

Mr. Stroud explained some of the reasons for the new agreement. He said existing 2003 IGA broadly defines trail maintenance responsibilities, and is not sufficient now that the trail system has grown. He said numerous trails have been built through private land development with no clear record of who is responsible for maintenance and there is no clear ownership pattern in the system. He said over the years, the district has assumed maintenance of some trails with no underlying rights. The necessity for a clearer agreement is evident and to further the issue, there are upcoming larger

developments and bond projects that are building more trails. Staff is looking to proactively identify and plan maintenance

Mr. Stroud described the project goals as the following:

- Clearly delineate trail maintenance responsibilities
- Formalize BPRD's commitment to maintain certain trails previously dedicated to "the City" or to "the public"
- Establish a process for new trails to be dedicated directly to BPRD
- Ensure coordinated trail planning

Next, Mr. Stroud explained the project timeline:

- Internal coordination
- [Data collection/mapping](#)
- Interagency coordination
- Draft agreement
- Legal review of agreement
- Development code revisions
- Execution of agreement with the district board and city council

Mr. Stroud defined trail maintenance as: "any activity necessary to keep the trail in safe working order and in accordance with applicable design criteria." He added that maintenance is routine and repairs are done as needed.

The agreement:

- Assigns a maintenance category to each trail
- Identifies the responsible party for each category
- For categories where maintenance is shared, details who is responsible for what

Mr. Stroud explained the district and city trails; the district has 73.74 miles of trails that will be maintained by the district and the city has 5.65 miles maintained by the city. There are an additional 9.73 miles of trails routes and maintenance will be split between the city and district.

BPRD maintains:

- Trail wayfinding signage/markings
- Bollards and gates which restrict access to trails
- Benches, dog waste stations, and trash cans installed by BPRD

City maintains:

- Lighting, warning devices
- Vehicular signage and striping, curb ramps & refuge islands
- Sidewalk/road surface

He added that the district may perform supplemental snow removal at the district's discretion. Mr. Stroud said district-maintained trails are city multi-use paths that are beneficial for the district to maintain and 20.84 miles of other types of trails are maintained by private or other government agencies.

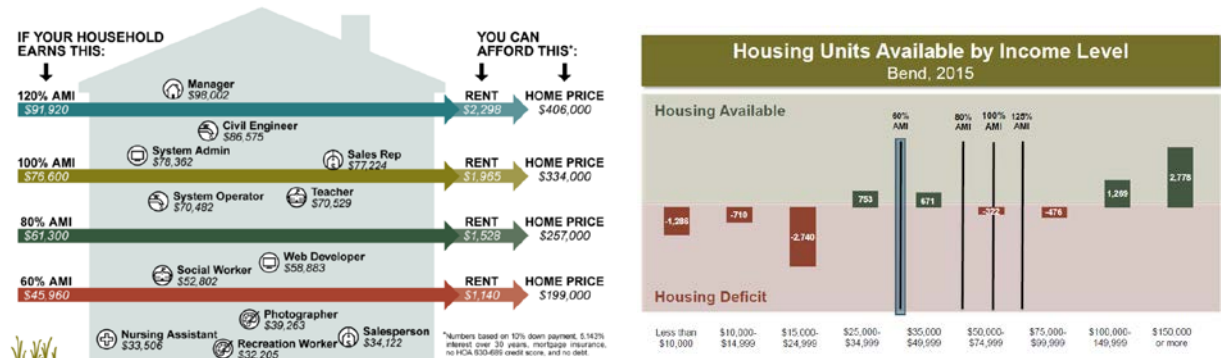
Mr. Stroud said the new agreement will ensure that maintenance for new trails is clearly identified and if a trail is to be maintained by the district, that property or an easement will be granted directly to the district. This will require amendments to Bend's development code. The agreement will be updated annually or as new trails are built, regular meetings will be held to evaluate and coordinate planning efforts and data sharing will expand.

## 2. System Development Charges (SDC) and Affordability – Lynne McConnell and Russ Grayson, Michelle Healy and Lindsey Lombard

Ms. Russell thanked the park board for their great service to the community. She said one of the challenges of the city council is figuring out how to get affordable housing on the ground and said there has been a crisis with shelters during COVID. She added that the city council is grateful for the 400 waivers the district has already provided, she said she thought it would take four years to use them, but the waivers created a turning point to get housing built and the city council would like to request more.

Ms. McConnell gave the presentation for affordable housing in Bend. She said she would like to first address the why and showed a photo of a Kor Community Land Trust development and shared a story about a family that will be able to purchase one of the homes. She also shared a photo of a family that moved into a Habitat for Humanity home. She defined the affordable housing for the purpose of city policy or code and spoke about the differences between affordable housing and the needed housing definition.

Ms. McConnell showed the following slides that on AMI and housing affordability and housing units available by income level:



Ms. McConnell spoke about the Affordable Housing Advisory Committee (AHAC), she said it is made up of representatives from the following: Central Oregon Builder Association, Bend Chamber of Commerce, a local lending institution, an affordable housing provider, a tenant organization, Central Oregon Realtors Association and three at-large representatives. She said the AHAC does a lot of outreach and brings ideas back to the council. She explained how decisions are made to grant the waivers and then she said they rely on staff to allow these developments to get to the finish line. She next showed a map that shows 2010-2016 housing starts per household formed, and said the state of Oregon underproduced housing by 160,000 homes. Ms. McConnell said Deschutes county was

already low, and then COVID contributed to rising rents in Bend due to people leaving cities and moving here to telecommute.

Ms. McConnell spoke about the adopted policy supporting affordable and needed housing, she added the city is doing everything possible to make it happen.

#### **Bend Development Code Adopted Policy:**

- Density Bonus
- System Development Charge Exemptions
- Low income property tax exemption (ORS 307.515)
- Affordable Housing Fund
- ADUs not subject to CUP, reduced SDCs, no parking
- Limitations on low density housing types
- Off street parking reduction for AH
- Plexes in low density zones
- Townhomes in low density zones
- Mixed use housing in all commercial zones
- Cottage housing code
- Surplus land at cost for AH
- SDC financing & deferral
- Expedited review (beyond state requirement)
- Manufactured Home Park Closure Ordinance
- Countless code tweaks for workability

#### **Additional Tools Available**

(Some through Master Planning):

- Urban Renewal TIF towards housing
- Comprehensive Plan definitions of AH
- Annexation agreements with dedicated AH
- Area planning for annexation areas
- Aligned Comprehensive plan and zoning map
- Allowing density calculation to use part of ROW
- Increased allowable lot coverage for multi-family
- Residential street standards through master planning:
  - Reduced street width
  - Reduced parking
- UGB prioritization of commitment to AH
- Reduction in mobility standards to incentivize MF

Ms. McConnell shared some of the issues with market rate development and explained capital stack. She spoke about how the waivers can help reduce risk to banks (to loan) and developers to build. She said the SDC waivers so far have helped to build 29 single family homes and 359 multi-family homes. With an additional 389 homes in the pipeline: 25 shelters, 81 homes for sale and 280 rental homes. Ms. McConnell shared the funding that has been approved by the state, external partner approved funding and other contributions to affordable housing in the community.

The board asked when the district's tiered SDC program would be implemented by the city. Mr. Abbas said that the city's SDC methodology was taken out of the budget this year and it will likely go into next the fiscal year budget and be done in 2021-2022. He said this has slowed the process for implementation and he asked the district to remain patient while this is figured out.

The board discussed their thoughts about lowering the level of service especially after parks and trails have been so heavily needed and used in the pandemic. There was some discussion about the difficulty the district has in making up the waived SDC fees, but all agreed that the district is likely to do more. The board asked for further information from district staff in upcoming meetings to make an informed decision.

#### **CONSENT AGENDA**

1. Minutes – 11/17/2020
2. Codify Policies

***Director Schoenborn made a motion to approve the consent agenda. Director Schoen seconded. The motion passed unanimously, 5-0.***

#### **BUSINESS SESSION**

## 1. MOU on Fish Passage – Don Horton

Executive Director Horton presented the revised memorandum of understanding (MOU). He said the MOU has a paragraph that speaks to negotiating an IGA (intergovernmental agreement) that will have broader discussion for the funding of the entire project as a whole. The MOU calls for a board member to be appointed as the district representative, the city would do the same and a member from the other agencies listed in the MOU. Executive Director Horton added that Director Hovekamp recommended inviting a representative from Warm Springs as well.

The board asked how invested PacifiCorp is in the process. Executive Director Horton responded that they will have a representative on the committee and because the fish passage would be on their property, they will need to approve it. PacifiCorp has expressed some concerns over the ownership and maintenance of the fish passage. The board asked if the district is spending money on a project that PacifiCorp may not be interested in participating in; Executive director Horton replied that there is some risk with any partner. He said that they are open to discussions and the project.

Executive Director Horton explained that the MOU binds the district to a good faith effort to negotiate a mutually agreeable IGA, both agencies will need to approve the IGA and work out their own budgets. He added that Eric King, City manager, has acknowledged that some things may change with the new council, Executive Director Horton said changes to the contribution from the city may kill the (dredge) project, but the funding strategy for the fish passage is separate from this and will likely ask for some state funding. The Oregon Department of Fish and Wildlife has some money to contribute and would support asking the state for additional funding. The fish passage is not linked to the dredge, but the district trail project is linked in order to secure the easements needed to the improvements at Drake Park.

Director Kropf asked district legal counsel, Paul Taylor, if the staff resources and financial situation would not allow for the district to manage and contribute to the dredge if that violates the statement in the MOU that says the district will make a good faith effort. Mr. Taylor, said he did not think that the described circumstance would violate the intent to make a good faith effort agreement. Executive Director Horton said MOUs are not usually legally binding. The city requested language that states that the IGA will include the financial discussion for the whole project.

The board expressed interest in the public process and community comments in the update committee.

***Director Schoenborn made a motion to authorize the executive director to execute a memorandum of understanding with the city of Bend to modify the 2015 Mirror Pond Community Vision as defined in the attached MOU and to allow for any minor revisions and editorial corrections made by the district's legal counsel or city attorney. Director Schoen seconded. Motion passed 4-1, with Director Kropf voting against the motion.***

### **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Horton commented about the earlier discussion on SDCs. He said the city said that when there is a gap to fill, they remove or postpone a project from the SDC project list. For the city, that means water, sewer and electricity. He said a house will have a road, sewer and water, but may never have a park. He said the level of service for the district is different from the city if there is no

park at all. The second thing he mentioned was a comment made by a councilor that the city and district ought to prioritize and work together to meet the priorities. The district is not a municipality, it is a special district and has limitations on how money can be spent. He added that waiving SDCs may even be questionable, but not likely to be challenged and the district took the risk to help the community. He said the library and school district are also special districts and can only spend money on their own agencies. It is a misconception that park district money can be spent in the same way as the city.

Executive Director Horton said the state has come up with a tiered approach to address COVID closures. Central Oregon is in the red zone now which is the worst, to move levels, the county must be in a new risk level for two weeks. The district will be operating in the freeze for another two weeks and it may remain in the freeze for a couple of months. The district can continue to offer childcare and other restricted programming.

Mr. Mercer shared that the guidance does provide a longer time frame to plan. Currently the district can only operate The Pavilion with 50 people, which is less than the freeze allowed. Half and all-day camps at the Art Station are still allowed if considered childcare programming. He said eventually, when the county moves to orange, indoor facilities can open with 50 people and outdoor moves to 75. Staff may be able to divide a building if staff can truly separate the sides to add more people. The yellow zone, indoor allows 100 capacity indoors and outdoors 150, this is more restrictive than the last 6 months that the district was able to operate in. Mr. Mercer said he would come back to the board on the 15<sup>th</sup> with financial impacts of the reduced levels. He spoke about the challenges with Team Up, he said schools will not likely open soon and the childcare programs will be needed and the district will need additional funding.

Executive Director Horton added that staff will provide more information and discuss at the next meeting the need for more funding to keep the childcare program operating. The district may need to direct reserve funds to the Team Up program. He said unemployment claims are impacting the district as well stating that the tax rate has changed creating a significant cost to the district.

Mr. Mercer said the district is planning on delaying the opening of Larkspur Center to a month after the zone allows to prepare for staffing and programming.

Director Kropf asked how long it will take to see a decline in property tax collected due to non-payment. Ms. Lombard said the impact is usually within a year if people stop paying their mortgage. She said she does not think this will be a problem this budget cycle, but may see impacts next fiscal year.

### **PROJECT REPORT**

### **BOARD MEETINGS CALENDAR REVIEW**

### **GOOD OF THE ORDER**

- Director Schoen thanked the city staff, district staff, this board, and the previous board for all the work on the SDC methodology. She thanked the community for all the comments that were sent in. She called out the comments Habitat for Humanity and Bethlehem Inn as very moving. She acknowledged the work of the prior board to waive SDCs and said she thought the cap may have been put on the waivers to protect the district from jeopardizing the park system. She asked if there was a way to require developers to require open space. She is interested in creating criteria for the waivers and would like to see the impact to parks and the goals for parks to be within walking distance.
- Director Méndez quoted part of the district mission to provide park and recreation services. He said the district has a role to play in affordable housing, but has its limits. Eliminating all park SDCs will not fix the affordability problem. He said the policy for public comments may be a little unclear and said he wanted the public to know that the board does read the patron

emails and they have been entered into the public record and included in the minutes. He added that there may be an opportunity for a board member to share some parts of them and recognize the comments.

- Director Kropf said he would like to address public comments and let the public know who is commenting. He would like the board to consider land acknowledgements, he has been researching and would like to share with the board.
- Director Schoenborn said waivers will be talked about for a long time. He said this is an issue of messaging, and the district needs to concentrate on what is being done to serve the community not what is legally allowed. The district provides childcare and scholarships, which needs to be taken into consideration with the question of the SDC waivers. He said these are critical ways to understand our role to serve this community. The district could substantially reduce SDCs for the veteran's cabins if the tiered structure was in place instead of needing to waive the fees.
- Director Hovekamp stated that the 400-unit cap that the previous board agreed to was intended to last 4 years and has turned into 2 years. He said that he thinks the board will find a decent balance to strike in the role to play and still be responsible to the role of the district. He said he thinks everyone on the board has good intentions. He commented that there are parties out there that are angling to maximize profits and said Bend and Deschutes County has allowed growth to run amuck and with infrastructure not keeping up.
- Director Kropf said he would be interested to see the impact of the tiered SDCs on affordable housing projects.

**ADJOURN** 9:36 pm

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Prepared by,  
Sheila Reed  
Executive Assistant

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Nathan Hovekamp, Chair

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Ariel Méndez, Vice-Chair

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Jason Kropf

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Deb Schoen

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Ted Schoenborn

## Sheila Reed

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**From:** Laurie Lakin <ljlakin@hotmail.com>  
**Sent:** Monday, November 30, 2020 10:44 PM  
**To:** council@bendoregon.gov; Board BMPRD  
**Subject:** End Cap on Fee Waiver for Affordable Housing

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear Bend City Council and Bend Parks and Recreation Board,

Bend needs more affordable housing and that won't happen unless System Development Charges (SDCs) are waived for those developments. On top of that, Bend should continue to provide a local park for each new development. Parks are crucial to the mental and physical health of all of Bend's residents.

How could we reach this objective?

Currently SDCs represent an inordinately large percentage of our city's budget. We have many parks with paved paths, groomed lawns, playground equipment and tennis courts which require extensive and costly maintenance. How about creating natural open space parks with pathways instead? That would greatly reduce costs of upkeep.

Could we forgo continual renovation of our parks and earmark that money for new affordable housing parks? Drake Park is an example here. How much of that \$6.6 million is truly necessary?

Could developers of homes valued at a million dollars or more pay higher SDCs? That would help offset the costs for affordable housing and could cover special amenities like tennis courts.

Does another bond measure need to be passed?

Admittedly I lack an understanding of our budget intricacies, so I look to you to consider all possible options so that Bend can secure the affordable housing we need while also assuring that all its residents have access to local parks for health.

Thank you for your contributions to our community,

Laurie Lakin  
1016 NW Ogden Ave  
Bend, OR 97703

Please enter my comments onto the record as testimony for the 12/1/20 meeting.



## Sheila Reed

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**From:** Monte Dammarell <kmriverhaus@gmail.com>  
**Sent:** Tuesday, December 1, 2020 1:06 PM  
**To:** Board BMRD; Sheila Reed  
**Subject:** Should BRPD waive system development charges for affordable housing

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Special thanks to BPRD board members for serving your community; we all benefit from your work.

Last year I retired from Deschutes County Health Department, where I worked for 12 plus years as a Public Health Nurse. My team and I provided regular home visiting services to Medicaid funded pregnant women and their families. As you know, this population is high risk due to their financial instability alone, and my clients ALL had multiple other socio-economic risk factors. The overall goal of programs like ours is to reduce the incidence of child abuse by supporting the family.

My husband and I are strong proponents of affordable housing AND strong proponents of our BPRD, as the parks and recreational opportunities provided are critical to us all, and most especially to the families in poverty with whom I am so familiar. Poverty removes so many options from families and is stressful in itself. My clients were so very grateful for the lovely (and free) parks that they could visit with their children, and perhaps even more so for the recreation scholarship program that opened many doors for their children. In this unprecedented and difficult time, recreational opportunities are essential to us all.

Our recommendation is that BPRD not waive system development charges for affordable housing projects, as this would negatively impact the ability of our BPRD to provide parks and trails to those who need them most. With the population influx we are experiencing, we need MORE parks and recreational facilities, not fewer. The City has mechanisms in place to offset revenue losses from waiving system development charges, BPRD does not. We need to evaluate other options to support affordable housing.

Sincerely,  
Kathy and Monte Dammarell  
PO Box 4838, Bend, 97707

**Sheila Reed**

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**From:** Oakley Taylor <naturegirl2415@gmail.com>  
**Sent:** Monday, November 30, 2020 9:19 AM  
**To:** Board BMPRD  
**Subject:** Testimony for 12/1/2020 meeting

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

While I am sympathetic to the raising cost of housing Bend, I do think reducing our parks is not the way to create low income housing.

A year ago, the Park District agreed to waive fees on all new low-income housing built in Bend. So far the Park Board has lost 2.2 million dollars. That is enough to create one or more new parks.

This is an unwise policy. Poor people need open space and parks more than anyone,

There must be other ways to lower the cost of housing other than eliminating funding for parks.

You can ask that no further park fees be waived. Or you could suggest that fees on homes of more than a million dollars could pay the difference so the Park Board has the same funding or creation of a special bond to fund low-income housing rather than reducing our open space and parks.

One housing is built without parks, there is no going back. The space is gone. Local parks are good for physical and mental health.

**"Telling the truth in times of adversity is truly a revolutionary act."**

**Ms. Oakley Taylor**

## Sheila Reed

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**From:** George Wuerthner <gwuerthner@gmail.com>  
**Sent:** Sunday, November 29, 2020 5:49 PM  
**To:** Board BMPRD  
**Cc:** Sheila Reed  
**Subject:** Do not cut funds for parks.

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear Park Board

Please enter this into the record as testimony on your Dec. 1 meeting.

I am very opposed to waiving park fees. While I am sympathetic to the challenges people face buying a house in Bend, we should find other ways to make housing affordable than making a less attractive place for everyone, but especially those of limit finances.

No group needs open space and parklands more than people who are towards the bottom of the rung economically.

Reducing funding for parks is unwise and poor planning. Bend's population will grow and more pressure will result even on the existing park resources. If anything we need more parks, not less.

To use an old phrase, such a policy is penny wise and pound poor. Once a neighborhood is built up, you can't go back and put in a local park.

It is poor public policy to diminish the Park District's funding. Open space is critical to people's physical health and mental health.

If anything, maybe the Parks dept. should compensate by upping the fees on high-end houses. We should find other ways to reduce the cost of housing other than reducing the park district's funding.

Sincerely:

George Wuerthner  
Bend, OR