

The Work Session of the Bend City Council was called to order at 5:10 P.M. in the Council Chambers at Bend City Hall, 710 NW Wall. Present were Bend City Councilors Linda Johnson, Mark Capell, Chris Telfer, Peter Gramlich, Bill Friedman, Jim Clinton, and Mayor Bruce Abernethy.

**Consider appointment of Don Senecal to Planning Commission and Administer Oath of Office**

A subcommittee of the Council recommended appointment of Don Senecal. Mayor Abernethy appointed Mr. Senecal and administered the oath of office.

**Discuss the Development Code Remand Items with COBA (Central Oregon Builders Association) Representatives (Issue Summary) (Staff Memo) (Letter from COBA)**

Planner Wendy Robinson advised that staff has been meeting with COBA regarding the remanded issues of the Development Code. Deborah Falconer, Gretchen Palmer, Jon Fahr, and Andy High were present to discuss the issues with Council. Legal Counsel Pete Schannauer advised that staff has been meeting with COBA representatives and there are a number of issues they would like to discuss with the Council.

Andy High advised that COBA's legal counsel was not available and any agreement reached tonight would have to be discussed with their legal counsel. Building heights, set backs and separation by subdivision were three issues discussed.

Ms. Falconer discussed side yard setbacks. She presented drawings of examples and asked what the intent of the setbacks is in the new Development Code. Ms. Palmer asked what Council is trying to fix with the setback requirements. Councilor Friedman felt that the perception was that there isn't enough space for the houses being built. He asked who sets the lot size and who sets the house size. From Council's perspective row after row of very close together homes with repetition of design, does not represent the best Bend has to offer. Council addressed this by requiring variation of lot size and setbacks. Council has a different perspective from builders, based less on economy. Ms. Palmer pointed out that public input was opposed to these setbacks. Councilor Capell pointed out that Council is trying to push the building committee to avoid cookie-cutter homes. Mr. High doesn't feel that enough time has been allowed for neighborhoods to develop.

Mayor Abernethy asked COBA representatives what they want to see. Mr. High would like to follow the recommendation of the Planning Commission for five foot side yard set backs, and 30 foot height restrictions. He also hopes for a cottage section of the Code for smaller homes. There are land use restrictions that do not encourage cottage style homes.

Mayor Abernethy asked if the developer has flexibility in lot size. Ms. Falconer explained that changing lot sizes has other repercussions such as increasing impervious surfaces and drainage requirements. Uniformity of lots is beneficial to organization. Councilor Friedman agreed, but pointed out that you have to trade variety for side yards. In infill this makes sense, but PUDs (Planned Unit Developments) for larger developments gives the most flexibility. Mr. Fahr referred to affordability. Councilor Friedman pointed out it is only one factor in affordability.

Councilor Gramlich advised that the perception is that cookie-cutter homes are not preferable and that homes are too large for lots. He sees both sides of the issue. He is inclined to put the onus on the development community to come up with good design. He feels the setbacks are a good thing overall. Mr. Fahr isn't sure that more space between homes assures a good design. Councilor Gramlich pointed out that the Council can't react to specific design of each possible home.

Mayor Abernethy asked COBA representatives to comment on how to achieve variability. Mr. Fahr discussed articulation. Councilor Johnson asked about impact if setbacks were left alone and floor area ratio requirements softened. Ms. Palmer felt that it wouldn't have the desired affect.

Councilor Capell pointed out the intent of this restriction was also to prevent a high wall too close to a neighbor. Council wants to ensure that we have a community that we're all proud of. He isn't sure the rules will provide what is needed. Ms. Palmer pointed out that design review is a matter of opinion.

Councilor Telfer pointed out that all of the businesses are market driven and asked the committee what the market indicates citizens want. Ms. Palmer advised that there was a four year review of the Code. At the end of the process it was taken to the Planning Commission. Then there was another set of public input opportunities. She thought that what was brought to the Council was a good representation of what the community wants.

Brian Bergler is president of COBA and works for Pahlisch Homes. The builders also want to build a community to be proud of. He sees the issues as philosophical. People want a variety of housing types. He feels that the Code won't accomplish the goal for variety of housing types.

Councilor Friedman believes the community has an investment in setting standards. He asked if COBA wants changes to the code or the ability to obtain a variance.

An unidentified citizen discussed affordability and the need for efficiency.

Councilor Telfer asked what COBA is trying to accomplish. There are two issues – houses too close together and design standards. Both issues cannot be addressed with one code. How does Council want to address the concern about setback of five feet per

house, per side? Councilor Johnson pointed out that there isn't much variety available in the market.

Councilor Clinton clarified the discussion. The question was about the 5 foot setbacks. COBA asked where Council came from on that issue. The motivation was to provide an alternative to the canyons between houses. He doesn't think it is a killer for the building industry but would be willing to hear alternatives if the building community wants to propose some. Councilor Friedman added that if there are other ways to accomplish the goal, it would be worthwhile to hear them.

Councilor Gramlich found some agreement with COBA on the issue of building height. He feels that setbacks and stepbacks should be related to lot width.

Councilor Telfer is open to continuing the conversation. She is not sure an extra five feet makes a big difference, and is more concerned with design. Increasing stepback and setback is a little excessive. She is aware of the original proposals and inclined to go with those. She feels Council made it worse.

Councilor Capell would revert back to the Planning Commission's and citizen committee's proposal. He feels that the issue is with design problems.

Councilor Johnson recalls that when Council started making changes, she was vocal about keeping the Planning Commission's recommendation. She isn't sure that the proposal that came from the Planning Commission will solve the problem, nor will the current proposal. She is interested in some creative thinking about how the problem can be solved. She struggles with not applying rules, without addressing the problem. The previous Code did not address this issue.

Mayor Abernethy supports the idea of a variance. He summarized the discussion. The Council is willing to hear a proposal from COBA. Council wants variation and asked COBA to make a proposal to address the Council's goal. Councilor Telfer does not want the variance to become the norm. Code should reflect the norm; variance should be provided for building outside the Code.

Andy High discussed timing of the appeal. The building community is in limbo. Counsel Schannauer explained there are two appeals; the one with the commission is continued to August. There are also deadlines for the remand requiring action in mid July. Councilor Friedman encouraged COBA to work closely with staff. Ms. Palmer emphasized that building has been in an extreme phase in the last few years. What you have seen is a reaction to the market. COBA's objection to this requirement was based on affordability.

Councilor Johnson acknowledged COBA for maximizing the amount of house for minimal price. She believes the community should take responsibility for not taking on more than it can afford.

Building height was discussed. Mr. High advised that the definition must be clear and objective. Ms. Palmer advised that the restriction came from someone filling their lot to get a better view. Natural grade was never defined and can't be. She feels that the grading ordinance addresses this issue. Ms. Robinson doesn't think that the grading ordinance will address this because fill is approved without consideration to this.

Ms. Falconer suggested that the grading ordinance should address this. There is a mechanism to address this. Councilor Johnson asked what other cities use. Ms. Robinson explained that definitions are included in the code.

Ms. Robinson feels that the group can come up with a solution to building height and grading and agreement can be reached.

Councilor Gramlich pointed out that there are finished and natural grades. Natural grades can be defined through survey. The City is less restrictive in building heights. He feels the grading ordinance does address this. He is comfortable letting natural grade stay with the architectural design review and finished grade be defined by the Development Code. Councilor Clinton disagrees and won't support a simply way of measuring finished grade. He presented an idea for measuring grade on a sloped lot.

Councilor Capell is in favor of further discussion between COBA and staff and in favor of looking at the grading ordinance.

Mayor Abernethy summarized the consensus of Council. Council is sympathetic to COBA on this issue and the agreement to further negotiate with staff with a commitment to revisiting the grading ordinance.

Lot variation was discussed. Ms. Robinson explained that staff and COBA came up with a monitoring program to determine whether the current regulations are addressing the issue. Council may not care about lot size if design is appropriate. Mr. High assured that COBA is working with Public Works staff on this issue as well.

Mayor Abernethy asked how design will be addressed. Ms. Robinson explained that the issue is cadence and it can be addressed through other means, even landscaping. Maturation of the neighborhoods may take care of some of this.

Councilor Friedman pointed out that remand dates are flexible.

Mr. Anderson advised that staff will continue to negotiate with Central Oregon Builders Association.

### **Confirm Council Direction on Legislative Hearing Process for Urban Reserves and UGB Expansion (Issue Summary) (Map)**

Planner Damien Syrnyk discussed the possibility of beginning the hearing process and adopting the Urban Reserve ahead of the Urban Growth Boundary expansion. The

issue summary presented in the packet addresses the pros and cons of this approach. Technical work on the UGB expansion has been completed. Two notices, one on urban reserve and one on UGB, will be sent next week. The joint hearing will be held in July. Mr. Syrnyk asked for Council direction about the hearing process. If one process starts to move ahead of the other, would Council feel comfortable allowing them to move forward separately? Staff anticipates that the UAR will move more quickly than the UGB expansion.

Councilor Clinton responded, yes.

Councilor Friedman responded, yes. It is important that both of these get done as quickly as possible.

Councilor Telfer had thought the UGB process was farther behind the UAR process. It is less than two weeks behind. If public hearings occur at the same time, she asked if it will create confusion for the public. Mr. Syrnyk advised that staff is considering separate hearing dates.

Councilor Gramlich would like to keep them presented together in the public hearing process, if possible.

Mayor Abernethy asked about cons of having the UAR move forward first. Mr. Syrnyk believes there would be very few. There is the potential for some confusion. There may be fewer benefits than costs. If the UAR goes first, it could be relied upon for supporting the UGB expansion, but only if the UAR is acknowledged by DLCD without appeal.

Councilor Telfer agrees with Councilor Friedman.

County Planning Staff Katherine Morrow agrees with Councilor Friedman. Get them both done as quickly as possible. It is likely that the UAR will move more quickly but it won't slow the UGB expansion.

Councilor Johnson sees no compelling reason to separate them. Ms. Morrow pointed out that if it looks possible for one to move faster, it may be less confusing to citizens.

Staff will come back to Council if the two processes bifurcate.

Councilor Capell supports going forward and getting them done. He asked when the next map will be available. Mr. Syrnyk answered, sometime next week. Staff is working to get things together to submit on Monday.

Councilor Friedman thanked the County planning staff for initiation of the urban reserve study and for their participation with the City on the urban reserve and UGB expansion.

## **Transportation for Northeast Bend**

Councilor Friedman discussed previously approved financing from the State of \$15 million for an interchange at Cooley Road and Hwy 97. The Transportation Commission concluded they want to minimize local traffic on Hwy 97 is consistent with what they said. It is an alternative to I-5. Discussion has been ongoing about the intersection with Cooley Road. In looking at Juniper Ridge, the Transportation Commission has indicated it does not want the City to authorize anything that would add any trips on Hwy 97. The City asked for another access to Juniper Ridge and the Transportation Commission did not want to agree to that either. Councilor Clinton came up with the idea of opening Juniper Ridge to the east in the mid range of the property. The MPO has been talking about improvements to the east of Juniper Ridge (completion of Empire, extension of Cooley Road to the east, include working with the County to improve Deschutes market as an arterial, redesign of the transportation system for connectivity with the UGB expansion and provide a major arterial to move traffic from Juniper Ridge). This takes ODOT out of the equation. It would allow the City to control its own destiny related to the development of Juniper Ridge.

Councilor Johnson likes the idea. It provides north-south connectivity eventually providing a loop around the City.

Councilor Telfer acknowledged that in order to develop Juniper Ridge, there must be accessibility to it. She wants to be transparent in moving forward and doesn't want to spend another five years going in the wrong direction.

Councilor Capell discussed the importance of working closely with the County and ODOT and showing that we are working to fix the problems.

Mayor Abernethy asked, from a capacity perspective, what work is required to get to the level of expertise needed to work with ODOT? Mr. Anderson advised that staff will come back and talk about resources for this. Councilor Friedman is willing to allocate additional resources, if needed. He acknowledged there are two or three levels of detail, but does not want to wait for clarification of all details to begin to rough out the possibilities.


Councilor Clinton talked about the importance of a grid of arterials. This should be considered when annexing County lands. Mr. Shetterly advised that, on a conceptual level, work has already started on this.

Councilor Johnson is frustrated with ODOT's perception that the State highways are not available for local citizens of Bend. She supports Councilor Friedman's and Clinton's proposal regardless, but finds this perception problematic. She feels that ODOT is more focused on moving freight through Central Oregon. Councilor Friedman received indication from the Transportation Commission that, if funding is received, they may be able to spend some money improving City arterials to keep traffic off of highways.

Mayor Abernethy summarized that the consensus of Council is on board for mapping out the recommendation for east access to Juniper Ridge.

### Discussion about Budget Cuts for Second Year of Biennium

Ms. Andrews distributed a summary of staff's interpretation of the direction of the budget committee. Council direction was to reduce, in the second year of the biennium, the same amount as in the first year. A powerpoint presentation was made on the specifics of these reductions.



**June 4, 2007**  
**Council Work Session**  
 Discussion of 2007 - 2009  
 Budget Cuts

### Community Development

Community Development Department	2007/08	2008/08	Biennium
<b>Budget Reductions Approved by the Budget Committee</b>			<b>\$1,312,000</b>
<b>Accessibility:</b>			
M&S - Consultants	\$ 65,000	\$ 65,000	\$ 130,000
Capital - (2) Vehicles	50,000	-	50,000
<b>Building:</b>			
Personal Services - (4) Building Inspector III vacancies	355,500	394,900	741,400
Personal Services - Building Division Overtime	60,000	60,000	120,000
M&S - Temporary Help	20,000	20,000	40,000
M&S - Plans Examiner Outsource	15,000	15,000	30,000
<b>Planning:</b>			
M&S - LR Planning Consultants	100,600	100,000	200,600
<b>ODD Total Budget Cuts Over the Biennium</b>			<b>\$1,312,000</b>

2007/08 - Fee increase was lowered from 50% to 31%, which resulted in a \$755,000 reduction in revenues.

### Public Works

Public Works	2007/08	2008/09	Biennium
<b>Budget Reductions Approved by the Budget Committee</b>			<b>\$ 1,297,600</b>
Engineering	\$ 171,300	\$ 176,200	\$ 347,500
Water	271,800	231,800	503,600
Other PW Funds	260,400	186,100	446,500
<b>Public Works Total Budget Cuts Over the Biennium</b>			<b>\$ 1,297,600</b>

### Engineering

Engineering:	2007/08	2008/08	Biennium
			<b>(Required Cuts \$331,800)</b>
Personal Services - Engineering Tech I (Priv. Develop.)	\$ 51,000	\$ 66,200	\$ 117,200
M&S - Legal (Private Development)	5,000	5,000	10,000
M&S - Temporary Help (Private Development)	10,000	10,000	20,000
M&S - Other Contractual Services (Transportation)	20,000	20,000	40,000
M&S - Consultants (CIP Engineering)	30,000	30,000	60,000
M&S - Temporary Help (CIP Engineering)	-	15,000	15,000
Capital - Vehicle (Transportation)	-	30,000	30,000
Capital - Vehicle (CIP Engineering)	25,000	-	25,000
IT Transfer (Traffic Signal Software)	20,000	-	20,000
Public Works Departmental Overhead Savings	10,300	-	10,300
<b>Engineering Total Cuts Over the Biennium</b>			<b>\$ 347,600</b>

## Water

	2007/08	2008/09	Biennium
<b>Water:</b>			(Required Cuts \$470,000)
Capital - Water Rights Acquisition	\$ 70,000	\$ 20,000	\$ 90,000
Capital - Construct. (Juniper & Shiloh Wells)	-	85,000	85,000
Capital - Water Resources - Construction	150,000	70,000	220,000
M&S - Legal - Water Distribution Mains	-	20,000	20,000
M&S - Water System Repairs - Service Lines	35,000	36,800	71,800
Public Works Departmental Overhead Savings	16,800	-	16,800
<b>Water Total Budget Cuts Over the Biennium</b>			<b>\$ 503,600</b>

2007/08 - Rate increase was lowered from 7.78% to 5.5%, which resulted in a \$235,000 reduction in revenues.

## Other Public Works Departments (PW Admin, Street Ops, Stormwater, Garage, Cemetery)

	2007/08	2008/09	Biennium
<b>Other Public Works Funds:</b>			(Required Cuts \$498,000)
<b>Public Works Admin:</b>			
Personal Services - Network SCADA Engineer (Admin)	\$ 62,000	\$ -	\$ 62,000
M&S - Conferences & Seminars (Admin)	-	5,000	5,000
M&S - Temporary Help (Admin)	-	5,000	5,000
IT Transfer - Command Center (Admin)	30,000	-	30,000
Capital - Mobile Lab (Lab)	50,000	-	50,000
<b>Street Operations:</b>			
Capital - Construction - Streets (Franklin Underpass)	70,000	130,000	200,000
Public Works Departmental Overhead Savings	12,300	-	12,300
M&S - Snow Removal Contract (reduce)	16,100	16,100	32,200
<b>Stormwater:</b>			
Capital - Consultants for Stormwater Master Plan	20,000	30,000	50,000
<b>Other Public Works Total Budget Cuts Over the Biennium</b>			<b>\$ 448,600</b>

## Facilities & Information Technology

	2007/08	2008/09	Biennium
<b>Facilities</b>			
<b>Budget Reductions Approved by the Budget Committee</b>			<b>\$ 162,000</b>
Capital - Boyd Acres remodel	\$ 112,000	\$ -	\$ 112,000
M&S - Public Works building & structures	-	20,000	20,000
Capital - City Hall construction/remodel	-	20,000	20,000
<b>Facilities Total Budget Cuts Over the Biennium</b>			<b>\$ 162,000</b>

	2007/08	2008/09	Biennium
<b>Information Technology</b>			
Engineering traffic signal software	\$ 30,000	\$ -	\$ 30,000
Finance online business license renewal	15,000	-	15,000
PW Admin Command Center	50,000	-	50,000
<b>Information Technology Total Cuts Over the Biennium</b>			<b>\$ 95,000</b>

## Administration & Finance

	2007/08	2008/09	Biennium
<b>Administration/Finance</b>			
<b>Budget Reductions Approved by the Budget Committee</b>			<b>\$ 300,000</b>
Personal Services - HR Analyst	\$ 57,500	\$ 76,000	\$ 133,500
Personal Services - Acctg Tech III (reduce to 1/2 FTE)	32,600	35,500	68,100
M&S - Worksession recordings	12,000	-	12,000
M&S - Council travel	5,000	5,000	10,000
M&S - Changes to the VISA program	21,400	30,000	51,400
M&S - Finance equipment <-55000	10,000	-	10,000
IT Transfers - Online business license renewal	15,000	-	15,000
<b>Admin/Finance Total Budget Cuts Over the Biennium</b>			<b>\$ 300,000</b>

## Summary of Budget Adjustments

	2007/08	2008/09	Biennium
Personal Services	\$ 619,600	\$ 622,600	\$ 1,242,200
Materials & Svcs	415,100	417,900	833,000
Capital	592,000	385,000	977,000
Transfers	104,400	0	104,400
<b>Total Budget Cuts</b>	<b>\$ 1,731,100</b>	<b>\$ 1,425,500</b>	<b>\$3,156,600</b>

The meeting adjourned at 7:35 P.M.

Respectfully submitted,

Patricia Stell  
City Recorder

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