

**Bend Metro Park & Recreation District  
Board of Directors  
Work Session, Executive Session & Regular Meeting  
July 20, 2010**

**BOARD PRESENT:** George Thayer, Scott Asla, Ted Schoenborn, Ruth Williamson, and Scott Wallace.

**STAFF PRESENT:** Don Horton, Bruce Ronning, Lindsey Lombard, Jan Taylor, Paul Stell, Theresa Albert, Andie Lindgren, Dave Crowther, Steve Jorgensen and Paula Lowery.

**LEGAL COUNSEL:** Paul Taylor.

**MEDIA:** Scott Hammers, The Bulletin.

**VISITORS:** Mike Lovely, Michael Graham, Howard Friedman, Dillon Schneider, Allan Bruckner, Emilie Marlinghaus, Paul Israel, John Laherty and John Schwecten.

**WORK SESSION**

Chair George Thayer convened a work session at 5:30 pm.

**Pacific Park Building Lease**

Don Horton reviewed board discussions and staff efforts in developing a proposed lease of the Pacific Park building, formerly the sight of the district administration offices. He identified changes made to the agreement since the proposal was presented to the board for consideration on July 1. He shared an aerial view of the park site and identified the specific area of the lease. He noted the majority of park users walk in and those who drive in park along the drive approach. He stated the proposed lease calls for shared use of the parking area by the public and the Cascade Community School of Music. Don stated the proposed lease is for seven years, with three, one-year options, allowing the district or the school to opt out of the options. He explained the school's plan to conduct a capital campaign to raise funds to build a new facility and the anticipated time-frame to complete that process. He noted the seven year plan coincides with the district's Capital Improvement Plan (CIP) years six through 10, and explained the district's desire to master plan the Pacific Park site in relation to the CIP. Scott Wallace asked for some clarification regarding the terms of the lease and the length of the process to reach this point. Howard Friedman, Compass Commercial Realty, reviewed his efforts over the past 16 months in listing and showing the building. He stated the Cascade Community School of Music is the only organization that submitted a letter of intent. He stated that while the \$1,500 per month rent proposed by the school is considerably less than the advertised price of 75 cents per square foot, it will amount to \$150,000 in revenue for the district over the seven year term of the lease, and it will benefit a community nonprofit organization. He stated in terms of the market there is about 500,000 square feet of office space available, or a 20% vacancy. Scott Asla stated that he feels the seven year lease fits into the district's timeframe and he would prefer to retain the district's ability to opt out of the lease during the additional three, one year options. Scott Wallace asked for clarification with regard to renovations and the Waterway Overlay Zone (WOZ). Don Horton explained that any modifications outside of the footprint of the building would trigger a WOZ application and if improvements are made only to the inside of the building, the WOZ application is not required. He stated that if the district were to master plan the park to include removing the parking, adding trail improvements, etc., a WOZ application process would become part of the process. Dillon Schneider, Executive Director of

the Cascade Community School of Music, addressed the board. He stated they are excited about the possibility of moving into the building as it would be their first dedicated space in seven years of operation. He explained their intention is to invest between \$40,000 and \$70,000 to update the building depending upon city requirements associated with the conditional use permit. He stated the length of the lease gives them time to amortize the costs of the improvements and they hope their next step would be to fund and build a facility that has performance capability and is designed specifically for their use. He stated that will involve a capital campaign anticipated to take two to three years of planning and time for redevelopment of an existing site or construction of a new building. He stated the last three years of the lease are a buffer to allow for fluctuations in the economy. Ted Schoenborn stated that it is his understanding that both the school and the district have an option on the last three years and that seems to be totally reasonable. He stated that it does not make sense for the district to opt out if the school is within one year of reaching its goal. Dillon stated that the lease of the building will also allow the school to expand its program offerings which will take some time to develop and implement. He added that overall this arrangement would represent a partnership between the organizations within the legal framework of the lease, and with good communication and good planning we can work together.

### **Public Awareness and Perception Survey**

Jan Taylor reviewed the history of previously conducted surveys and explained it is time to conduct a new public survey of public awareness and perception of the district's services. She identified the objectives of the 2007 survey and invited board input with regard to developing the scope of work for the 2010 survey. Scott Wallace noted that people still are under the misperception that the district is part of the city of Bend. Scott Asla stated he would like to see what the perception is with regard to the age levels the district serves. Scott Wallace suggested including a question about social media in terms of how people use it to learn about the district. Ted Schoenborn asked how the data collected through the new registration software could be used in terms of the survey. Jan stated that the registration information is most likely is something that could be used to complement the survey. Scott Asla asked if it would be important to know the community's perception of the district's role in the economy of the community. Jan stated that it would be appropriate and it would have to be considered in terms of priority and what we are seeking to gain from the survey in terms of the information that has been obtained in the past and whether that has changed.

### **Website Park Map**

Andie Lindgren presented a demonstration of an interactive map that is being developed for the district's web site. She explained the map has been updated and a number of features have been added allowing the user to locate parks, learn about the features and amenities of the parks, and get directions from their homes through Google maps. Steve Jorgensen stated that many of the park descriptions are obsolete and that information is being reviewed and updated for each site. Ted Schoenborn remarked that the demonstration graphically depicts how the district impacts the community in terms of the services it provides. The board complimented staff's work and the improvements to the map.

### **2010-11 Board Calendar**

Don Horton explained adjustments to the calendar and asked for board input concerning priorities that may need to be addressed. Scott Wallace asked about the indoor facilities needs survey. Don explained that is being combined with the recreation needs assessment. He explained the district will be hiring a consultant to evaluate the indoor needs and recreation programming which will help update Chapter 5 of the Comprehensive Plan.

## **EXECUTIVE DIRECTOR'S REPORT**

Don Horton reminded the board about the Pine Nursery Grand Opening event scheduled for August 4, beginning at 5:30 pm.

Don Horton reported that George Thayer has been asked to serve as the district representative with the Riverwest Neighborhood Association. He noted he has discussed the request with George and shared his concerns regarding a potential conflict, particularly since George has been elected to serve as the board chair. The board discussed how to address these types of requests and determined that future invitations extended to board members to serve on these types of committees should be brought before the whole board for consideration. George stated he would resign from the position of district representative with the neighborhood association.

Don Horton shared information he received from Special Districts Association of Oregon (SDAO) regarding consolidation of the district and the city of Bend. He explained the district would have to be dissolved by a vote of the constituents and the tax base would be abolished. He stated the city would have to annex district property and seek a serial levy every five years to fund parks and recreation services.

The work session was concluded at 6:50 pm.

## **REGULAR MEETING**

Chair George Thayer called the regular meeting to order at 7:00 pm.

## **VISITORS**

John Laherty addressed the board noting that he is founder and initial director of Bend Ice, a group that is in the process of being incorporated as a non-profit. He explained the goal of Bend Ice is to construct a financially self-supporting, seasonal, covered regulation-size ice rink in Bend. He stated the group has 11 due diligence committees staffed by volunteers, all of whom believe there is a demand for a seasonal ice rink in Bend. He stated it is the hope of the group to make a detailed presentation to the board in the near future. He stated Bend Ice looks forward to exploring the possibility of a relationship with the park and recreation district in the future.

John Schwecten addressed the board. He noted that his organization, Peace Bridges, previously appeared before the board requesting the placement of a peace pole in Pacific Park. He added that his organization adopted Pacific Park in 2007 and stated his support of the lease of the building to the music school.

## **CONSENT AGENDA**

Ruth Williamson moved to approve the consent agenda. Ted Schoenborn seconded the motion. Ruth Williamson, Ted Schoenborn, Scott Wallace, Scott Asla and George Thayer all voted aye. Motion passed.

## **BUSINESS SESSION**

### **Approve Pacific Park Building Lease Agreement**

Don reviewed features of the proposed lease with the Cascade Community School of Music, noting it is a seven year lease with three, one-year options that either the music school or district can opt out at anytime during the three years. He stated the lease is for the building only and the parking lot will be shared with park users. He stated the monthly rent of \$1,500 will continue through the first year, with an increase of \$100 per month in each subsequent year for seven years with the last year's rent at \$2,100. He stated

Cascade Community School of Music will be responsible for all maintenance of the interior of the building, with an annual expense reimbursement to the district for any maintenance required to the outside of the building. Ted Schoenborn moved to approve the lease agreement as written. Scott Asla seconded the motion.

Allan Bruckner addressed the board regarding the proposed lease of the Pacific Park building. He expressed his concerns regarding the impact of the lease of the building and use of parking on park users. He stated what is left is not really a park, only a riverfront space, and this is the cheapest space to put park space on the river. He suggested the district could remove the building and asphalt for a cost of approximately \$100,000. He compared that to the cost of remodeling Columbia Park and the purchase of Miller's Landing. He cited the length of the lease and stated that during the term of the lease the public cannot use the property in an efficient manner for eight years. He urged the board not to tie it up for eight years if there is going to be a master plan in one year. He stated the rate of the lease is a giveaway, and there are numerous places the school could lease in the private sector that would like a long term lease. He urged the board to wait until after the master plan has been completed before considering a lease.

Mike Lovely addressed the board regarding the proposed lease of the Pacific Park building. He stated he is disappointed with the seven year lease and this is heading toward a single use with public park land. He stated he doesn't think this is the place for the school. He urged the district to work on getting an access easement with two lanes of traffic and trail from Newport along the east bank of the parking lot into Pacific Park. He stated the entrance off of Portland is dangerous and too close to the intersection. He urged staff to begin working on a master plan including safer access.

Scott Wallace expressed concern with the length of the lease in terms of five years vs. seven years in terms of being able to project what is going to happen. He stated that locking up the site for seven years does limit our ability to do something if some other options come up in year three, four or five. He questioned whether there are some other financial alternatives open to negotiation where the district would be able to move the lease back more in line with the five years that was initially discussed. He stated we have demonstrated a commitment to riverfront property in the long-term, but he is uneasy with the seven year lease vs. the five year lease previously discussed.

Ted Schoenborn stated he is comfortable with the seven year lease because of the board's efforts in developing the five year CIP. He stated that we know that we are not going to do anything with Pacific Park within the first five years of the CIP, and we know that as we revise the plan each year we do have time to revisit it, and the commitment to the river and river trail is not being diminished by this. He stated the real issue for Pacific Park is the trail connection between Portland and Newport, and it is likely to be a passive type park in any event. He stated we have plenty of time to decide what rational timing is and he is very comfortable with the lease as it is now written.

Ruth Williamson stated there are so many reasons why this is a prudent decision. She stated one of the things the district does really well is planning ahead and the process is exhaustive, which is the right way to manage the public's money. She stated this allows us to hold Pacific Park until we see how the pieces start to fall into place and we can see the highest and best use of that riverfront land, and in the meantime collect some compensation, have a vested partner in the building who is going to help care for it and use it appropriately and consistently with the district's vision. She stated she thinks this is the best use of this space at this time, and it is still a park.

Scott Asla agreed with Ruth and said this has been vetted by the board multiple times with good public input. He stated we have a one to five year and six to ten year CIP and depending upon finances he does not believe the seven year lease is out of line. He stated the timeline will probably get pushed on some of the projects that we want to do. He stated if you take away all of the parking you will actually restrict access to it. He stated it is a good use, the park is protected and he is comfortable with the proposed lease.

George Thayer stated that he advocates maintaining public access to the river, and the district owns the land. He stated the school will most likely not use the building all hours and the public will have access to the parking and the river during the hours the school is not in operation. He stated that even with a master plan it is not going to be an active park with all sorts of facilities, but it is going to provide public access forever.

Chair George Thayer called for the vote. Ted Schoenborn, Ruth Williamson, Scott Asla and George Thayer all voted aye. Scott Wallace voted nay. The motion passed with a vote of four in favor and one against.

### **August Meetings**

The board determined to cancel the August 3 and August 17 meetings.

As there was no further business the meeting was adjourned at 7:30 pm.

### **EXECUTIVE SESSION**

The board convened an executive session at 7:40 pm pursuant to ORS 192.660(2)(e) for the purpose of discussing real property transactions.

Prepared by,

Paula Lowery  
Executive Assistant

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George Thayer, Chair

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Scott Asla, Vice-Chair

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Ted Schoenborn

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Ruth Williamson

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Scott Wallace