

**Economic Development for Central Oregon** 

By:	atricia ?	Aucas
Title:	Interium	Director
Date: _	813120	



16345 Sixth Street — PO Box 2460 La Pine, Oregon 97739 TEL (541) 536-1432 — FAX (541) 536-1462 www.lapineoregon.gov

August 13, 2020

Tyler and Adrianne Baumann Legend Cider Company LLC 52670 U.S. Highway 97 La Pine, OR 97739

Subject: Conversion of La Pine Business Development Loan to a Grant

## Dear Tyler and Adrianne:

On behalf of the La Pine City Council, I am pleased to inform you that by creating and maintaining a total of three new jobs between July 1, 2018 and July 1, 2019, Legend Cider Company LLC has met all conditions of the La Pine Business Development Loan Program. As a result, the loan made by the City of La Pine to Legend Cider Company LLC in the amount of \$5,600, as outlined in the attached agreement and amendment, has been converted to a grant that does not require repayment. The La Pine City Council approved this action in a public meeting held on August 12, 2020.

The La Pine Business Development Loan Program was created as a means to strengthen the local economic outlook and to increase available employment opportunities within our community. Thank you for helping the city achieve its goals in this regard.

Sincerely,

Melissa Bethel

Wolissa Bothol

City Manager



## **CITY OF LA PINE**

#### STAFF REPORT

Meeting Date:	August 12, 2020		
TO:	La Pine City Council		
FROM:	Melissa Bethel, Staff		
SUBJECT:	Campgrounds and RV Parks zor	ing disc	ussion
TYPE OF ACTION REQUESTED (Check one):			
[] Resolu	ition	[]	Ordinance
[ ] No Ac	tion – Report Only	[]	Public Hearing
[ ] Forma	l Motion	[X]	Other/Direction:

## Councilors:

We have had numerous applications and inquiries about Manufactured home parks and RV living areas in our City. Staff has done some research and has discovered the following:

State law largely governs this issue. ORS 197.493 provides as follows:

**197.493 Placement and occupancy of recreational vehicle.** (1) A state agency or local government may not prohibit the placement or occupancy of a recreational vehicle, or impose any limit on the length of occupancy of a recreational vehicle, solely on the grounds that the occupancy is in a recreational vehicle, if the recreational vehicle is:

- (a) Located in a manufactured dwelling park, mobile home park or recreational vehicle park;
- (b) Occupied as a residential dwelling; and
- (c) Lawfully connected to water and electrical supply systems and a sewage disposal system.
- (2) Subsection (1) of this section does not limit the authority of a state agency or local government to impose other special conditions on the placement or occupancy of a recreational vehicle.

Accordingly, if an applicant can lawfully establish a manufactured home park, the City has to allow use of an RV as a residence within that park subject to the minimum requirements of ORS 197.493. The City's authority is largely limited to governing the design of manufactured dwelling parks and including regulations that are not specific to recreational vehicles. Note however, that ORS 197.490 prohibits establishing manufactured dwelling parks on lands within a UGB that are zoned for commercial or industrial use. The City's mixed-use zones don't neatly fit this state restriction, but manufactured dwelling parks are presently listed as permitted in all commercial and mixed-use zones per Table 15.22.1.

## Consequently,

The City does not have to allow RV parks in our commercial zones and could thus amend the code to limit the zones in which RV parks are located and/or increase the standards for approving RV parks. However, the City does have to allow RV's as a residence under ORS 197.493 within Manufactured home parks.

Currently our code allows the use in the residential zones as a Conditional Use Permit; Permitted outright in all 4 commercial zones. In addition, we have very little design standards which apply to manufactured home parks and rely on state code.

Staff is seeking Council direction on whether to bring a code amendment forward restricting Campgrounds and RV parks within certain zones and possibly adding design guidelines to Manufactured dwelling parks.