

BUSINESS SESSION

1. 105 NE Franklin Ave. MUPTE – *Rachel Colton, Michelle Healy, Chris Jones, and Caroline Baggot*

Ms. Healy introduced the Franklin Ave. project and the presenters from Project[^]. She said the City of Bend supports this project and reminded the board of the goal the city has for using MUPTE. She said the district is already foregoing the taxes in the area of this project. If approved by the rest of the agencies, the developer will receive about \$4 million in exemptions over 10 years, but will still pay taxes on the land. The district SDC fees collected will be about \$1 million and she said staff recommends approving this application.

Ms. Baggott, development manager of the project, said the project is on Franklin Ave. in the old Les Schwab tire store. She described the buildings that are currently on the property and said that it is located in the Core Area in the tax increment financing (TIF) district and there is no direct loss of tax revenue to the park district. She showed a drawing of the plan, and explained the buildings as energy efficient with 199 apartments, retail and public plaza. She said the development will add pedestrian access to Franklin Ave, the open space will have landscaping with native and pollinator plantings, fire pits, space for music and farmers market with public access.

Ms. Baggott reviewed the financing of the project, she explained the construction numbers and the review of the proforma by a third party provided by the city and reported the project was deemed to not be viable without the MUPTE exemption.

Ms. McConnell explained the reasons for the needed housing and why the tax exemption is necessary to help keep the rents lower to make the project pencil. She said without the exemption, the rents would have to go up to make it work. Director Hovekamp asked if there were assurances that the rent would be kept lower and the tax exemption passed on to the renters. Ms. McConnell said there are tradeoffs sometimes for the public benefits like sustainability and public access over affordability.

Ms. McConnell said they are working on a process to make the MUPTE approvals more streamlined.

Director Hovekamp asked for clarification on the impact to the district. Ms. Healy explained that the district would not lose any additional money on this approval, but the overall TiF area would, making it more difficult for the city to complete projects in the area on the list. Director Barram said this is a project that meets this program well and affordability was not one of the exemptions chosen, but the ones chosen are district values.

The board spoke about their support of the project, Director Hovekamp shared some of his reservations because it is not affordable housing. He said he does not support diverting funds from the district to subsidize builders.

Director Owens made a motion to support a ten-year tax abatement for a 199-unit residential development at 105 NE Franklin Avenue as part of the City of Bend's MUPTE program. Director Schoen seconded. The motion was approved, 3-1, Director Hovekamp opposed.

2. Approve Updated Land Acquisition Policy – *Henry Stroud*

Mr. Stroud gave an overview of the Land Acquisition Policy, he said it is a set of guidelines for acquisition that was adopted in 2011 and updated in 2019 and is a CAPRA requirement. He explained the types of land acquisition:

- Fee simple ownership – control all rights of the ownership
- Easement – for access, ingress/egress

- Lease – temporary use that the district pays for
- License – similar to easements, but revocable

Mr. Stroud highlighted some of the changes to the policy:

- Trail acquisitions without board approval –acquired through land use processes or if it falls within the established purchasing limits of the executive director.
- Due diligence – environmental site assessment and title review are required for all properties obtained by deed, but not required for properties obtained by easement, lease or license.
- Third party agent – district has the right to use a third-party agent to identify properties and/or facilitate complex property transactions and all transactions require approval per the policy.
- Gifts of real estate – the board must approve all gifts of land.

Director Schoen made a motion to adopt the new Land Acquisition Policy. Director Owens seconded. The motion was approved unanimously, 4-0.

3. Approve land acquisition – *Michelle Healy*

Ms. Healy said she is seeking board approval to close on the Coulter property that has been discussed in executive session. She said this parkland will help meet district goals of providing parks within a half mile of every home. She explained the location and the homes that surround it. She said the property is one parcel, but is divided by a road. She said the district would sell off one acre that is divided from the larger piece. A purchase and sale agreement was entered into in August at \$4 million. The district has done due diligence on the property. She explained the CIP has the funding in the next five years for this purchase, but not as much in the budget for this year. She believes that the district will save in other areas to make up for the difference in the budget and the purchase price. When the property is sold, there will be proceeds from that as well, but may not be this fiscal year.

Director Hovekamp asked about comparable appraisals in the area. Ms. Healy said that there were comparables in the area that justify the price. She said there is less land that drives up the cost and the zoning too.

Director Owens made a motion to: (1) authorize the district to purchase the Property for an amount not to exceed \$4,000,000, plus all related closing, legal, and due diligence costs, and otherwise on the terms and conditions set forth in the PSA; (2) authorize the Executive Director to execute and deliver such instruments and documents as are necessary to effect the transactions contemplated by the PSA; and (3) find that the 1.1-acre portion of the property west of Coulter Lane is not needed for public use and that the public interest may be furthered by sale of that 1.1-acre portion of the Property. Director Schoen seconded. The motion was approved unanimously, 4-0.

EXECUTIVE DIRECTOR'S REPORT

Michelle Healy gave the executive director's report, she said she attended the NRPA Conference in Dallas and said that Jenny McGee and Kathya Avila-Choquez did a wonderful job presenting at the conference. She told the board the City of Bend is doing a stormwater project down by the Drake Park bridge near Harmon Park, they are working on city property, but thought the board should know in case they get any questions about it.

BOARD MEETINGS CALENDAR REVIEW

GOOD OF THE ORDER

- Director Owens commented on the Bulletin article by Julie Brown and the Park Stewards for getting the word out on the vandalism, improper use of park restrooms and why some facilities may be closed. She

also thanked Sheila Reed for her response to the dog off leash email and Directors Hovekamp's and Barram's responses as well.

Director Hovekamp said that he may support increasing the Park Stewards department due to the vandalism and off-leash dog problems when the budget comes back around. Ms. Healy reminded the board that they approved a full-time steward last year.

- Director Schoen said she enjoyed the NRPA Conference, she said the theme of the conference was "Where Community Grows" she said she reflected on how aligned the theme was with district values. She shared information on the opening session speakers and the emphasis on women in leadership. She also commented on staff presentations at the conference and said the room gasped when they shared how much the district spends on scholarships. She thanked the district for allowing her to attend.
- Director Barram mentioned that she participated at the Community Celebration at Juniper Park and spoke with many patrons of the parks about the Canopy Trail, open space, accessible playgrounds, she said she enjoyed being able to answer questions. She said she appreciates that this district listens and responds to the community.
- Director Hovekamp asked for an update on trails and trail gaps from staff, and invited the board to think of topics they are interested in hearing.

ADJOURN 7:22 pm



Prepared by,

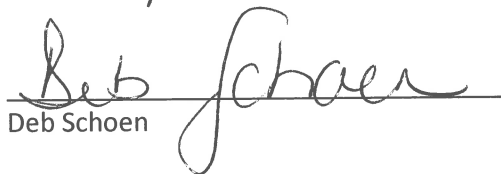
Sheila Reed
Assistant to the Executive Director


Nathan Hovekamp, Chair

Jodie Barram, Vice-Chair


Donna Owens

Zavier Borja


Deb Schoen