



Board of Directors

March 19, 2024

District Office Building | 799 SW Columbia | Bend, Oregon



A video of the regular board meeting can be viewed on the website:

<https://www.bendparksandrec.org/about/board-meeting-videos/>

BOARD PRESENT

Nathan Hovekamp
Donna Owens
Deb Schoen
Jodie Barram
Zavier Borja

STAFF PRESENT

Michelle Healy, Deputy Executive Director
Matt Mercer, Director of Recreation
Kristin Toney, Administrative Services Director
Julie Brown, Manager of Communications and Community Relations
Kelsey Schwartz, Planning and Property Specialist
Brian Hudspeth, Development Manager
Rachel Colton, Planner
Sara Anselment, Planner
Michael Egging, Recreation Business Manager
Bronwen Mastro, Landscape Architect

OTHER VISITORS:

Melanie Kebler, City of Bend Mayor
Kerry Bell, City of Bend
Allison Platt, City of Bend
Jesse Russell, Hiatus Homes
Ryan Andrews, Hiatus Homes

VISITOR'S PUBLIC COMMENT

Bob Trapnell: Mr. Trapnell would like to suggest the district to purchase Costco building to use for a multi-sport/court facility. It could be a good opportunity for partnerships, rentals, and bringing teams here to, which will also bring money here. He also advocated for more sand volleyball courts, and include a shed with supplies to take care of the courts. The current courts are very busy. He would like to see money spent on something like this at Pine Nursery instead of more money on pickleball.

Robin Vora: Mr. Vora advocated for BPRD to work with the school district to re-open their school grounds after hours like they used to be. Many residents still don't have a park within a 10-minute walk, and school grounds also offer amenities that aren't in many parks, like tracks and other sports facilities. He also asked the park board to be engaged and focused on the update work on the strategic and comprehensive plans. Finally, he encourages the board to support removing park lawns, treat noxious weeds, to buy the COID canyon property and no south UGB bridge. We need to keep some areas wild and support declining mule deer populations.

Aaron Henson - Mr. Henson would like to echo Mr. Trapnell regarding the expansion of sand volleyball at Pine Nursery with upcoming project. Six courts were supposed to be built originally, but only five were built due to funding. In the future, he would also like to see volleyball added on westside if it is possible. Pine nursery is wonderful and all it offers, but it's a longer commute for residents.

John Heylin - Mr. Heylin is here to support the MUPTE project before the board tonight and hopes to see it approved. Affordable housing is needed in our community.

Jenny O'Brien - Ms. O'Brien moved to Bend for the volleyball opportunities; it is not just a sport but a supportive community. Players would be grateful if BPRD recognized how fast it is growing and the need for more sand volleyball courts. People are waiting to play as courts are regularly full and cannot support the demand.

Kendra Gulley - Ms. Gulley would like to echo Ms. O'Brien's words. She is a new resident to Bend after coming here for many years. The volleyball community has helped her meet many people and receive support. Space is less available now for recreation play due to high court use by club teams and NPJ. More courts would be great and there is a community of players willing and dedicated to taking care of them.

Kristin Cooper - Ms. Cooper uses the courts in the mornings with high school players. She shared that with the few courts Bend offers, the teams are forced to go out of state to do competitions. We are missing an opportunity in this community to host tournaments and bring people in here. More courts, including stands for viewing, would be very helpful for the girls and boys who are playing. She emphasized how two of her students went on to play in college on scholarships, but they had to go to Eugene to practice and play because of the limited opportunities here.

Deb Flagan - Ms. Flagan works for Hayden Homes and is speaking in support of the Hiatus Homes/Penn MUPTE request. This development will bring needed middle housing to Bend with the units planned. Since her first interactions with the developer, she has seen how they are committed to creative solutions to provide housing. She requests the board to please support this project.

Maitreya (no last name given) - Maitreya lives very close to Rimrock Trail and can only afford to live down there now with the increased cost of housing in Bend. There are a lack of amenities and options for recreation in that area. Residents can see everything available on the other side of the river but they cannot access it. He asked the board to please consider the recreation activities residents could access if a footbridge was built.

WORK SESSION

1. Comprehensive Plan – Project Prioritization Results – *Sara Anselment*

Ms. Anselment explained the review scoring criteria for how staff prioritized projects and how the current draft list was determined. She reminded the board that the priorities are not a strict prescription, nor do they dictate the CIP. Next, she explained changes that have been made to the maps; some trail crossings have been updated with a circle to note the specific location. Black circles are at grade, and purple are grade separated. District staff also met with city and county staff members to review the maps and no comments have been received at this time.

Ms. Anselment asked the board members if they had any questions about the prioritized project list:

- Director Barram asked that if a fortuitous option comes along, will that opportunity shift the item regardless of status? Ms. Anselment said yes, that the district would take advantage.
- Director Owens asked if we were still waiting on the city for the Mirror Pond dredge commitment. Mrs. Healy discussed that the district and the City have a signed resolution and agreement for this work. The project is carried over each year in the CIP as an acknowledgement of that commitment and the project is pending further conversations.
- Director Owens noted that there are mostly high-level projects. Ms. Anselment said that overall, in comparison to the original Comp Plan, that there are similar quantities of all project types, and that many of the high priority projects were originally high priority. There can be various reasons they haven't been completed yet, such as not being able to obtain land.
- Director Hovekamp noted his surprise to see that the DRT/South UBG was a medium priority with such high public interest for so long. Ms. Anselment noted that its medium rating is strictly based on the current scoring criteria and public interest isn't part of the scoring. Ms. Healy reminded the board that the Comprehensive Plan is not a strict prescription and there are other point staff considers. This is one tool and many factors contribute to what projects are pursued and completed.
- Director Borja asked about partnerships and how that affects scoring. Ms. Anselment said that yes, that is considered as funding increases the priority scoring.
- Director Barram asked for clarification about why some projects can be related, but have two different ratings, like the Lava Butte trail and crossing as an example. Ms. Anselment explained that the ratings are strictly related to the scoring criteria and the differing ratings could be due to funding available for one aspect of the project and not be done at the same time.

Ms. Anselment reviewed the next steps which are drafting the plan for late spring to early summer and then adoption by the board. Ms. Healy also discussed the SDC project list which is a companion to the Comp Plan.

Lastly, Director Hovekamp asked Ms. Anselment if she was satisfied with the project list based on the current process. Ms. Anselment said that she felt it worked well and she explained that when she adjusted certain factors in the scoring, to didn't change ratings much at all, even for those projects near the cut off line between levels. She felt the quantity of low rated projects is about right.

CONSENT

1. Minutes: 03/05/2024

Director Barram made a motion to approve the minutes from March 5th, 2024. Director Borja seconded. The motion was approved unanimously, 5-0.

BUSINESS SESSION

1. 445 Penn Avenue MUPTE review – *Rachel Colton*

Ms. Colton provided an overview of the new resolution criteria to the board, and how this project would be impacted by each of the criteria items. Allison Platt and Kerry Bell from City then shared how this project meets the City's MUPTE program criteria. The project is outside the TIF area, but within a high-density residential zone. It is three stories, mixed use, with 59 residential units, and includes EV parking and stormwater. Ms. Bell provided the board an infographic on affordability and explained that 57% of Bend's population fall into middle income. Ms. Platt discussed the independent financial analysis for the project and that it would not be feasible without MUPTE. The exemption is estimated at \$1.28 million. Currently BPRD receives \$300 per year from taxes

on the land. The exemption will not affect the land taxes, and the district will still receive those after the land is developed, which will be higher once developed.

Director Hovekamp asked how this project was different from all the other apartment buildings being built around the city? Ms. Platt explained there has been a dramatic shift recently in ability to construct residential projects.

Jesse Russell and Ryan Andrews from Hiatus Homes provided an overview of their company. This waiver will guarantee ability to provide the affordable housing units. The building will offer common area of each floor for community living. Mr. Andrews further explained why the waiver is needed to make the project happen which includes rapid inflation for construction costs, increased interest rates/ expensive loans, and modest returns causing reluctance for new construction.

Board members took time to ask questions to Hiatus Homes and City staff:

- Director Schoen asked for a reminder regarding the public benefit changes from last time. Hiatus says there were not changes to the public benefits, but there are more units, in both market and affordable rates.
- Director Owens asked staff to clarify how making the total project larger, makes it more possible to work financially. Mr. Andrews explained that after completing value engineering, the cost per unit went down by changing the building plans, amenities, and reducing construction costs.
- Director Hovekamp asked if the same independent reviewer was used for the Performa. Staff confirmed that is correct.
- Director Barram asked about the numbers on non-rent assumptions since they aren't included in the new Performa. Mr. Andrews said that when they reduced parking and added more bike racks, it was decided to not charge for those items. For other added fees, the affordable units will not be charged.
- Director Owens asked about the wording that says 27 units will "likely" meet middle income rate. Staff clarified that some units have lower costs due to removed amenities, and to account that units meet middle income qualifications now, but may not in the future.
- Director Hovekamp asked if the deed restriction on the units go beyond the 10 years. Staff said they would not and would have to be renegotiated.

Public comment:

- **David Welton** - Mr. Welton shared about his friend who is an essential worker in Bend, but lives in Prineville after being priced out. His friend has to commute daily and sometimes in dangerous winter conditions. He discussed the amount of carbon emissions from all cars of people commuting to and from Bend because they can't live here. Mr. Welton reminded the board that BPRD has helped with housing in past and hopes it will again.
- **James Teeter** - Mr. Teeter shared that he normally advocates for dense urban spaces that feel like parks and not parking lots. While this development doesn't have much green space, this development prioritizes people and housing over parking cars. He noted that BPRD has a mission for providing parks and spaces for people, and doesn't believe that this mission must be bound to our property lines. BPRD can support spaces in other ways, and this development promotes biking and reduce cars on the road.
- **Brian Hauer** - Mr. Hauer shared that he is an investor in Hiatus Homes because he supports high density housing, and Bend needs more of it. He and his wife bought one of the first houses built by Hiatus, and the sense of community in these developments is fantastic. Mr. Hauer says he supports this project because he wants more of these developments built; he doesn't care about profit. Any profits can be rolled into future projects. The investors in this company are locals, and so is this builder.

- **Ian Karasz** - Mr. Karasz lives in the neighborhood on Penn Avenue. He supports the project because he knows how a walkable and bikeable neighborhood. He believes these homes are important for Bend as people have trouble finding housing. People that live here in Bend do and create what they love, and the community supports them. When people can't stay here, we lose that aspect of Bend.

Ms. Colton offer the board final options for questions and comments:

- Director Barram asked City staff to clarify the Performa comment regarding rents in 2026 and the projection for the rent going up, and how that funds the project. Ms. Bell said the numbers come directly from HUD and are calculated for 1.5 persons. Mr. Andrews shared that did their best to get an average estimate for the fluctuation of income coming in.
- Director Hovekamp and Director Borja thanked everyone for being here tonight to share. Director Schoen specifically thanked Mr. Welton for his passion for this issue and advocating for his friend.
- Director Schoen noted how she previously voted in favor of this project and appreciates what was done to improve the project. She asked the City about their decision to discontinue MUPTE after approving Jackstraw. Mayor Kebler shared that before Jackstraw, the City was already discussing internally putting a pause on MUPTE and considering what they are incentivizing, and there was always the intent to do a one-year look back. The focused was using the program to get developments in the Core Area.
- Director Borja expressed his support since it is the last project that will come before BPRD. He has worked as a Kids Inc staff member and has felt the strain to pay rent. He would like to pursue this opportunity to help the community. Director Owens understands that MUPTE is intended to be an incentive for development, but the new revised project didn't change the impact to BPRD. However, she has sympathy for those struggling to find housing and believes she can support this project.
- Director Barram thanked staff for answering her questions directly. For her, this project did not meet the qualifications the first time, but this second time, her concerns have been alleviated and she appreciated hearing from neighbors; that went a long way. It makes it easier to say yes this time.
- Director Hovekamp shared that this project has clear merit in response to a community need, but he considers what are the impacts to park and recreation, as well as the interaction of affordability and quality of life. Next, he shared that based on BPRD's recent community needs results, only 12% of respondents said it was of high important to support encourage tax exemptions for housing, which indicates it is not a priority to our patrons. After asking how much the lost money would affect our scholarship fund over a 10-year period and Ms. Colton sharing those numbers, Director Hovekamp is personally uncomfortable subsidizing this project, and asks for respect to his opinion.
- Director Schoen noted that the impact of this financial loss is fairly modest and nothing will be built on this property in the next four years, and since BPRD approved Jackstraw which had a much larger financial impact, so she doesn't feel right not voting for this one. Director Barram echoes those thoughts and notes we have a foundation that can receive donations for help fund scholarships.

Director Schoen made the motion to approve the applicant's request for a ten-year tax abatement for a 59-unit residential development at 445 Penn Avenue as part of the City of Bend's MUPTE program. Director Borja seconded. The motion was approved 4-1, Director Hovekamp voted against.

2. Approve Pine Nursery Phase 5 concept plan – *Bronwen Mastro (30 min)*

Ms. Mastro provided an overview of the park property, its project history, and the current project timeline to date. Staff now have a preferred design ready for the board after multiple review and edits.

She then shared the project scope, additive alternates (budget dependent), and design diagrams to show amenities in each area of the park. The sports amenities will be clustered leaving space for future growth if needed. The entries have been changed for the OLA, including a new entry near Deschutes Market Road for residents east of the park. The pathway behind the pickleball courts would be paved for accessibility and the trail from the pickleball area to the pond will be relocated away from irrigation lines.

Director Barram asked if the current parking lots can support all this new need. Ms. Mastro says yes, as the parking was sized were planned for future growth during original design. She discussed working with recreation staff to figure out other ways to deal with high numbers of parking times with things like scheduling and shuttles. Ms. Healy noted there will always peak times the lots are used but there are also times when they are almost empty. The highest use is during tournaments and prime times on weekends. Mr. Mercer discussed that habits have to change over time and staff are requiring parking plans with large events.

Ms. Mastro then discussed the changes to the ballfield designs that were previously approved. New fields would be really expensive, and it was determined that if all the current ball fields were converted to artificial infields with lighting, it would be less expensive and allow for more hours of play. Five soccer fields can also still be accommodated. Other new items include creating a space and shed for Oregon Adaptive Sports and improvements to the maintenance areas for Park Service staff. Additive alternates include perimeter path trail lighting, a concrete base for the pickleball courts, and one full basketball court.

With the design changes, the total project budget is now 7.5 million which is down from over 10 million. The new CIP will reflect the increased funding to cover the increased expenses.

Director Owens commented that she would like to see less lights, is concerned about the plastic artificial turf, and asked if any aspects of the project could be deferred due to the funding. Ms. Mastro said there is plastic and rubber, but there are other materials and explained the design team is looking into environmental impacts of the turf and companies that recycle the turf. As for the budget, Ms. Healy explained that the team looked at it carefully and is confident the project can be funded at this higher need. Finally, for the lighting, Ms. Healy said that there a lot of considerations; if we use less lighting, then more grass fields must be built to accommodate the needs, and they will require more care, water, and maintenance. Community parks are also the spaces where the district focuses sports amenities and helps consolidate lights from being used in other parks throughout the district. The lights won't be on at all times, and Bronwen noted the increased technology that has significantly improved lighting, like new bulbs functionality and app-controlled features.

Director Schoen moved to approve the Pine Nursery Park Phase 5 Preferred Concept Design. Director Borja seconded. The motion was approved unanimously 5-0.

3. Approve River Concessions Contract – *Michael Egging and Justin Sweet*

Mr. Egging provided background regarding the river concessions program; operated by Tumalo creek since 2018. He shared numbers of floaters, rentals by Tumalo Creek, and the Ride the River shuttle by CET, and lastly shared about information sessions provided by the district and the public awareness campaign. Mr. Sweet reviewed the RFP process and that only one proposal was received from Tumalo Creek. There was a unanimous recommendation for award. Mr. Egging shared information about Tumalo Creek, and their proposed services including the CET shuttle plan, community initiatives, and 25% commission to the district.

Director Borja moved to authorize the Executive Director to negotiate and execute an agreement with Central Oregon Canoe & Kayak Supply, Inc. for a period of five-years through June 30, 2029 and authorize the Executive Director to approve up to five annual renewal options. Director Owens seconded. The motion was approved unanimously 5-0.

4. Approve Audit Services Contract Award – *Justin Sweet and Kristin Toney*

Ms. Toney explained the audit process and the district uses an external auditor. Mr. Sweet shared the RFP process and that only one proposal was received by Aldrich; our current auditor did not submit a proposal. Aldrich was unanimously recommended by the review team; they have high recommendations and work here in Oregon. They have audited cities and counties more complicated than our budget, and have the credentials to audit governments.

Director Hovekamp asked about the \$136,000 rate, and Mr. Sweet explained the rate covers the first three year's audits, but does cover additional special services or if the district is subject to federal single audit. Their rate is typical for the market and was expected by the review team; the previous auditor has been significantly below market rate.

Director Borja moved to authorize the Executive Director to negotiate and execute an agreement with Aldrich CPAs + Advisors LLP for an amount not-to-exceed \$136,095 for a period of three-years through January 31, 2027 and authorize the Executive Director to approve up to two annual renewal options. Director Schoen seconded. The motion was approved unanimously 5-0.

EXECUTIVE DIRECTOR'S REPORT

1. Director Hovekamp shared that one item was covered in executive session to discuss. The board has selected Ms. Healy to be the next executive director.

Director Hovekamp made the motion to approve the contact for Michelle Healy. Director Borja seconded. The motion was approved, 4-0. Director Borja abstained.

Director Hovekamp thanked his colleagues for their involvement in this search and recruitment process. Hiring an executive director is one the board's most important duties. He thanked Ms. Healy for her efforts with the application, interview, and for accepting the offer. Ms. Healy thanked everyone for their kind words and for her new role at the district.

2. Ms. Healy shared three items:

- As of that morning, the district has received five applications for the board member position.
- The district entered into contract with Recreation Engineering and Planning for the White Water Park assessment for functionality based on how it was designed.
- Today is the 2nd day of summer registration and everything ran smoothly from the efforts of many district staff. Registration is down a bit, but this is due to the change in summer weeks from extra school days, as well as from a change in swim lesson structure.

BOARD MEETINGS CALENDAR REVIEW

Director Barram will be virtual on the 16th

GOOD OF THE ORDER

- Director Borja shared that this is his last meeting and that it has been a true honor to serve the community and for the voter’s trust. He will be around and serve the Central Oregon region in a different capacity.
- Director Owens, Director Barram, and Director Hovekamp thanked Director Borja for his service and offered their congratulations to Ms. Healy.
- Director Schoen thanked Director Borja for his work, and also shared how nice it was to see the progress on Little Fawn Park and what a great park it will be when complete.
- Director Hovekamp also thanked everyone for their patience for the long evening.

ADJOURN: 9:40 pm



Prepared by,

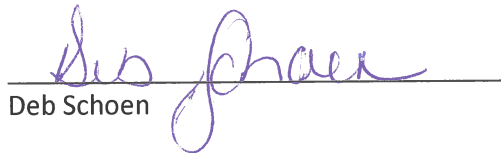
Kelsey Schwartz
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