



For Recording Stamp Only

Deschutes County Board of Commissioners  
1300 NW Wall St., Bend, OR 97703-1960  
(541) 388-6570 - Fax (541) 385-3202 - [www.deschutes.org](http://www.deschutes.org)

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## MINUTES OF WORK SESSION

### DESCHUTES COUNTY BOARD OF COMMISSIONERS

**WEDNESDAY, OCTOBER 5, 2016**

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*Present were Commissioners Alan Unger, Tammy Baney and Anthony DeBone. Also present were Tom Anderson, County Administrator; and Erik Kropp, Deputy County Administrator. Attending for a portion of the meeting were Nick Lelack, Anthony Raguine, Matt Martin and Peter Gutowsky, Community Development; and two other citizens. No representatives of the media were in attendance.*

*Chair Unger opened the meeting at 1:30 p.m.*

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#### **1. Update on EPA Brownfields Assessment Grant.**

Peter Gutowsky explained the three-year assessment grant activities. There were nine environmental site assessments, some of which were able to move on to other uses, including the Redmond City Hall. Much of this grant activity has led to reinvestment and redevelopment opportunities. This effort involved a number of local agencies and groups.

Redmond adopted area-wide planning and is now able to develop a live-work housing development, along with an aquatic center in partnership with the Parks District. This particular Redmond area has not seen a lot of interest in the past, but with this coordination and cooperation, much progress has been made. This is a key reason why the EPA invests in this type of grant. The County is good at coordinating and disseminating resources appropriately.

Resources were also made available to the City of Bend, but the City said they did not have the ability to take advantage of the opportunity.

This is the third EPA grant to CDD, and CDD has the capacity to administer these grants if they should be available in the future. Mr. Gutowsky shared this information at a conference in San Francisco.

Commissioner Baney stated that the County wants to get these properties back to being productive. She asked if they could offer help to the City of Bend in the future. Mr. Gutowsky indicated that he met with staff there because of many infill opportunities, but he has not heard back from them. He will reach out again and encourage this effort. Commissioner DeBone said he is grateful for the experience and knowledge gained.

Mr. Gutowsky noted that the Board was approached regarding Mirror Pond, and the Park District was the recipient of some grant funds, to investigate whether the sediment collecting there is hazardous, and how it might be utilized. Mirror Pond LLC also is looking at a bigger dredging plan in the future since this is a costly venture. There are some storm water drains that go into Mirror Pond as well, and the impacts of those need to be known.

Nick Lelack observed that it is important to build relationships with federal and other agencies. Those types of partnerships can continue for many years. However, personnel changes and it is important not to let opportunities sit for too long, or it may be necessary to rebuild relationships with new staff. The County wants to be able to pass these opportunities and benefits on to other local jurisdictions, especially the City of Bend.

Tom Anderson said that the only disappointing part was that the County could not use these funds for the demolition landfill and other projects due to grant restrictions. He would like to know if there is any flexibility after all these years. Mr. Lelack said that they indicated to the EPA that the County wanted to do this, in detail, but were told it could not be used for this. Mr. Gutowsky stated that he believes OSU/Cascades has applied for this type of funding, since it is not the original owner of some of the land they obtained from the County and others. Mr. Anderson noted that OSU is going fast-forward for a number of grants and funding opportunities.

## 2. **Planning Division Update.**

Mr. Lelack went over the projects that have been completed or are near completion. They will hold hearings on a group of fairly minor text amendments. The biggest challenge is the number of land use applications, plus having to train four new planners. They are now fully staffed. This is a busy time of year, but this situation changes somewhat with cooler weather. This may give them a chance to catch up before next spring's activities.

They expect the Redmond large lot industrial project UGB amendment to be completed by early 2017. Conversations are now occurring regarding transportation planning issues. This affects the Fair & Expo and possibly the military. Commissioner Baney noted that many rules were changed in 2012 to help address this situation. Chair Unger indicated there should be different trip caps with different types of developments, with a variety of transportation impacts. Mr. Anderson added that the 200 acres is being annexed for industrial use, and the traffic impacts would not be as great as a residential type development.

Matt Martin noted that the City needs to manage trips through shift differentials, but other factors are being addressed. It is not a roadblock, but requires some work on the details. They are still on track, however.

Regarding Community Plans for Tumalo and Terrebonne, Mr. Lelack said he has not heard much from either. Mr. Anderson stated that Crooked River Ranch is pushing hard for transportation changes at Lower Bridge. Mr. Lelack said they have had a request for a change relating to flood plains. This is on the work plan, along with housekeeping amendments. Natural hazards planning is also to be addressed through Code, with more general standards.

Mr. Lelack asked what the Board's priorities are for these issues. Mr. Gutowsky said there needs to be a community conversation on the existing plans to see if a lot of changes are desired. They want to gauge public sentiment before considering adjustments. Chair Unger stated that there don't seem to be any local people established to represent the residents in either. Maybe some initial hearings might bring forth some of this. Traffic for both is a challenge. They likely need interim solutions to some big long-term problems.

Mr. Anderson asked if the City would consider an urban reserve area on the north end of Bend. Mr. Lelack said he hears conflicting messages, but as the City expands the UGB, exception lands and urban reserve are a priority. This would be a long-range planning effort. Or, maybe they will do a true 20-year amendment. At this point, the County's role is not known.

Chair Unger wants to move the resource and non-resource land discussion along sooner. They need to know what is eligible. Mr. Lelack stated that LCDC is looking at non-resource land, but there is a lot of disagreement on the criteria. He met with DLCD staff with Jefferson and Crook counties to discuss this further. The same conversation is occurring in other parts of the State, as this would mean a big change in State law. It is not known how much flexibility and variation can be applied at the local level. Commissioner DeBone noted that there is a lot of resistance to this conversation. Mr. Gutowsky stated that Thousand Friends and other entities will be a big part of this.

Some people in Deschutes River Woods are concerned about the future of the lava fields there, and development of a grading ordinance. This is not on the work plan. Mr. Anderson stated that this type of ordinance could have a lot of implications beyond the lava fields.

Commissioner Baney indicated someone is worried about Goal 5 and the newly designated historic area of the irrigation canal. She asked if this is something the County has to handle. Mr. Lelack said that the comprehensive plan automatically acknowledges additions to the historic listings. When adopted at the federal level, this information is shared with those living in that area in case they want to develop their property.

It is not recognized in the comprehensive plan but perhaps all of these properties should be inserted when they do other housekeeping changes. Federal law says that the County has to protect these historic designations, regardless of whether the information is detailed in the comprehensive plan. The Historic Landmarks Commission is interested in pursuing this sooner rather than later. It might be part of the State's local rulemaking efforts right now. This is being monitored now.

Mr. Martin asked about the boundary being in error. Commissioner Baney stated that a property owner there said that he thinks the County designated it wrong. Mr. Martin said it was initially part of the proposal submitted by the property owners and approved at the federal level.

Mr. Lelack said they are up to about 25 marijuana-related business pre-application meetings to date. Some are for production and others for manufacturing and processing. This averages about one a week. Some are calling first only to find out they are in the wrong zone. Mr. Gutowsky stated that outside of decisions that don't require notice of application, they are close to meeting performance measures.

They are not even close to meeting performance measure if notice is required. They have almost 600 applications and this will exceed volume from last year. Some are complicated and they are training new planners. A couple are screening the basic criteria first. They have been forced to bring in long-term planning staff to help with this. Even the straightforward application are difficult.

Chair Unger suggested maybe the Board can just take a break on selecting new projects, or picking up some that have been on hold. Mr. Lelack added that they have an extraordinary number of code enforcement issues to address right now as well. Mr. Gutowsky stated that they can initiate some work if the Board wants something done, but won't get it done this year. Mr. Lelack said that some of the issues require community outreach and public meetings, which could not take place until after the first of the year.

Commissioners DeBone asked about housekeeping changes. Mr. Gutowsky said they can fold these together and address them that way. However, they want to wait until the legislative session is underway because there might be other adjustments that are necessary.

Chair Unger said they should tackle these issues as they can, but not overextend anymore. Commissioner Baney feels that community meetings will result in a lot of discussion about marijuana, and this should be separate.

Mr. Gutowsky explained that a flood plain zone is a base zone; others call it a combining zone. Someone might be outside of the 100-year flood plain, but because this is in Code, people have to pursue an expensive conditional use process. By changing this to an overlay zone, they would retain the necessary base zone but allow more flexibility for the rest. It would still protect life and safety. People want to be able to count the flood plain zone that is not even close to being in a 100-year flood plain. All property owners would have to be notified and there could be some controversy.

Mr. Lelack noted the current primary issues relating to marijuana businesses. People complain that it is too expensive, but it is a land use action requiring a site visit. For many of these people, it is their first foray into land use. The County is trying to achieve a fair balance with an emerging industry. They can issue an administrative decision if there is no reaction to the public notice.

Commissioner DeBone asked how a hearing would work on these. Mr. Lelack said it costs \$250 for someone to appeal a decision, and it would then go to a Hearings Officer. Mr. Gutowsky said they would alert the Board in case the Board wants to call it up, if it is not frivolous. This would relieve the applicant of having to pay \$5,000 for a Hearings Officer. Commissioner Baney would only want to do this to strengthen what they have already decided, and not to bring up new or unresolved issues.

### **3. Discussion of Document No. 2016-662, Amending the Pronghorn Hotel Improvement Agreement.**

Anthony Raguine presented representatives of Pronghorn: Ralph Giffin and Michael Kosmin. He said Pronghorn has hotel approval, and the agreement has been amended a few times regarding the bond amount. The original agreement included retainage language to protect the County. The applicant has included an additional \$2.5 million, and County Legal and Finance agree that the original retainage language needs to be removed.

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### **Before the Board was Consideration of Approval of the Consent Agenda.**

Regarding Item #4, Mr. Anderson explained that the agreement between the County and City of La Pine enables the County to collect a fee for the City. They are already doing this, so this agreement just formalizes this arrangement. He added that this is an assessment since surcharges are not allowed. The permit is the basis to calculate the amount. This is true with code enforcement charges as well.

Commissioner DeBone wants to emphasize that the work the County and the City of La Pine are doing for economic development is a partnership.

DEBONE: Move approval.

BANEY: Second.

VOTE: DEBONE: Yes.  
BANEY: Yes.  
UNGER: Chair votes yes.

#### Consent Agenda Items

4. Board Signature of Document No. 2016-430, an Intergovernmental Agreement for Collection Services for the City of La Pine Advanced Planning Fees
5. Board Signature of Document No. 2016-652, a Bargain and Sale Deed for the Donation of Property to the City of La Pine
6. Board Signature of Minutes:
  - Business Meeting of September 28, 2016
  - Work Sessions of September 7 and 14; Business Meeting of September 28, 2016

#### **CONVENED AS THE GOVERNING BODY OF THE SUNRIVER SERVICE DISTRICT**

- 7. Before the Board was Consideration of Board Signature of a Letter Reappointing Bob Wrightson and Jim Wilson to the Sunriver Service District Board.**

BANEY: Move approval.  
DEBONE: Second.

VOTE: BANEY: Yes.  
DEBONE: Yes.  
UNGER: Chair votes yes.

#### **CONVENED AS THE GOVERNING BODY OF THE 9-1-1 COUNTY SERVICE DISTRICT**

- 8. Before the Board was Consideration of Approval of Weekly Accounts Payable Vouchers for the 9-1-1 County Service District, in the Amount of \$20,120.00.**

DEBONE: Move approval, subject to review.  
BANEY: Second.

VOTE: DEBONE: Yes.  
BANEY: Yes.  
UNGER: Chair votes yes.

**CONVENED AS THE GOVERNING BODY OF THE EXTENSION/4-H COUNTY SERVICE DISTRICT**

**9. Before the Board was Consideration of Approval of Weekly Accounts Payable Vouchers for the Extension/4-H County Service District, in the Amount of \$902.78.**

DEBONE: Move approval, subject to review.  
BANEY: Second.

VOTE: DEBONE: Yes.  
BANEY: Yes.  
UNGER: Chair votes yes.

**RECONVENED AS THE DESCHUTES COUNTY BOARD OF COMMISSIONERS**

**10. Before the Board was Consideration of Approval of Weekly Accounts Payable Vouchers for Deschutes County, in the Amount of \$988,552.68.**

Mr. Anderson noted that this includes payment to the contractor for work on Dodds Road.

DEBONE: Move approval, subject to review.  
BANEY: Second.

VOTE: DEBONE: Yes.  
BANEY: Yes.  
UNGER: Chair votes yes.

**11. Other Items.**

Mr. Anderson indicated that 911 arbitration is occurring today, and Erik Kropp wants to update the Board in executive session.



Commissioner Baney said that Bill Smith has set up the 'meet and greet' for Erik Lukens, who is the new editor at the Bulletin, and invited the Board and others from the County. She thought perhaps this should include an invitation to department heads. Mr. Anderson said he can send it on as an FYI.

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Commissioner DeBone noted that the Centennial 'birthday' event will be held midday on December 13.

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The Board went into executive session under ORS 192.660(2)(h), pending or threatened litigation; and 660(2)(d), labor negotiations, at 3:00 p.m.

After executive session, the Board directed staff to proceed as discussed.

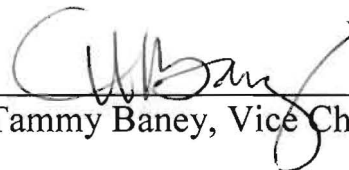
**12. Adjourn.**

*Being no further discussion, the meeting adjourned at 3:45 p.m.*

**APPROVED this 17<sup>th</sup> Day of October 2016 for the  
Deschutes County Board of Commissioners.**



Alan Unger, Chair



Tammy Baney, Vice Chair

ATTEST:



Recording Secretary



Anthony DeBone, Commissioner





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## **WORK SESSION AGENDA**

### **DESCHUTES COUNTY BOARD OF COMMISSIONERS**

**1:30 P.M., WEDNESDAY, OCTOBER 5, 2016**

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*Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be addressed at the meeting. This notice does not limit the ability of the Board to address additional subjects. Meetings are subject to cancellation without notice. This meeting is open to the public and interested citizens are invited to attend.*

*Work Sessions allow the Board to discuss items in a less formal setting. Citizen comment is not allowed, although it may be permitted at the Board's discretion. If allowed, citizen comments regarding matters that are or have been the subject of a public hearing process will NOT be included in the official record of that hearing. Work Sessions are not normally video or audio recorded, but written minutes are taken for the record.*

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1. Update on EPA Brownfields Assessment Grant – *Peter Gutowsky*
2. Planning Division Update – *Nick Lelack and Peter Gutowsky*
3. Discussion of Document No. 2016-662, Amending the Pronghorn Hotel Improvement Agreement – *Anthony Raguine*

### **CONSENT AGENDA**

4. Board Signature of Document No. 2016-430, an Intergovernmental Agreement for Collection Services for the City of La Pine Advanced Planning Fees

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*Meeting dates, times and discussion items are subject to change. All meetings are conducted in the Board of Commissioners' meeting rooms at 1300 NW Wall St., Bend, unless otherwise indicated. If you have questions regarding a meeting, please call 388-6572.*

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Deschutes County encourages persons with disabilities to participate in all programs and activities. To request this information in an alternate format, please call (541) 617-4747, or email [ken.harms@deschutes.org](mailto:ken.harms@deschutes.org).

5. Board Signature of Document No. 2016-652, a Bargain and Sale Deed for the Donation of Property to the City of La Pine
6. Board Signature of Minutes:
  - Business Meeting of September 28, 2016
  - Work Sessions of September 7 and 14; Business Meeting of September 28, 2016

**CONVENE AS THE GOVERNING BODY OF THE SUNRIVER SERVICE DISTRICT**

7. CONSIDERATION of Board Signature of a Letter Reappointing Bob Wrightson to the Sunriver Service District Board

**CONVENE AS THE GOVERNING BODY OF THE 9-1-1 COUNTY SERVICE DISTRICT**

8. CONSIDERATION of Approval of Weekly Accounts Payable Vouchers for the 9-1-1 County Service District

**CONVENE AS THE GOVERNING BODY OF THE EXTENSION/4-H COUNTY SERVICE DISTRICT**

9. CONSIDERATION of Approval of Weekly Accounts Payable Vouchers for the Extension/4-H County Service District

**RECONVENE AS THE DESCHUTES COUNTY BOARD OF COMMISSIONERS**

10. CONSIDERATION of Approval of Weekly Accounts Payable Vouchers for Deschutes County

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## 11. Other Items

*These can be any items not included on the agenda that the Commissioners wish to discuss as part of the meeting, pursuant to ORS 192.640.*

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*At any time during the meeting, an executive session could be called to address issues relating to ORS 192.660(2)(e), real property negotiations; ORS 192.660(2)(h), litigation; ORS 192.660(2)(d), labor negotiations; ORS 192.660(2)(b), personnel issues; or other executive session categories.*

*Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media.*

## 12. Adjourn

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## Community Development Department

Planning Division Building Safety Division Environmental Soils Division

P.O. Box 6005 117 NW Lafayette Avenue Bend, Oregon 97708-6005  
(541)388-6575 FAX (541)385-1764  
<http://www.co.deschutes.or.us/cdd/>

### Memorandum

**DATE:** October 5, 2016  
**TO:** Deschutes County Board of Commissioners  
**FROM:** Peter Gutowsky, AICP, Planning Manager  
**RE:** U.S. EPA Brownfield Grant / Grant Closure

The Community Development Department just completed a three year U.S. Environmental Protection Agency (U.S. EPA) Community-wide Brownfield Assessment Grant. Attached is a project report describing the grant and its accomplishments. The grant was a tremendous success. It funded:

- Brownfield inventories for Deschutes County and the Cities of Bend and Redmond
- Nine environmental site assessments (ESAs) for:

Property Description	Environmental Site Assessment
Automobile repair business in Redmond	Phase 1 and 2
Condominium project in Bend	Phase 1
Evergreen School	Phase 1 and 2
Mirror Pond	Phase 2
Redmond City Hall	Phase 1 and 2
Vacant parcel in downtown Redmond	Phase 1

- Area-wide Planning to transform an underutilized district north of Redmond's downtown into a thriving neighborhood.

### Background

In May 2013, U.S. EPA selected Deschutes County for two brownfields assessment grants totaling \$400,000. Brownfields are properties where previous uses such as former gasoline stations, dry cleaners, and industrial operations may have left behind contaminants. Brownfield redevelopment often requires ESAs and regulatory review. To help property owners navigate these processes and access resources that can help pay for the assessments and review, approximately \$264,000 of the brownfield grant provided ESAs for eligible properties, and gave technical assistance to property owners, citizens, businesses and other stakeholders. Phase I ESAs involved a review of records, site inspections, and interviews with owners, occupants, neighbors and local government officials. Phase II ESAs included sampling and laboratory analysis to confirm the presence of hazardous materials. A Brownfield Advisory Committee assisted staff in making allocation decisions for the ESAs.

The Brownfield grant also dedicated \$90,000 for Area Wide Planning (AWP). AWP offered resources to conduct research, technical assistance and training that resulted in an area-wide plan and implementation strategy for Redmond's Mid-Town. The timing and readiness to utilize AWP funding offered extraordinary advantages in Redmond. It dovetailed with the City's existing efforts to revitalize the area, including an urban renewal district, market analysis, and recently completed housing study. The City of Redmond contributed an in-kind match of \$44,700 to maximize the opportunity.

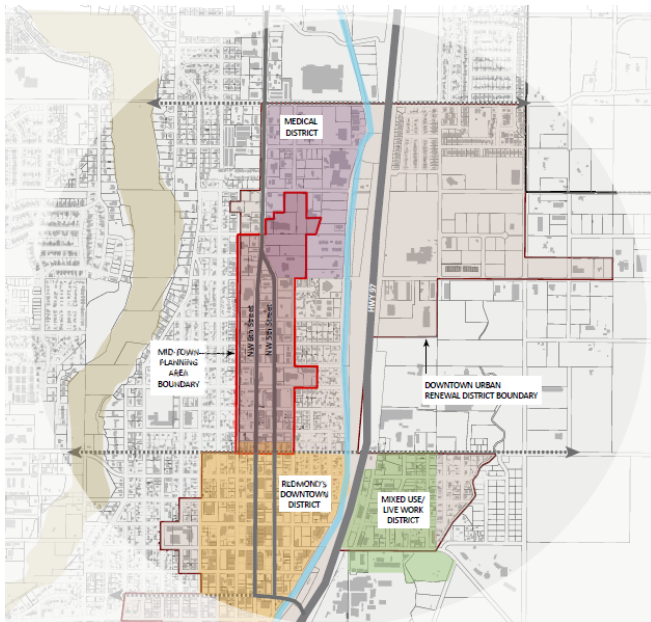
Attachment:

Deschutes County US EPA Community-wide Assessment Grant / Project Report

# Deschutes County

U.S. Environmental Protection Agency  
Brownfield Community-Wide Assessment Grant  
Project Report

*September 27, 2016*



Deschutes County Community Development Department  
117 NW Lafayette Avenue  
P.O. Box 6005  
Bend, OR 97708-6005  
541-388-6575







## TABLE OF CONTENTS

a. Introduction .....	2
b. Request for Proposal .....	3
c. Personal Services Contract .....	4
d. Brownfield Inventory .....	5
e. Public Involvement .....	6
f. Environmental Site Assessments .....	7
g. Area Wide Planning .....	11
h. Training .....	18
i. Contacts .....	19
j. Available upon Request .....	20



# INTRODUCTION

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## Background

Deschutes County and partnering cities of Bend and Redmond have been significantly impacted by brownfields, many of which are located adjacent to residential areas and/or sensitive receptors. In certain locations, brownfields have constrained the community's efforts to fully recover from the recent economic downturn or precluded redevelopment for decades. Environmental databases maintained by the Oregon Department of Environmental Quality (DEQ) document the presence of over 850 potentially impacted sites, including approximately 340 underground storage tank (UST) sites, and 270 leaking UST (Leaking UST) sites. Brownfield sites range in size from 0.5-acres or smaller as they pertain to former dry cleaner or gas station sites, to the approximately 220-acre shooting range and undocumented dump site, located in Redmond.

## Community-Wide Brownfield Assessment Grant

In December 2012, Deschutes County submitted a grant application to the U.S. Environmental Protection Agency (U.S. EPA) as part of the Fiscal Year 2013 Brownfields Grant Competition requesting \$400,000 of community-wide assessment grant funding. Letters of support included the City of Redmond, City of Bend, City of Sisters, DEQ, Central Oregon Regional Solutions Center, Business Oregon, Oregon State University-Cascades, Economic Development for Central Oregon, Upper Deschutes Watershed Council, 1,000 Friends of Oregon, The Environmental Center, and William Smith Properties, Inc. The County envisioned using the funding to support economic development initiatives by other units of local government within the County, to assess sites within the cities of Bend, La Pine, Redmond, or Sisters.

In May 2013, U.S. EPA selected Deschutes County for two brownfields assessment grants, one addressing hazardous substances and the other petroleum contamination. Community-wide hazardous substances grant funds enabled Deschutes County and its partnering cities of Bend and Redmond to build a systematic inventory of brownfield sites, conduct Phase I and Phase II Environmental Site Assessments, perform remediation and redevelopment planning, and carry out community outreach activities. Petroleum grant funds were used to conduct similar tasks at sites with potential petroleum contamination. The Cooperative Agreement, Work Plan and Detailed Budget were subsequently approved by U.S. EPA in August 2013. The project officially commenced on October 1, 2013 and ended on September 30, 2016.



**U.S. ENVIRONMENTAL  
PROTECTION AGENCY**

**Cooperative Agreement**



# REQUEST FOR PROPOSAL

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## Selection Process

On August 23, 2013 the Community Development Department (CDD) released a Request for Proposals (RFP), seeking a qualified consultant firm to assist in implementation. The RFP was open for four weeks. Review criteria used a 100 point scale. Points were allocated for disadvantaged business (DBE/MBE/WBE) firms. During the first week, interested parties could contact the project coordinator with any questions or items of clarification in writing. Responses were made available on a county website.

CDD received thirteen proposals. A six person review committee consisting of Deschutes County, City of Bend, City of Redmond, and Oregon State University Cascades narrowed the consulting firms to four finalists. Deschutes County coordinated with the Oregon Department of Environmental Quality and U.S. EPA Region 10 to develop criteria for rating the four consulting teams during a formal interview process and expand the review committee to include private sector experience. A civil engineer and a representative from Sunriver Owners Association joined the review committee. Two weeks prior to the interview date, CDD alerted the finalists to the agenda, the one hour interview process, and the following format:

- Up to 30 minutes to present how your team can help Deschutes County and the Cities of Bend and Redmond achieve our primary objectives, to:
  - o Develop a brownfields program in Deschutes County and partnering cities;
  - o Engage affected property owners, public and stakeholders in this process and establish community brownfield development goals;
  - o Identify, prioritize, assess and plan brownfield development where assessment and remediation support those community goals;
  - o Provide a cleanup plan for prioritized sites with a strategy for market-based redevelopment, risk management, and financing; and
  - o Position the County and partnering cities for future project funding, including cleanup funds from state and federal sources.
- Up to 20 minutes for Review Committee and Consultant Q/A & discussion.
- Any time remaining is available for closing comments.

The Review Team scored interviews as follows:

- o Response to Objectives (each of the five bullets receives a maximum of 5 points; for a total of 25 points)
- o Clarity and Quality of Overall Presentation (10 Points)
- o Responses to Review Committee Questions & Discussion (5 points)

Maximum Total - 40 Points: The rating system used by the Review Committee to pair down the 13 proposals to the four finalists was not taken into consideration during the interview process. It was a clean slate.



# PERSONAL SERVICES AGREEMENT

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## Apex Companies, LLC

On October 11, 2013 the review committee interviewed the four finalists and recommended APEX Companies, LLC. APEX Companies' responsibilities were to collaborate with Deschutes County to build a systematic inventory of hazardous and petroleum brownfield sites, conduct Phase I and Phase II Environmental Site Assessments, perform remediation and redevelopment planning, and conduct community outreach activities in the rural county and cities of Bend and Redmond. The Community Development Department, with Legal Counsel's review, prepared a Personal Services Contract with APEX Companies. Consulting services were a requirement of the U.S. EPA Cooperative Agreement. The consulting budget was covered by the grant. The total amount paid to Apex Companies under this contract was \$368,000 over a 35 month period, ending September 30, 2016. The Board of County Commissioners approved the Personal Services Contract at their regular meeting on November 25, 2013.



## Community Development Department

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## REQUEST FOR PROPOSALS

### U.S. EPA Brownfield Community-Wide Assessment (CWA) Grants

RFP Release Date: **August 23, 2013**

RFP Due Date: **September 20, 2013**



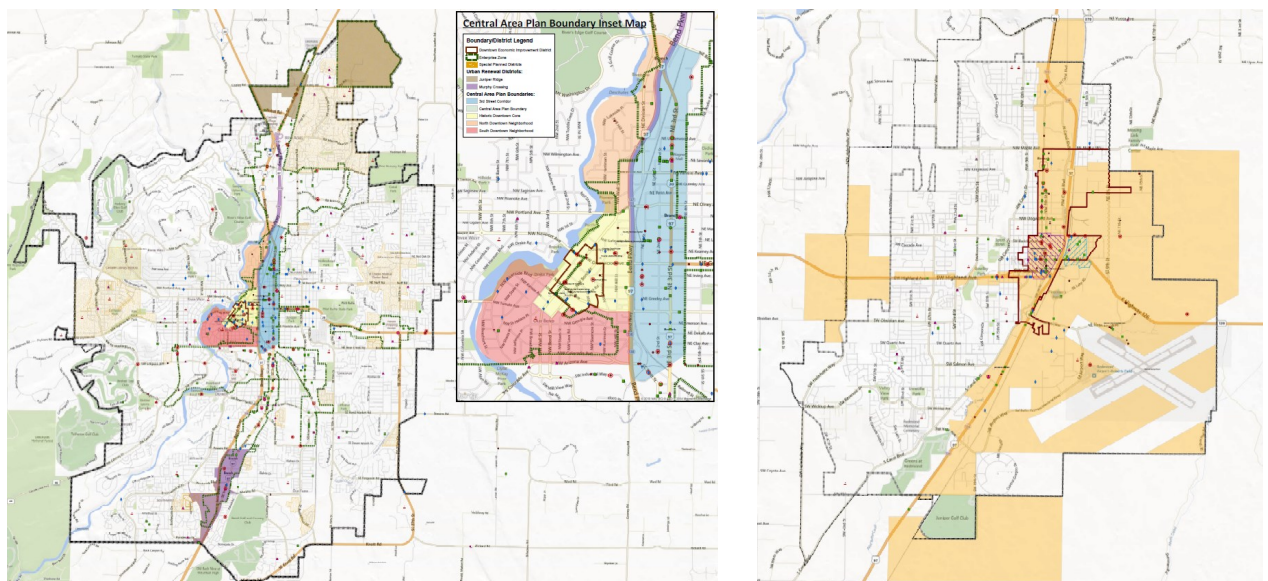


# BROWNFIELD INVENTORY

APEX Companies, LLC initiated the first phase of the grant in December 2013 by developing a brownfield inventory for Deschutes County and the cities of Bend, La Pine, Redmond, and Sisters. APEX Companies started with queries using federal, state (Department of Environmental Quality) and proprietary brownfield databases. Deschutes County also provided GIS data to include in the inventory. Data included:

- Comprehensive plans and neighborhood plans; Capital and Transportation Improvement Plans, Urban Renewal/Tax Increment Financing districts, schools, parks, housing plans, and water and sewer infrastructure.

As the brownfield inventories were being prepared, Deschutes County and APEX Companies coordinated with city staffs to obtain a first-hand understanding of areas that may qualify as brownfields that were also well positioned for redevelopment based on existing or forthcoming land use plans. A meeting in March 2014 was subsequently held to finalize the inventories and begin discussing opportunities for Area Wide Planning, and convening a Brownfield Advisory Committee to help prioritize requests for Phase I and Phase II Environmental Site Assessments (ESAs). Note: Inclusion on the databases and on the brownfield maps did not necessarily confirm that a listed property was contaminated. An understanding of the magnitude and extent of contamination at any individual property requires additional research. This step is normally performed later in the project, for example as part of Area-wide Planning and Phase I/ II ESAs.





## PUBLIC INVOLVEMENT

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Two public meetings were held in September 2014, one in Bend and the other in Redmond to discuss the Community-wide Brownfield Assessment Grant and offer resources to eligible property owners throughout the county. Notices of these two meetings were provided in newsletters published by the Cities of Bend, Redmond, and Sisters, local newspapers, and announced on radio stations. Interested property owners were encouraged to attend, interact with consultants and learn more about the program. Speakers included representatives from Deschutes County, Cities of Bend and Redmond, and Apex Companies, LLC. Brownfield brochures and Requests for Additional Information, a precursor to an application for grant funding to receive a Phase I or Phase II ESA, were made available at both meetings. Attendees were informed that Phase I ESAs involve a review of records, site inspections, and interviews with owners, occupants, neighbors and local government officials. Phase II ESAs include sampling and laboratory analysis to confirm the presence of hazardous materials.

Deschutes County received nine applications for funding for properties located in Bend, Redmond, and the rural county.

### **Brownfield Advisory Committee**

In October 2014, Deschutes County convened a Brownfield Advisory Committee (BAC) to provide input on grant administration and to assist staff in making allocation decisions for the ESAs. The following organizations were represented:

- Bend Chamber of Commerce
- Bend Parks and Recreation District
- Central Oregon Builders Association
- Central Oregon Environmental Center
- City of Bend
- City of Redmond
- Economic Development for Central Oregon
- Housing Works
- Neighborhood Group / Citizen at Large
- Private Developer
- Sunriver Homeowners Association

The BAC supported funding five Phase I ESAs on eligible properties in Bend and Redmond. In February and June 2015, they reconvened to allocate grant resources for four Phase II ESAs. They convened for the final time to receive the project report as well as presentations by APEX Companies, LLC, Deschutes County, and the City of Redmond in September 2016.



# ENVIRONMENTAL SITE ASSESSMENTS

Brownfields are properties where previous uses such as former gasoline stations, dry cleaners, and industrial operations may have left behind contaminants. Brownfield redevelopment often requires Environmental Site Assessments (ESAs) and regulatory review. To help property owners navigate these processes and access resources that can help pay for them, approximately \$264,000 of the brownfield grant were made available for ESAs for eligible sites. Technical assistance was also provided to property owners, citizens, businesses and other stakeholders. Tables 1 and 2 list the recipients of grant funding for Phase I and Phase II ESAs. Synopses of each one are provided on Pages 8 to 13.

**Table 1 – Properties Receiving Phase I Environmental Site Assessments**

Owner	Property	Location	EPA Eligibility Status	Completed Ph. I ESA
Columbia State Bank	Tax Lot 181205 BA 00202, near Arizona and Colorado Street	Bend	Approved	Yes
Wells Separate Property Trust	412-426 NW 6th St.	Redmond	Approved	Yes
City of Redmond	716 SW Evergreen Ave.	Redmond	Approved	Yes
	SW Corner of SW 2nd and Cascade	Redmond	Approved	Yes
	437 SW 9th Street	Redmond	Approved	Yes

**Table 2 – Phase II Environmental Site Assessments**

Owner	Property	Location	EPA Eligibility Status	Completed Ph. II ESA
Wells Separate Property Trust	412-426 NW 6th St.	Redmond	Approved	Yes
Bend Parks and Recreation District	Mirror Pond	Bend	Approved	Yes
City of Redmond	716 SW Evergreen Ave.	Redmond	Approved	Yes
	437 SW 9th Street	Redmond	Approved	Yes



# ENVIRONMENTAL SITE ASSESSMENTS

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## **Columbia State Bank (Synopsis of Phase I ESA)**

The subject property was developed early in the twentieth century as a portion of the Brooks-Scanlon Company sawmill. Sawmill facilities at the property included all or parts of the following buildings: Dry Shed, Dry Kilns, Cooling Shed, Unstacker, and Planer. Sawmill operations were terminated at the property in the 1960s. Subsequently, the property was used for a number of forest-industry-related industrial activities (e.g., cabinet fabrication and furniture making). By the early twenty-first century, the property was vacant, and has remained in that condition through the present. Several phases of environmental investigation were performed at the former Brooks-Scanlon Company sawmill (including the subject property) in the 1990s. Those investigations showed that sawmill areas east of the property were affected by hazardous substances, including petroleum hydrocarbons, metals, and dioxins and furans. No impacts were identified at the property during the 1996 investigation. In 1997, remediation, consisting of excavation and off-site disposal of affected soil, was performed east of the property. In 1998, the Oregon Department of Environmental Quality (DEQ) determined that residual concentrations of hazardous substances in soil did not pose an unacceptable risk to human health or the environment, and consequently they issued an unconditional no further action determination for the former sawmill facility, including the subject property. Because hazardous substances were identified and addressed to the satisfaction of DEQ, the former sawmill operations are considered a historical recognized environmental condition.

In 2010, a Phase I ESA was performed at the subject property. The authors of the 2010 Phase I ESA concluded that there were no recognized environmental conditions in connection with the property, with the exception of possible burned wood ash waste in soil and possible hazardous constituents in soil. In 2014, soil samples were collected from eight test pits at the property to address the concerns raised in the 2010 Phase I ESA. Overall, the soil samples exhibited very low concentrations of hazardous constituents, consistent with those detected during the 1990s investigations and addressed by the 1998 DEQ No Further Action determination. Two samples collected in 2014 exhibited hazardous constituent concentrations that exceed current risk-based screening levels for residential land uses (ingestion, dermal contact, and inhalation).

Apex Companies, LLC further evaluated the 2014 data to assess whether the data indicate possible risks to human health and the environment. In conclusion, data collected in 2014 were consistent with the data collected during earlier phases of investigation at the property and at the greater sawmill facility. That is, the data showed that soil was affected by relatively low concentrations of hazardous substances related to historical industrial activities at the subject property. The low residual concentrations appeared to be limited in area, covered by at least three feet of soil, and generally were less than applicable screening standards. In APEX Companies' opinion, no additional investigation was necessary prior to construction. The property is now being developed for luxury residential townhomes.





# ENVIRONMENTAL SITE ASSESSMENTS

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## **Wells Separate Property Trust (Synopsis of Phase I and Phase II ESA)**

The subject property has been used for automobile repair businesses since at least the early 1960s and it appears that a service station operated at that facility for some period of time. Details about the historical automobile repair services are unavailable; however, based on the site reconnaissance, the repair facilities included at least two in-ground hydraulic hoists and it appears that fuel dispensers and at least one petroleum underground storage tank (UST) were present at the west side of the building. Other USTs could be present at other locations at the property. Information is unavailable describing the type(s) of fuel that were stored at the facility. The data presented in the Phase I ESA indicate that the property was historically used for purposes that may have resulted in environmental impacts. These activities include vehicle repairs and fuel storage and distribution. Some possible sources of releases to the environment include UST system(s), subsurface hydraulic hoist systems, a possible sump, drywells, and possible septic systems. If one or more USTs are present, residual fuel should be removed as soon as possible (if present) and the tanks should be decommissioned in accordance with State of Oregon regulations.

The Phase II ESA was performed to assess soil conditions at the site based on former land uses. In order to complete the soil investigation, four underground storage tanks (USTs) and associated ancillary equipment (e.g., piping) were decommissioned. The site is enrolled in the Oregon DEQ's Voluntary Cleanup Program. Field observations during decommissioning and soil sampling activities did not indicate a release had occurred. However, a diesel/oil release was identified based on the concentrations of diesel-range hydrocarbons detected in soil samples collected beneath the former dispenser island. No constituents were detected at concentrations that exceed applicable Risk Based Concentration (RBCs), with the exception of oil-range hydrocarbons in sample "Dispenser North." The concentration of oil-range hydrocarbons in that sample (6,400 mg/kg) exceeds the RBC for residential exposure via direct contact and ingestion. Based on field observations and laboratory analytical data, APEX Companies, LLC anticipated that soil at the north side of the former dispenser island had been impacted by small leaks and/or spills that occurred during historical fueling operations, and the volume of affected soil is limited. Apex Companies, LLC recommended that affected soil in this area be removed and confirmation samples be collected to confirm that residual soil meets applicable standards. Following removal of the contaminated soil, APEX Companies, LLC expected that the site will be eligible for regulatory closure. Alternatively, the risks posed by residual soil in the former dispenser area could be managed through a combination of engineering/institutional controls (e.g., a requirement to maintain a cap over the soil and restrictions on residential uses). However, they expected that the cost and timeframe for implementing engineering and institutional controls would exceed the costs for removing the presumed small amount of impacted soil in the former dispenser area.



# ENVIRONMENTAL SITE ASSESSMENTS

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## **Bend Parks and Recreation District/ Mirror Pond (Synopsis of Phase II ESA)**

Mirror Pond is located along the Deschutes River in downtown Bend, Oregon. The pond was created by a dam constructed in 1909, which backs up the river for approximately a mile upstream. Mirror Pond is defined upstream by the Galveston Avenue bridge and downstream by the hydroelectric dam located approximately 200 feet to the northeast of Newport Avenue. Drake Park bounds the pond on the east, and the west side of the pond is bounded by residences and Brooks Park and Harmon Park.

The purpose of the Phase II ESA was to: (1) assess Mirror Pond sediments for suitability for future upland use as fill; (2) obtain chemical constituent data to assess potential hazardous substance risks to human health and the environment; and (3) while not the primary focus of this investigation, obtain chemical constituent data suitable for supporting future sediment dredging decisions and associated permitting.

### Chemical Suitability of Sediment for Reuse and Evaluation of Potential Exposure Risk

With the exception of polycyclic aromatic hydrocarbons (PAHs) at Sample Site 16, which was in the immediate vicinity of a municipal storm drain outfall (SS-16), and metals (at multiple sample locations), no chemicals of concern have been detected above applicable screening levels in the Mirror Pond sediment samples. The data suggest that while there are some sporadic exceedances of regional background levels, when taken as a whole data set, the sediments would likely be allowed for upland reuse.

This investigation was intended as a broad survey of Mirror Pond sediment conditions. If Mirror Pond sediments were to be removed for upland reuse or disposal, location specific sampling would be recommended in the vicinity of the storm drain outfalls and near the power dam. Additional investigation may be required to determine the suitability of pond sediments for in-water redistribution (which also includes dredging).

### Structural Suitability of Sediment for Reuse

With respect to use as structural fill, silts can be difficult to work with. Erosion control, dust control, and stabilization with planting will be necessary to maintain the fill surfaces during and after grading. In practice, APEX Companies, LLC generally does not recommend silt sediments for use as structural fill and limit their use to landscaping areas. The surface sands present throughout Central Oregon are often too free draining and have low moisture retention, making them difficult to support lawns and surface covers. The pond sediments could therefore be used on site or exported for use as landscape soil. The sediments are relatively inorganic and would need to be significantly amended in order to support plant growth but should work well once amended.



# ENVIRONMENTAL SITE ASSESSMENTS

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## **City of Redmond / SW Corner of SW Second Street (Synopsis of Phase I)**

The subject property is a vacant parcel, located to the northeast of downtown Redmond in a mixed commercial/industrial/residential area. It has apparently been vacant since at least the 1920s, with one possible exception. A dwelling may have been present on the southern portion of the property for an unspecified period of time. Based on APEX Companies' understanding of the current and historical uses of the property and surrounding areas, no Recognized Environmental Conditions (RECs) were identified. While not rising to the level of RECs, the following possible conditions should be considered during planning for redevelopment:

- Anecdotal information suggests that a dwelling was present on the subject property for an unspecified period of time; however, historical records do not confirm that a structure was ever present on the subject property. If a dwelling was present on the property, it is possible that the structure used a septic system, and remnants of the septic system remain at the subject property. Normally, residential uses of septic systems do not result in significant environmental impacts; however, if septic systems are encountered during development, they must be decommissioned in accordance with state and local requirements.
- If a dwelling was present at the property, it may have been heated using heating oil stored in an aboveground storage tank (AST) or underground storage tank (UST). Heating oil ASTs and USTs are common sources of environmental contamination. No AST/UST systems have been registered at the subject property, nor is there any evidence of former ASTs/USTs on the property; however, if a UST system is encountered during construction, it must be decommissioned in accordance with state and local requirements.



# ENVIRONMENTAL SITE ASSESSMENTS

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## **City of Redmond / City Hall (Synopsis of Phase I and Phase II ESA)**

The subject property was developed by 1913. At that time, a Feed & Sales building was present at the northeast portion of the subject property, a jail was present at the northwest portion of the property, and a blacksmith and dwelling occupied the eastern portion of the property, along 7th Street. By 1920, a firehouse was present at the far northwest corner of the property, and between the 1920s and 1940s, the firehouse was removed and replaced with an American Legion Hall. By the 1950s, there were no structures on the western half of the property and it was utilized as a parking area. The Feed and Sales building was removed by 1941 and replaced with a store. The store expanded, and additional contiguous store buildings were added after the 1940s. Tenants reportedly included a Safeway grocery store, a paper/stationary store, the Lantz Electrical Company, a State of Oregon unemployment office, and a liquor store. In 1996, the store buildings were converted for use by the Redmond School District, and subsequently as offices for the Redmond City Hall, the Redmond Museum and a school. No recognized environmental conditions (RECs) were identified at the property, with the exception of:

- 1) An unused petroleum underground storage tank (UST) system appears to be present at the west side of the City Hall building. The status, specific contents, and capacity of the UST are unknown. UST systems are common sources of environmental contamination. DEQ requires decommissioning of USTs that are no longer in use; and,
- 2) A Wardrobe Cleaners dry cleaning facility reportedly operated approximately 150 feet northeast of the property between at least 1940 and 1967. No releases have been documented at the Wardrobe Cleaners dry cleaning facility; however, dry cleaners are common sources of releases of hazardous substances to the environment. The Wardrobe Cleaners dry cleaning facility could pose an environmental risk to the property due to the potential for migration of hazardous substances in groundwater or soil vapor.

The Phase II ESA was performed to assess site conditions and included a soil and vapor investigation. In order to complete the soil investigation, one UST and associated ancillary equipment (e.g., piping and dispenser) were decommissioned by removal. The site is enrolled in the Oregon DEQ Voluntary Cleanup Program. One UST and associated ancillary equipment were removed from the Site, and soil and soil vapor samples were collected and submitted for laboratory analysis. The UST was located adjacent to the west wall of the City Hall building. Following removal of the UST and piping, the excavation was backfilled with imported granular fill and the ground surface was restored. Based on the data presented in the ESA Phase II, 716 SW Evergreen Avenue is eligible for regulatory closure, with no additional investigation or remediation.



# ENVIRONMENTAL SITE ASSESSMENTS

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## **City of Redmond / Former Evergreen School (Synopsis of Phase I and Phase II ESA)**

The subject property was developed for residential use by 1920. By 1928, the Evergreen Elementary School main building was built and the property remained in continuous use as a school until approximately 2010. In approximately 2010, the property was transferred from the Redmond School District to the City of Redmond, and since that time the property has remained unused. The property includes four buildings: the main building, constructed in the 1920s and expanded in the 1940s; the gymnasium, constructed in the 1940s; the annex building, constructed in 1953; and a modular building installed in the 1990s. The buildings are heated by two boilers in the basement of the main building and by a number of natural-gas-fueled ceiling- and roof-mounted air handling units. The heating units and boilers are currently inactive. In 2010, when the school was operating, the boilers were fueled by natural gas; however, historical documents suggest that the boilers were historically fueled by oil that was stored in an UST at the south side of the property. The status of the UST is unknown, as is soil quality in the vicinity of the UST. APEX Companies, LLC recommended a Phase II ESA to determine if a fuel oil UST remains in place at the property. If the one or more USTs remain in place and are unused, they should be decommissioned.

The Phase II ESA was performed to assess soil quality in the vicinity of an unused heating oil underground storage tank (HOT). To complete the soil investigation, one HOT and associated ancillary equipment (e.g., piping) were decommissioned by removal. Following decommissioning of the HOT, the ground surface was restored. The site is enrolled in the Oregon DEQ Voluntary Cleanup Program. A diesel/oil release was identified based on the analytical results for soil samples. Detected concentrations of diesel- and oil-range hydrocarbons and associated constituents were consistently less than applicable Risk Based Concentration (RBCs), with the exception of one sample that was collected beneath the remote fill port. Based on a comparison of chemical concentrations to RBCs, with the exception of the fill port area, the release has been adequately delineated and residual concentrations are protective of human health and the environment. Based on field observations, we anticipate that soil at the fill port area has been impacted by small leaks and drippage that occurred during repeated filling events, and the volume of affected soil is limited. Apex Companies recommended that affected soil in this area be removed and confirmation samples collected to confirm that residual soil meets applicable standards. Following removal of the expected soil, Apex Companies, LLC expect that the site will be eligible for regulatory closure.



## AREA WIDE PLANNING

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Using EPA brownfield assessment funding for Area Wide Planning (AWP) is a relatively new use of EPA funding. AWP offers resources to conduct research, technical assistance and training that can result in an area-wide plan and implementation strategy for key brownfield sites. This information can then help inform the assessment, cleanup and reuse of brownfield properties and promote area-wide revitalization. The goal is to serve as a complementary activity that helps catalyze brownfield redevelopment. The Brownfield grant dedicated \$90,000 for AWP.

Recognizing that an overwhelming majority of eligible brownfield sites are located in Bend and Redmond, Apex Companies, LLC met with city representatives from both jurisdictions in June 2014 to discuss opportunities to perform AWP. Based on the results of those discussions, it was determined that the northern section of Redmond's downtown area warranted the resources. The planning area was of appropriate size, the need for such planning was clear, and the City of Redmond was an enthusiastic partner. The timing and readiness to utilize AWP funding offer extraordinary advantages in Redmond. It dovetails with the City's existing efforts to revitalize the area, including an urban renewal district, market analysis, and recently completed housing study. With funding for conducting an AWP in Mid-Town available, the City of Redmond quickly dedicated staff time and additional financial support for a plan tailored to meet Redmond's needs that could lead to Mid-Town's revitalization.

To maximize the AWP, the City allocated an additional \$45,000 to the project. The City created a Citizen Advisory Committee (CAC), inviting community residents, business owners and property owners to apply. They also established a Technical Advisory Committee (TAC) and stakeholder interviews with experts with demonstrated success at infill development to advise the City on revitalization and redevelopment based on the envisioned Mid-Town area. Several public workshops were then subsequently convened for stakeholders to participate with consultants and City staff to help transform an underused district located between downtown and emerging medical district into a thriving neighborhood that reflects Redmond's history and hopes for the future.

### **Project Overview**

The City of Redmond continues to seek partnerships to create and implement plans and investments including funding and managing projects under the Downtown Urban Renewal District, creating and working toward the implementation of a Medical District Plan, and making infrastructure improvements through its Capital Improvement Plan. Mid-Town is home to a blend of commercial uses, including but not limited to, well-kept and recently constructed commercial buildings hosting medical service providers, one and two story buildings with offices, restaurants and motels, and vacant and underutilized properties in disrepair. Unfortunately, the vacant and underutilized properties outnumber the established fully developed properties, which results in the perception that Mid-Town is a district to pass



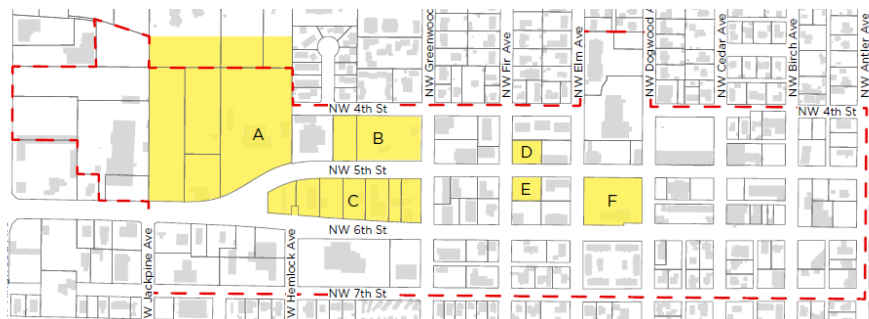
# AREA WIDE PLANNING

through on the way to somewhere else instead of a destination and community asset. Mid-Town lacks a cohesive sense of place and as such its reputation by locals and visitors is not as favorable as it could be. Further, its functionality as a place to do business and more significantly contribute to the local economy is in question. Strategically located between the Medical District and Downtown, Mid-Town can either serve as a bridge that facilitates a symbiosis between these areas or as a gap making this symbiosis difficult.

## Corridor-Wide Plan Elements

The Mid-Town Plan vision is a form of a conceptual plan for the entire district and provides conceptual designs for key catalyst sites including a community recreation facility. The Plan evaluates the market potential for the developments and envisions conceptual designs by understanding housing and economic data and by interviewing development professionals. Existing conditions of infrastructure (water, sanitary sewer, stormwater, transportation, parks) are also evaluated for its ability to accommodate future envisioned development. After researching existing site conditions and listening to the communities' aspirations for the future of Mid-Town, six development opportunity sites were selected for further study as areas for the City to focus revitalization efforts. These sites were selected because they were identified as having high potential for redevelopment and serve as catalyst sites sparking district wide redevelopment. They also are characterized by the following attributes:

- **Availability:** A majority of the sites include vacant or underutilized land.
- **Access:** All sites have access to one or both sides of the NW 5th and 6th Street couplet.
- **Size:** Some of the sites could be re-developed individually, others could be combined into an efficient developable block.
- **Infrastructure:** All sites are well served by water, sewer and stormwater systems.
- **Public realm:** All sites provide opportunities to enhance the public realm with redevelopment.
- **Adjacent uses:** A majority of the sites can build on energy from new or well-kept adjacent uses or future planning efforts, including the Medical District.





# AREA WIDE PLANNING

While redevelopment of potential catalyst sites can spark district wide redevelopment, Mid-Town also has an existing fabric of businesses that provide a foundation for re-energizing and begin to re-shaping the public realm. The following list identified enhancement feature ideas, selected specifically for Mid-Town, that can support activation, create a more pedestrian friendly streetscape, and improve the district's overall aesthetic.

- Enhancing Streets
- Enhancing Alleys
- Re-connect Buildings & Parking Lots to Street
- Re-connect Motels to Street
- Re-connect Vacant/Underutilized Properties to Street

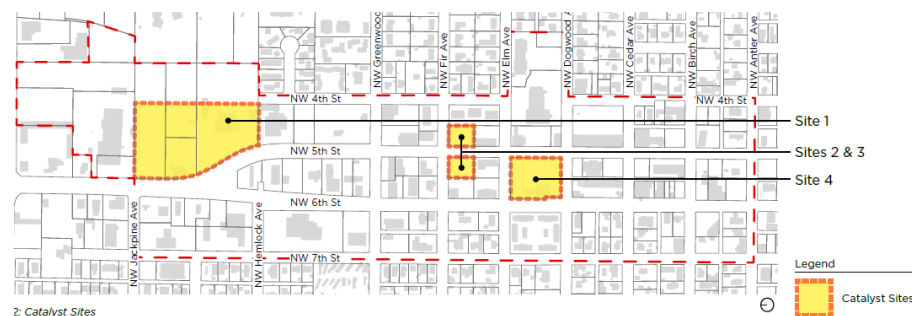
Four Catalyst Sites were selected for Mid-Town from development opportunity areas. Site 1 is located both within the Medial District boundary and the Mid-Town planning area boundary. This site was identified due to its redevelopment potential as a family recreation center. Sites 2 and 3 are prime corner parcels flanking 5th Street with redevelopment potential as live work units. Site 4 is an underutilized mostly vacant block in the heart of Mid-Town with redevelopment potential as a multi-story mixed-use development.

## REDMOND

### Grant to focus on Redmond's north downtown

Possible brownfield sites carry potential for redevelopment

By [Leslie Pugmire Hole](#) / The Bulletin







# AREA WIDE PLANNING

## Action Plan

The following list provides a series of suggested actions to be taken by the City with the intention of realizing the Mid-Town Plan. They are steps that can help the City overcome constraints identified in the AWP but also address other issues that can foster a built, cultural, and political environment attractive for private market investment, public/private partnerships, and lure would be residents and businesses. These actions are based on information and expertise leveraged through the stakeholder engagement process, interviews with real estate professionals, collaboration with City staff, the CAC, and the consulting team's experience. These recommendations are echoed in previous plans such as the Center City Housing Strategy, and Downtown Urban Renewal Plan, and Professional Business & Medical District Plan.

- Create a menu of incentives to facilitate the development of properties
- Establish clean and streamlined permitting process
- Purchase catalyst site and begin developing family recreation center
- Consider purchasing key properties that prioritize development
- Create flexibility in the permit review process
- Reengage property owners to establish street designs and pedestrian activity
- Activate empty spaces through the installation of interim uses and beautification
- Explore establishing a Business or Economic Improvement District
- Create a brand for the Mid-Town area





## EDUCATION AND TRAINING

### 2014 Oregon Brownfield Conference

Peter Gutowsky, Deschutes County Planning Manager participated in a panel in Salem titled, "Writing Effective EPA Grant Proposals [Ask the Experts]." He was joined by Chris Gdak, Stantec Consulting, Susan Morales, U.S. EPA Region 10, and Gil Wistar, Oregon Department of Environmental Quality.

### 2015 National Brownfield Conference

Nick Lelack, Community Development Director and Peter Gutowsky attended the National Brownfield Conference in Chicago to network with other stakeholders in the country and learn about Brownfield redevelopment success stories, innovative public involvement approaches and ideas on the keys to sustaining a local brownfield program.

### 2016 National American Planning Association

Nick Lelack and Peter Gutowsky attended the National American Planning Association Conference in Phoenix to learn about adaptive reuse of properties in the Warehouse District in downtown Phoenix, public and private investments in Phoenix's urban core and mixed-use development in the Roosevelt Square neighborhood.

### 2016 Oregon Brownfield Conference

Peter Gutowsky participated in a panel at Sunriver titled, "Sharing Solutions to EPA Grant Challenges, A Networking Discussion Forum for Past, Present, and Hopeful EPA Grant Recipients."

### 2016 U.S. EPA Sponsored Western Brownfields Workshop

Nick Lelack and Peter Gutowsky attended by invitation of the U.S. Environmental Protection Agency, a Western Brownfield Workshop in San Francisco geared towards the unique characteristics of Western states and tribes. Peter Gutowsky participated in a panel titled, "The Do's and Don'ts of Advisory Committees and Brownfield Teams." The workshop offered a two-day intensive workshop on brownfield revitalization, with a third day touring brownfield projects in the East Bay.





## CONTACTS

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## **AVAILABLE UPON REQUEST**

- A. 2012 Grant Application**
- B. U.S. EPA Cooperative Agreement**
- C. Request for Proposal**
- D. Personal Services Agreement**
- E. Environmental Site Assessments**
- F. City of Redmond Mid-Town Plan**

**Deschutes County Community Development Department**

117 NW Lafayette Avenue  
Bend, OR 97708-6005



## Community Development Department

Planning Division Building Safety Division Environmental Soils Division

P.O. Box 6005 117 NW Lafayette Avenue Bend, Oregon 97708-6005  
(541)388-6575 FAX (541)385-1764  
<http://www.co.deschutes.or.us/cdd/>

### Memorandum

**DATE:** September 29, 2016  
**TO:** Deschutes County Board of Commissioners  
**FROM:** Nick Lelack, AICP, Director  
Peter Gutowsky, AICP, Planning Manager  
**RE:** Planning Division Work Plan & Marijuana Update

This memorandum updates the Board of County Commissioners (Board) on the Planning Division's Fiscal Year 2016-2017 Work Plan and provides a 30-day update on the implementation of the new marijuana regulations in effect since September 1.

#### **Staff seeks Board direction on one or more long range planning projects to initiate this fall (page 2).**

Long range planning projects continue to be overshadowed by the demands generated by development review (current planning). To meet the sustained increase in land use applications, the Division recently hired a new Associate Planner (started September 26), hired a consulting planner on contract, and allocated a portion of long range planning staff time (Senior Planner Peter Russell and Associate Planner Matt Martin) to review and process applications.<sup>1</sup> In addition, the Division is recruiting for an on-call current planner to provide more temporary help if necessary based on this fall's application volumes.

The Division anticipates having capacity to initiate new long range planning projects this quarter.

#### **I. Long Range Planning Projects from 1<sup>st</sup> Quarter**

The following list summarizes the status of projects discussed last quarter:

- **Bend Urban Growth Boundary (UGB):** The Board conducted first and second reading and adopted by emergency Ordinances Nos. 2016-021 to 2016-023.
- **Brownfield Development Grant:** The grant ended on September 30, 2016. It funded Brownfield inventories for Deschutes County and the cities of Bend and Redmond, nine (9) Environmental Site Assessments, and area-wide planning for Redmond's mid-town.

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<sup>1</sup> Land use application volumes are exceeding 2015 levels by over 10%. In addition, approximately 270 counter customers and 330 planning calls are received monthly by planning staff. Compounding the increase in land use application volumes and customer inquiries are: training four (4) new planners hired this calendar year; the complexity of applications submitted; the number and length of marijuana and other pre-application conferences; LUBA appeals and remands; and the resources required to address high levels of planning-related code enforcement cases.

- Comprehensive Plan and Zoning Text Amendments: A work session and public hearing with the Board is scheduled for October 17 and 24 respectively, to consider three staff-initiated amendments relating to the Agricultural Lands Public Outreach discussions.<sup>2</sup>
  - A Comprehensive Plan amendment recognizing non-resource lands process allowed under State law to change Exclusive Farm Use (EFU) zoning;
  - A zoning text amendment providing a definition of agricultural-exempt buildings; and,
  - A zoning text amendment reducing setbacks in the Forest Use (F-2) Zone, explicitly for the Haner Park Subdivision.
- Zoning Text Amendment: A public hearing is scheduled with the Planning Commission on October 13 at 5:30 p.m. to take testimony on allowing existing buildings for hardship dwellings in EFU.

The projects above are either completed or nearing completion.

## II. Long Range Planning Projects / 2<sup>nd</sup> Quarter Tasks

The following projects are identified in the FY 2016-2017 Work Plan.

1. Central Oregon Large-lot Industrial Project: Coordinate with the City of Redmond, County Fairgrounds and Property and Oregon Department of State Lands (DSL) on a UGB amendment for a regional large-lot industrial campus.<sup>3</sup> This project will be initiated by DSL and processed as a quasi-judicial land use decision with hearings before a Hearings Officer and the Board.

In addition to the Large Lot Industrial Project above, **staff seeks Board direction** on which project(s) below to initiate this quarter or next. If multiple projects are selected, the project completion timelines may be extended, but still may be initiated.

2. Community Plans: Engage Tumalo and/or Terrebonne residents to determine if community goals and policies meet the current and future needs of the area and, based on the input, consider initiating an update to one or both community plans.
3. Floodplain: Initiate amendments changing the floodplain zone to a combining zone.
4. Housekeeping Amendments: Initiate amendments to update County code.
5. Natural Hazards: Coordinate with the Planning Commission and the Board to discuss implementing recommendations from the University of Oregon's Community Service Center's 2014-15 review of County codes and policies regarding natural hazards and mitigation (floodplain and fire protection).

## III. Marijuana Application 30-day Update

The Board rescinded the opt-out on marijuana-related businesses in rural Deschutes County on August 1, 2016. Beginning September 1, 2016 the Community Development Department began accepting land use applications to regulate medical and recreational production, medical and recreational processing, medical marijuana dispensaries, recreational marijuana wholesale, and recreational marijuana retail.

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<sup>2</sup> The Planning Commission conducted a public hearing in March 2016. A Board hearing was placed on hold due to reallocating staff resources to draft and implement marijuana regulations.

<sup>3</sup> According to the consultant hired by DSL, land use applications are not anticipated until early 2017.

- Staff has conducted 20 pre-application conference meetings since mid-August; additional pre-application conference meetings are scheduled.
- Prominent pre-application themes and industry representative comments to date include:
  - Land use applications are too expensive;<sup>4</sup>
  - Land use review process is too time consuming if appealed;
  - Recreational marijuana production in the EFU zone should be permitted and approved through an Oregon Liquor Control Commission (OLCC) Land Use Compatibility Statement (LUCS) and Land Use Action (clear and objective standards without public notice, public hearings, or opportunities for appeal) rather than through Land Use Decisions (applying discretionary standards through a process that requires public notice, may require public hearings, and subject to appeal); and,
  - Minimum lot size is too high for marijuana production.<sup>5</sup>
- Six (6) marijuana related land use applications have been submitted since September 1, four (4) for recreational marijuana production, one (1) for recreation production and processing, and one (1) for recreational marijuana retail. As of the date of this memorandum, three of the four production applications are nearing the 30-day completeness check, including agency comments.<sup>6</sup>

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<sup>4</sup> An administrative determination for marijuana production costs \$1,500. It may also require a \$5,000 hearings officer deposit. A marijuana processing application is more expensive because it includes site plan review.

<sup>5</sup> A five acre minimum lots size is required in Exclusive Farm Use and Multiple-Use Agricultural 10 zones.

<sup>6</sup> The completeness check is the process to determine if the application contains all required information in order for the Planning Division to proceed with the review to determine if the application complies with applicable standards, applicable standards with Conditions of Approval, or does not comply.