



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

REVISED **CITY COUNCIL**

March 25, 2025
Council Chambers • 411 SW 9th Street

COUNCIL MEMBERS

Ed Fitch
Mayor

Shannon Wedding
Council President

Clifford Evelyn
Councilor

John Nielsen
Councilor

Kathryn Osborne
Councilor

Jay Patrick
Councilor

Cat Zwicker
Councilor

MARCH 25, 2025

REGULAR MEETING AGENDA

6:00 PM

I. CALL TO ORDER / ESTABLISH A QUORUM

II. BLESSING - Father Saji Thomas, St. Thomas Catholic Church

III. PLEDGE OF ALLEGIANCE

IV. CITY ANNOUNCEMENTS

V. CONSENT AGENDA

- A. Minutes of January 28, 2025, Council Meeting
- B. Minutes of February 3, 2025, Council Workshop
- C. Replacement of City Hall HVAC (Heating, Ventilation, and Air Conditioning) Rooftop Units: \$172,240
- D. Resolution #2025-02: Authorizing re-application and acceptance of a grant of up to \$1,000,000 from the Oregon Parks and Recreation Department for the development of the Redmond Wetlands Complex Trail System.

VI. PRESENTATIONS

- A. Panel Discussion: How Redmond Partners with Local, Regional and State Agencies when Disaster Occurs
- B. CourseCo Investment Presentation

VII. PUBLIC HEARINGS

- A. Marijuana Dispensaries
 - i. Ordinance #2025-02: An Ordinance of the City of Redmond imposing a three percent tax on the sale of marijuana items by a marijuana retailer.
 - ii. Ordinance #2025-03: An Ordinance of the City of Redmond amending the Redmond City Code, Chapter 8, regulating time, place, and manner for retail marijuana dispensaries.
 - iii. Ordinance #2025-04: An ordinance of the City of Redmond amending the Redmond City Code, Chapter 11, the City Sign Code, as it relates to retail marijuana dispensaries.

- iv. Ordinance #2025-05: An ordinance of the City of Redmond amending the Redmond City Code, Chapter 7, regulating Business Licenses, as it relates to retail marijuana dispensaries.

B. Airport Bonds

- i. Resolution #2025-01: Approving the Issuance of Tax-Exempt Debt in the Form of Full Faith and Credit (FFC) Bonds for Airport Projects
- ii. Ordinance #2025-06: Authorizing the Issuance, Sale, Execution and Delivery of Bonds secured by the Full Faith and Credit of the City (FFC), Series 2025 for Airport Projects: \$105.7M.

VIII. BID AWARDS / BID REJECTIONS

- A. Central Dry Canyon Project Bid Award to Keeton King, LLC, Project #PK2102: \$3,995,188.96
- B. Central Dry Canyon Design Contract Amendment #5 with Environmental Science Associates, Project #PK2102: \$78,370
- C. Crack Seal Maintenance Project Bid Award to C.R. Contracting LLC, DBA C.R. Contracting, Project #TR2429: \$225,890
- D. Slurry and Chip Seal Maintenance Project Bid Award to VSS International, Inc., Project #TR2429: \$1,048,325

IX. ACTION ITEMS

- A. Public Safety Facility Supplemental Land Acquisition: Authorization of a Purchase and Sale Agreement for ODOT land adjacent to the Public Safety Facility: \$460,200

X. COMMENTS FROM CITIZENS AT THE MEETING

Citizen comments are limited to three (3) minutes per person and will be accepted for a period of 30 minutes. Comments should be focused on City of Redmond business. Attendees are asked to refrain from interrupting, calling-out, or cheering during citizen comments.

XI. CITY MANAGER COMMENTS

XII. COUNCIL COMMENTS

XIII. MAYOR'S COMMENTS

XIV. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 6:00 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 6:00 p.m.

The City of Redmond encourages all citizens to participate in its programs and activities. This meeting location is accessible to people with disabilities. Requests for accommodation may include sign language interpreter service, assistive listening devices, materials in an alternate format or any other accommodation. If any accommodations are needed, please contact the ADA Coordinator at 541-504-3036 or access@redmondoregon.gov. Requests should be made as soon as possible, but at least 3 business days prior to the scheduled meeting.

The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities

January 28, 2025

Redmond City Council

Regular Meeting Minutes

Council Chambers & Remote Video Conferencing

<https://www.redmondoregon.gov/government/city-council>

Present: Clifford Evelyn, Ed Fitch, John Nielsen, Kathryn Osborne (Virtual), Jay Patrick, Cat Zwicker

Excused: Shannon Wedding

Staff Present: City Manager Keith Witcosky, Deputy City Manager Steve Ashworth, Chief Financial Officer/Deputy City Manager Jason Neff, City Recorder Kelly Morse, Public Works Director/City Engineer Jessica MacClanahan, Communications Director Heather Cassaro, Finance Director James Wood, Network Administrator Christian Armatas, Special Projects and Natural Resource Program Manager Maria Ramirez, Police Chief Devin Lewis, Human Resources Director Jason Bavuso, Public Works Business and Strategic Initiatives Manager Lorelei Williams, Housing Programs Analyst Linda Cline

Media Present: KTVZ, COTV

CALL TO ORDER / ESTABLISH A QUORUM

Mayor Fitch called the meeting to order at 6:00 pm.

BLESSING

Pastor Jason Reeves, Redmond Heights Pentecostals, led the blessing.

PLEDGE OF ALLEGIANCE

Councilor Patrick led the Pledge of Allegiance.

CITY ANNOUNCEMENTS

Police Chief Devin Lewis provided a brief background on state law and Police Department policy regarding sanctuary. He reminded the public that the Police Department does not participate in immigration investigation or enforcement activities, unless criminal activity is involved.

CONSENT AGENDA

- A. Minutes of November 18, 2024, Council Workshop**
- B. Minutes of November 26, 2024, Council Meeting**
- C. Minutes of December 5, 2024, Council Workshop**

Councilor Zwicker moved to approve the Consent Agenda as presented. Councilor Nielsen seconded the motion, which passed 5 to 0 to 1. (Ayes: Mayor Fitch and Councilors Evelyn, Nielsen, Osborne, and Zwicker. Nays: None. Abstentions: Councilor Patrick.)

PRESENTATIONS

A. Cascades East Transit Presentation on Emerging Initiatives

Cascades East Transit (CET) Director Bob Townsend provided a presentation on CET project and status updates, grants and funding awards, and 2025 CET initiatives. Highlights also included transit usage data, service hour and service area expansions, customer transit passes/cards, new approaches to outreach and engagement, the return to a fare system, and updating CET's mission/values and marketing/branding.

Comments from Council were addressed regarding a route from Redmond/Bend to Madras, access to the Central Oregon Veterans Ranch, and the update to CET's mission statement demonstrated by a driver who helped transition two families into housing.

B. Redmond Proficiency Academy Civic Project with the City of Redmond

Redmond Proficiency Academy (RPA) Middle School science teacher Andrea Adams along with her students Norah [no last name provided], Parker Ellis, and Demetrius Fultz, provided a presentation on their 6th grade science class project on water. While not only encouraging them to learn about water, Ms. Adams empowered her students to contribute to solutions for water conservation. Students were tasked with designing a public campaign to aid the City of Redmond in promoting water conservation strategies, using social media platforms. The students presented their sample projects.

ORDINANCES

A. Ordinance #2024-16: An Ordinance amending the Redmond City Code Chapter 5, updating the Safe Parking Program section as a continued means to help address homelessness and declaring an emergency.

Housing Program Analyst Linda Cline provided a presentation on the proposed Safe Parking code amendments, highlighting the definitions for vehicles and micro-shelters as well as provisions for size limits and maximum number of micro-shelters per site. The micro-shelter pilot program would be in effect through May 2026.

Mountain View Community Development Executive Director Rick Russell provided an overview of the Safe Parking Program and the people it served last year and during the 2023-2024 school year. He noted the request for micro-shelter approval came with no request for funds, as funds are available from the State to purchase and site the micro-shelters. Mr. Russell noted the funding expires June 30, 2025. He supports the idea of the pilot program and noted that Safe Parking rules and accountability also apply to anyone using a micro-shelter.

Mayor Fitch opened the public hearing.

John Heylin, Deevy Holcomb, Carol Storm, Chuck Hemingway, Jon Stoneman, Daniel Sibila, Gloria Olson, Carol Carlson, Daniel Altamirano Hernandez, Sam Bernhisel, Paula Schaffer, Steve Schaffer, Andrew Kaza, and Sally Griffin expressed support for the ordinance.

Mayor Fitch closed the public hearing.

Councilor Nielsen moved to have a First and Second Reading of Ordinance #2024-16 by title only. Councilor Zwicker seconded the motion, which passed 6 to 0. (Ayes: Mayor Fitch and Councilors Evelyn, Nielsen, Osborne, Patrick, and Zwicker. Nays: None)

City Recorder Kelly Morse provided the First and Second Reading of Ordinance #2024-16 by title only.

Councilor Osborne moved to adopt Ordinance #2024-16 by roll call vote. Councilor Zwicker seconded the motion.

Ayes: Evelyn, Fitch, Nielsen, Osborne, Patrick, Zwicker

Nays: None

Motion Carried: 6 to 0.

Mayor Fitch called for a brief recess/break and then reconvened the meeting.

ACTION ITEMS

A. Public Safety Facility Office Furniture and Equipment Contract with PacificWRO, Project# PD2201: \$561,286

Chief Lewis requested approval of a contract with PacificWRO, in the amount of \$561,286 for office furniture and equipment for the Public Safety Facility (PSF). The price is under the estimated cost of \$600,000. Chief Lewis provided a brief update on the PSF project and described how the office furniture would be used. PacificWRO was selected through a cooperative contract with Sourcewell. He explained how usable furniture at the current police station would be offered to other departments for repurposing.

Councilor Evelyn moved to award a contract to PacificWRO for the supply and installation of office furniture and equipment for the new public safety facility center in the amount of \$561,286 and authorize the City Manager to sign the contract. Councilor Patrick seconded the motion, which passed 6 to 0. (Ayes: Mayor Fitch and Councilors Evelyn, Nielsen, Osborne, Patrick, and Zwicker. Nays: None.)

COMMENTS FROM CITIZENS AT THE MEETING

Redmond resident Marty Nelson spoke about the fires in Paradise, California, which destroyed his family's home and killed at least 80 people. He urged Redmond to prepare evacuation plans, provide the ability to open fire gates in neighborhoods, and raise community awareness of residents with health issues who might need assistance during a disaster. Mayor Fitch confirmed a plan is underway to make fire gates accessible in case of emergency and an upcoming review of emergency management plans will take place in March or April.

Prineville resident Greg Miller spoke about his experience with the permit process to hold his Summertime in the City event in Centennial Park. He stated he is trying to cultivate business downtown but could scale the event back. Mayor Fitch recalled the conversation about the event, that opined that 75 tents in Centennial Park for a number of days was not good for the park or grass, and suggested Council talk with Staff and get back to Mr. Miller by mid-February at the latest.

CITY MANAGER COMMENTS

City Manager Keith Witcosky reminded the community that the Oregon Department of Transportation will be doing construction on Highway 126 starting February 3, 2025. Construction is anticipated to last one month. CORE3 Day at the Capitol will be held February 20, 2025, and Central Oregon Cities Organization Day at the Capitol on March 20, 2025. The legislative session opened January 21, 2025, with almost 3,000 bills. The draft Council goals are available for public comment. Upcoming Council items include marijuana dispensaries likely on February 25, 2025, and a disaster preparedness panel on March 25, 2025.

COUNCIL COMMENTS

Councilor Nielsen thanked everyone who spoke about Safe Parking, opining it was good to see the community's work has changed people's hearts regarding homelessness.

Councilor Zwicker thanked Special Projects and Natural Resource Program Manager Maria Ramirez and the RPA students for their presentation, reported on touring the new Nova Apartments, and announced the completion of NeighborImpact's new food warehouse. She spoke about food scarcity as a precursor to becoming unhoused. She also reported on the swearing-in of Oregon Representative Janelle Bynum.

Councilor Evelyn thanked those who provided testimony on Safe Parking and RPA. It is great to see people working together to move Redmond forward.

In response to questions from Councilor Patrick, City Manager Witcosky confirmed Code Enforcement officers ensure that unpermitted sellers, such as those selling flowers and fruit at intersections, are aware there is a business license process.

MAYOR'S COMMENTS

Mayor Fitch announced the appoint of himself and Councilor Osborne to represent Redmond in CORE3.

DRAFT

Councilor Zwicker moved to approve the appointments as stated. Councilor Evelyn seconded the motion, which passed 6 to 0. (Ayes: Mayor Fitch and Councilors Evelyn, Nielsen, Osborne, Patrick, and Zwicker. Nays: None.)

ADJOURNMENT

The meeting adjourned at 8:04 pm.

Prepared by ABC Transcription Services, Inc.
Reviewed by Kelly Morse, City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder

**Redmond City Council
Workshop Minutes**

February 3, 2025

Executive Conference Room & Remote Video Conferencing
www.redmondoregon.gov/government/city-council

Present: Clifford Evelyn, Ed Fitch, John Nielsen, Kathryn Osborne, Jay Patrick, Shannon Wedding, Cat Zwicker

Excused: None

Staff Present: City Manager Keith Witcosky, City Attorney Keith Leitz, Deputy City Recorder Kayla Duddy, Public Works Director/City Engineer Jessica MacClanahan, Finance Director James Wood, Police Chief Devin Lewis, Police Lieutenant Curtis Chambers, Human Resources Director Jason Bavuso, Housing Programs Analyst Linda Cline

Media Present: None

CALL TO ORDER

Mayor Fitch called the meeting to order at 3:00 pm.

PRESENTATIONS

A. Discussion of Photo Radar as a Tool for Traffic Safety

Police Chief Devin Lewis, Public Works Director/City Engineer Jessica MacClanahan, and Police Lieutenant Curtis Chambers presented an overview of the Redmond Traffic Safety Working Group and the consideration of a traffic photo enforcement program.

The Council consented to a presentation of the photo enforcement tool at a Council meeting on February 11, 2025 or March 25, 2025.

Staff explained the Request for Proposal process and confirmed the contract would be submitted for the Council's approval.

B. Miscellaneous Items as Needed

Mayor Fitch reported on the water permit status, the managed camp, and shared that the City asked lobbyist Doug Riggs to propose a bill to waive all covenants, conditions, and restrictions regulations regarding turf east of the Cascades.

ADJOURNMENT

The meeting adjourned at 3:58 pm.

Prepared by ABC Transcription Services, Inc.
Reviewed by Kayla Duddy, Deputy City Recorder

APPROVED by the City Council and SIGNED by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder



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STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: Jason Neff, Deputy City Manager/Chief Financial Officer
SUBJECT: Replacement of City Hall HVAC (Heating, Ventilation, and Air Conditioning) Rooftop Units: \$172,240

Report in Brief:

This item requests City Council approval of new HVAC rooftop units at City Hall to replace the existing, failing rooftop units.

Background:

The existing HVAC rooftop units were installed in 2016 as part of the City Hall renovation project. These units came with a 1-year warranty upon completion of installation.

After the warranty period expired, the units have experienced routine failures, causing disruption to City Hall operations and excessive Facilities Maintenance staff time. These failures are due to the units consistently running over the rated capacity, meaning they are undersized for the facility. The new rooftop units will be correctly sized to meet the demand of the City Hall facility and are anticipated to substantially reduce overall disruption to Facilities Maintenance operations.

Discussion:

Since 2019, the HVAC system has been out of commission for 181 days. Total costs of repairs in this timeframe are \$105,729 plus approximately 625 labor hours by Facilities Maintenance staff. If the rooftop units are not replaced, staff anticipate the cost of repairs will exceed the cost of replacing the unit in a few years' time. New units will eliminate the chronic HVAC failures at the City Hall facility and minimize disruption to City operations associated with repairs or the HVAC system out of service.

Fiscal Impact:

The City received three quotes for the replacement units, with \$172,240 being the lowest price received from Temp-Rite Mechanical. Temp-Rite's quote also includes a 10 year parts and compressor warranty. Funds will come from the Central Services Sub-Fund and will require a budget adjustment (separate Council action). The procurement was made through Redmond City Code Section 2.408(2) and Oregon Revised Statute 279B.070.

Alternative Courses of Action:

1. Approve the purchase and installation of the rooftop units with Temp-Rite Mechanical
2. Do not approve the purchase and installation of the units
3. Take no Action and Request more information

Recommendation / Suggested Motion:

"I move to award a contract for the replacement of City Hall rooftop HVAC equipment to Temp-Rite Mechanical in the amount of \$172,240."



PO Box 220, Redmond, OR 97756 541-678-0744

Attn: Dusty Hood
Phone: 541-420-3974
Email: dusty.hood@redmondoregon.gov
Company: City of Redmond, Public Works
Address: 411 SW 9th St, Redmond, OR 97756

Date: Mar 11, 2025
Re: HVAC Replacements
File Number: Q12591
Property: City of Redmond, City Hall
Address: 411 SW 9th St, Redmond, OR 97756

Temp-Rite Mechanical LLC is pleased to provide the following quotation:

Project Name: COR - Redmond City Hall LG Upgrade

Includes:

- Recover, disconnect, and discard existing outdoor units.
- Provide and install (1) LG 34 Ton Multi V5 outdoor system ARUM408BTE5.
- Provide and install (1) LG 28 Ton multi V5 outdoor system ARUM336BTE5.
- Provide and install (2) powder coated outdoor unit stands.
- Disconnect and discard existing 1 3/8" suction line copper on ACCU-102.
- Provide and install 1 5/8" copper line set on ACCU-102.
- Provide and install (2) Y branch kits.
- Crane rental fee. (Lifting old off roof and new onto roof).
- Additional R-410A refrigerant.
- Rework existing refrigerant piping on roof.
- Purge existing piping with dry nitrogen to remove residual oil.
- Pressure test refrigerant line sets.
- Start up and commissioning.
- Labor to install and start up items listed above.
- Warranty Equipment: 10 years parts / 10 years compressor. (Excludes refrigerant oil).

Total Proposal : \$170,608.00

Permit Fee Add: \$1,632.00

This proposal is valid for 30 days.

Excludes: Line voltage electrical, engineering, seismic, structural modifications, paint and patch, roofing, framing, drywall, duct modifications, concrete work, fire and life safety systems, controls, premium time labor, fire wall sealing, Refrigerant circuit clean up, and anything not listed above.

Customer

Accepted by: _____

Temp-Rite Mechanical, LLC

By: Jens Andersen

Date: March 7, 2025

Fax: 541-504-6138 www.TempRiteMechanical.com CCB: 198707



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STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
FROM: James Wood, Finance Director
Maria Ramirez, Special Projects and Natural Resource Program Manager
SUBJECT: Resolution #2025-02: Authorizing re-application and acceptance of a grant of up to \$1,000,000 from the Oregon Parks and Recreation Department for the development of the Redmond Wetlands Complex Trail System.

Report in Brief:

This item requests City Council authorization to re-apply for a grant through the Oregon Parks and Recreation Department (OPRD), Local Government Grant Program in the amount of \$1,000,000.

Background:

As part of the Redmond Wetlands Complex, the City is developing an American with Disabilities Act (ADA) compliant trail system with complementing amenities throughout the constructed wetlands at an estimated cost of \$5,320,000. The grant will reimburse up to \$1,000,000 of the project cost.

On March 29, 2022, the City Council authorized a similar action for the same grant in the amount of \$750,000. This application was successful. The grant required significant work to be completed on the project by December 31, 2024, which has not aligned with the progress of the Wetlands Complex. The City has received an extension of this deadline. However, given that the overall timing of the Wetlands Complex has taken longer than expected, the OPRD recommended the City allow its current grant to expire and re-apply during the 2025 application cycle.

OPRD is confident that the City will again be successful. Applications are due April 1, 2025.

Discussion:

OPRD requires that agencies submit a resolution of support from City Council within its application for the 2025 grant cycle. As required, Resolution No. 2025-02 demonstrates City Council support for the project and will allow City staff to proceed with application by April 1, 2025.

The Redmond Wetland Complex Project is currently being procured in accordance to Oregon Revised Statutes 279 public bidding process. The project was formally advertised on February 2, 2025, and closes on April 1, 2025, for construction services.

Fiscal Impact:

The current estimated construction cost for the Redmond Wetlands Complex Trail System is about \$5.3 million. Construction of the Redmond Wetlands Complex is planned to start in Summer 2025, which will include aspects of the Trail System. The Local Government Grant will reimburse up to \$1,000,000 of the project cost with the remainder funded primarily through Department of Environmental Quality financing. In the event the grant submittal is not successful, the City will revisit the scope and continue to pursue other grant opportunities.

Alternative Courses of Action:

1. Adopt Resolution No. 2025-02 authorizing application and acceptance of the Redmond Wetlands Complex Trail System Grant.
2. Do not adopt Resolution NO. 2025-02.
3. Request additional information.

Recommendation / Suggested Motion:

"I move to adopt Resolution No. 2025-02 authorizing application and acceptance of the Oregon Parks and Recreation Department's grant for the Redmond Wetlands Complex Trail System."

**CITY OF REDMOND
RESOLUTION NO. 2025-02**

A RESOLUTION AUTHORIZING THE CITY OF REDMOND TO APPLY FOR A LOCAL GOVERNMENT GRANT FROM THE OREGON PARKS AND RECREATION DEPARTMENT FOR DEVELOPMENT OF THE REDMOND WETLANDS COMPLEX TRAIL SYSTEM AND AUTHORIZING THE CITY MANAGER TO SIGN THE APPLICATION.

WHEREAS, the Oregon Parks and Recreation Department is accepting applications for the Local Government Grant Program; and

WHEREAS, the City of Redmond desires to participate in this grant program to the greatest extent possible as a means of providing needed park and recreation acquisitions, improvements and enhancements; and

WHEREAS, the Parks Committee and City Staff have identified a new trail system at the Redmond Wetlands Complex as a high priority need for the City of Redmond; and

WHEREAS, the project will provide over five miles of an Americans with Disabilities Act compliant trail system along with complimenting amenities including two trailheads for direct access to Bureau of Land Management land, a picnic area with a restroom and covered pavilion, wayfinding and heritage interpretive signage, and wildlife viewing stations including boardwalks, overlook piers, and bench seating with shade structures; and

WHEREAS, the City of Redmond has available local matching funds to fulfill its share of obligation related to this grant application should the grant funds be awarded; and

WHEREAS, the City of Redmond will provide adequate funding for on-going operations and maintenance of this park and recreation facility should the grant funds be awarded.

NOW, THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City Council demonstrates its support for the submittal of a grant application to the Oregon Parks and Recreation Department for the Redmond Wetlands Complex Trail System at the Redmond Wetlands Complex.

SECTION TWO: This Resolution shall be effective following its adoption by the City Council.

ADOPTED by the City Council and **SIGNED** by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

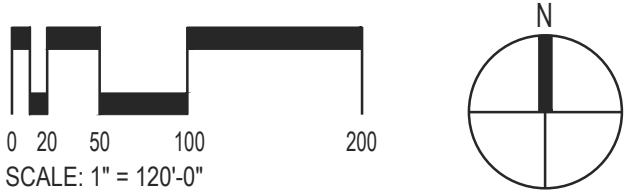
ATTEST:

Kayla Duddy, Deputy City Recorder



QUICK STATS

- 90 ACRES OF WETLAND HABITAT
- 2.2 MILES OF PAVED TRAILS
- 1.6 MILES OF GRAVEL TRAILS
- 2 PUBLIC ACCESS POINTS



REDMOND WETLANDS COMPLEX
TREATMENT WETLANDS SITE PLAN





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STAFF REPORT

DATE: March 25, 2025
TO: Redmond City Council
THROUGH:
FROM: Keith Witcosky, City Manager
SUBJECT: Panel Discussion: How Redmond Partners with Local, Regional and State Agencies when Disaster Occurs

Report in Brief:

N/A

Background:

The purpose of this presentation is for Council and the community to understand how the City and its partners (Redmond Fire, Deschutes County, the State Fire Marshall, and the Red Cross) work together to address a catastrophic situation in Redmond.

Key topics will be a discussion of the ongoing disaster preparedness and coordination that occurs and a description of the role each partner plays in the event of a large-scale wildfire.

Redmond Fire Chief Ryan Herrera will initiate the presentation and explain the scenario being discussed will be if a wildland fire approaches the city from the east. The panelists will explain how they coordinate among and with each other to address the threat, including how communication is disseminated to impacted community members.

Part of the discussion will also address the frequency and diversity of crisis scenarios each organization prepares for on a regular basis - such as the Redmond Airport's Triennial Drill which will be the focus of a presentation by Airport Director Zach Bass.

Discussion:

NA

Fiscal Impact:

NA

Alternative Courses of Action:

NA

Recommendation / Suggested Motion:

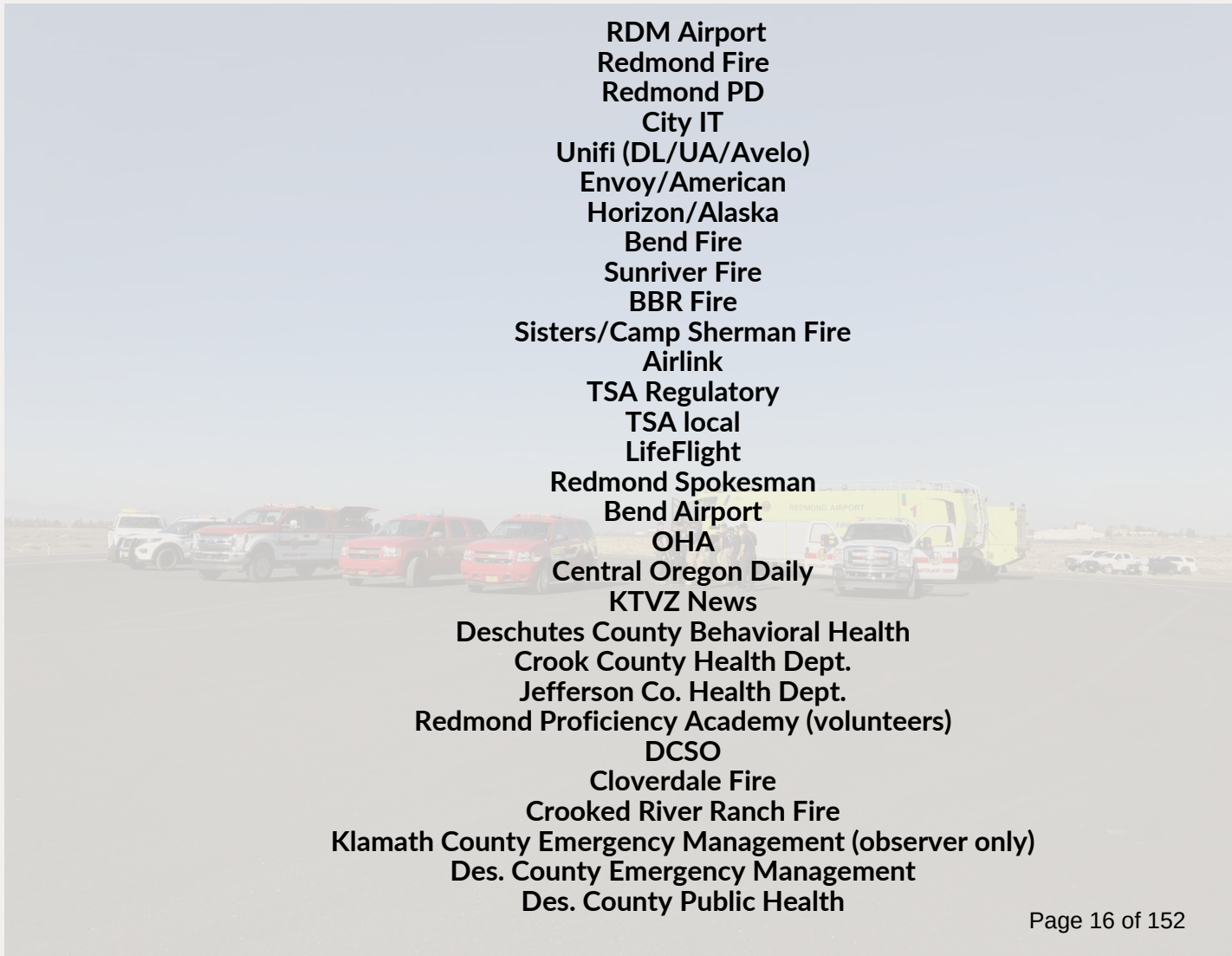
NA



2025 TRIENNIAL DRILL

Regional Disaster Response

- ✓ FAA required
- ✓ Annual table-top drill
- ✓ Live aircraft disaster every 3 yrs
- ✓ 130+ participants
- ✓ 30 agencies
- ✓ 30+ youth volunteers (injured)

A faded background image showing a line of emergency vehicles, including fire trucks, ambulances, and police cars, parked on an airfield. The text is overlaid on the right side of this image.

RDM Airport
Redmond Fire
Redmond PD
City IT
Unifi (DL/UA/Avelo)
Envoy/American
Horizon/Alaska
Bend Fire
Sunriver Fire
BBR Fire
Sisters/Camp Sherman Fire
Airlink
TSA Regulatory
TSA local
LifeFlight
Redmond Spokesman
Bend Airport
OHA
Central Oregon Daily
KTVZ News
Deschutes County Behavioral Health
Crook County Health Dept.
Jefferson Co. Health Dept.
Redmond Proficiency Academy (volunteers)
DCSO
Cloverdale Fire
Crooked River Ranch Fire
Klamath County Emergency Management (observer only)
Des. County Emergency Management
Des. County Public Health

PREVIOUS DRILL

OCT. 24, 2022

Scenario:

- ✓ Aircraft experiences long landing and brake failure
- ✓ Q400 (40 Souls on board)
- ✓ Security fence damaged
- ✓ 14 Deceased/36 injured



2025 DRILL

OCTOBER 20, 2025

Scenario

- ✓ Insider threat
- ✓ Airbus 319 (100 souls on board)
- ✓ 26,200 Jet-A on-board
- ✓ Aircraft collides with a Cessna
- ✓ 50 Deceased/50 injured





QUESTIONS?



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STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Jason Neff, Deputy City Manager/Chief Financial Officer
Keith Witcosky, City Manager
FROM: Maria Ramirez, Special Projects and Natural Resource Program Manager
SUBJECT: CourseCo Investment Presentation

Report in Brief:

The purpose of this agenda item is for CourseCo to present its future plans for Juniper Golf Course, should a contract extension be awarded.

Background:

In 2011, the City of Redmond entered into an initial management contract with CourseCo for Juniper Golf Course. The current contract expires June 30, 2025.

On June 24, 2024, Mayor Fitch and Councilor Colvin requested a recommendation from the Golf Committee on whether to continue negotiations for a contract extension with CourseCo or issue a formal Request for Proposals (RFP). Since initiating contract discussions, the Council has hosted a joint meeting with the Golf Committee (August 5, 2024) to review the recommendation. Committee members submitted a formal letter supporting an extension with CourseCo, along with suggested contract amendments. Following this discussion, the Council directed staff to seek third-party support to review and provide guidance on future negotiations.

The City has procured the services of David Sams and Gene Krekorian, golf advisors for government agencies, to assist the negotiating team. The consulting team specializes in municipal golf course management and recreation economics. Their scope of work for the City has included:

On September 16, 2024, David Sams and Gene Krekorian presented their findings and recommendations to the Council and members of the Golf Committee. Following the discussion with the consulting team, the Council appointed a negotiating team consisting of staff, Mayor Fitch, Councilor Osborne, and members of the Golf Committee to lead negotiations with CourseCo regarding the future management of Juniper Golf Course and amend the contract.

Based on these meetings, a contract extension has been under negotiation and is expected to be ready for Council consideration in April 2025.

Discussion:

Staff is finalizing contract amendments focused on metrics to enhance the visitor experience at the course, facility, and restaurant. Key amendments include:

- Improving economic performance
- Increasing promotion of Junior Golf and golf programming
- Balancing public and annual pass holder play
- Enhancing the food and beverage experience
- Expanding marketing opportunities

As part of the negotiations, CourseCo has committed to a one-time \$150,000 investment aimed at increasing non-golf participation and generating additional revenue for future maintenance projects. This investment will be discussed during the presentation.

The CourseCo contract will be discussed with the Council in April. Tonight's focus is on the CourseCo investment.

Fiscal Impact:

NA

Alternative Courses of Action:

NA

Recommendation / Suggested Motion:

NA

Welcome



CourseCo

- 45 Golf Courses – focused on municipal golf
- 4 Core Values
 - Financial Performance
 - Community Programming
 - Environmental Stewardship
 - Stakeholder Communication

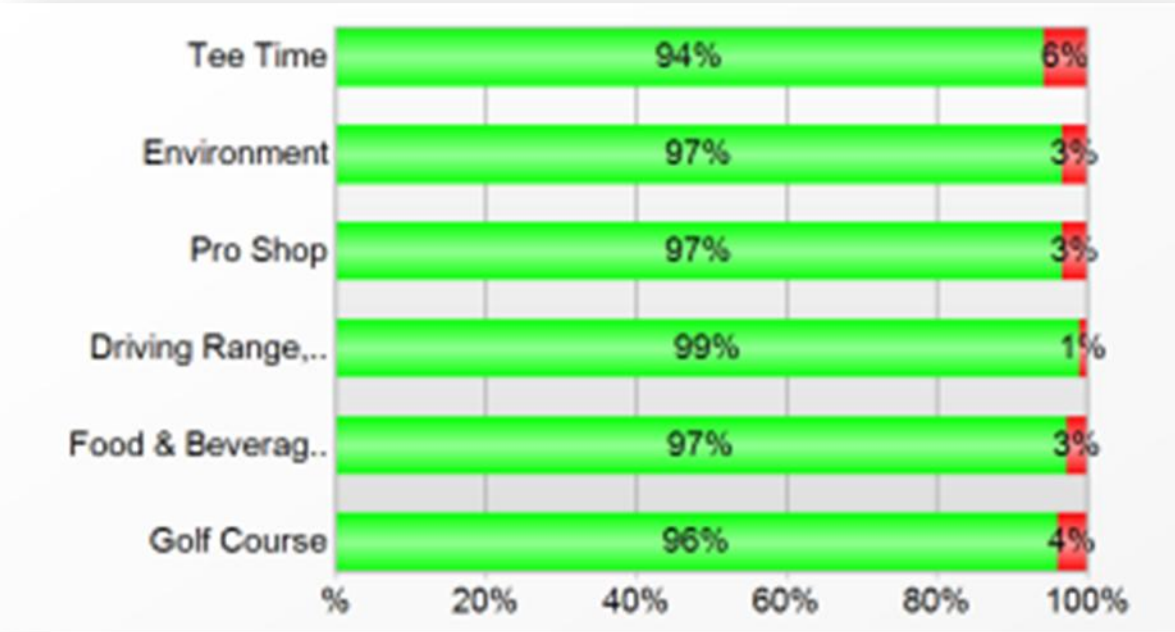


NGF | **THE TOP 100**
BUSINESSES IN GOLF | 2025



History and Accomplishments

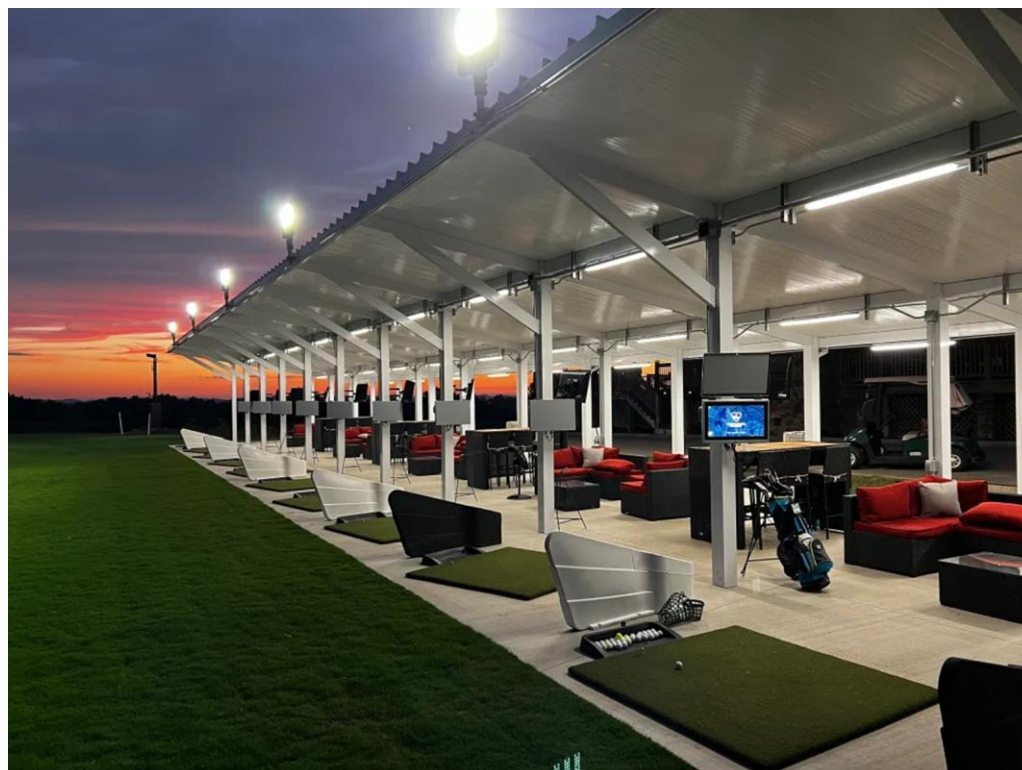
- Working in partnership with the City of Redmond since 2011
- Financial growth and capital investment
- Robust calendar of community events and programming
- Environmental awards and recognition
- Consistent positive guest survey and feedback scores
- Best in class golf course conditions



Vision & Future

Driving Range – TopTracer Upgrade

- Addition of New Technology
- Expanded Food & Beverage Experience
- \$150,000 Investment by CourseCo
- New service offerings and target market
- Immediate increase of \$100K+ in annual net profit



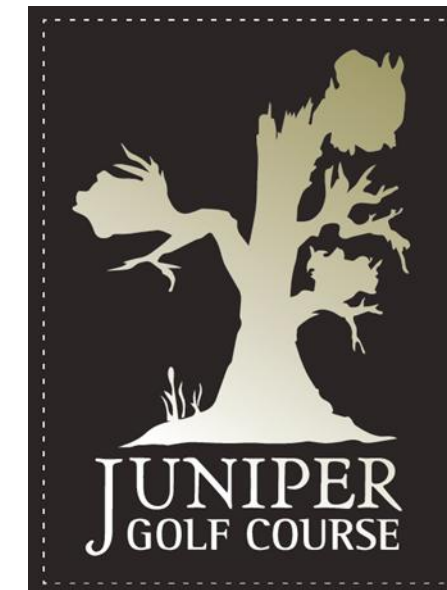
Vision & Future

“Continued Pursuit of Improvement”

- Additional net profit to support future capital projects
- Expansion of youth golf programming
- Remain best in class for golf course conditions
- New dynamic pricing (launching May 2025)
- Phase 2 of driving range (outdoor F&B experience)
- Reengage event center and clubhouse expansion studies



Thank You & Questions



Potential Dispensary Zoning - 500' to 1000' Buffers

Exclusion Criteria

Residential Parcels Boardering Commercial Zones
Not Separated by Arterial or Collector

Buffer Zone Distances:
Schools - 1000'
Parks - 500'
Shelters - 500'
Daycare - 1000'
Transit Hub - 500'
Treatment - 500'

Legend

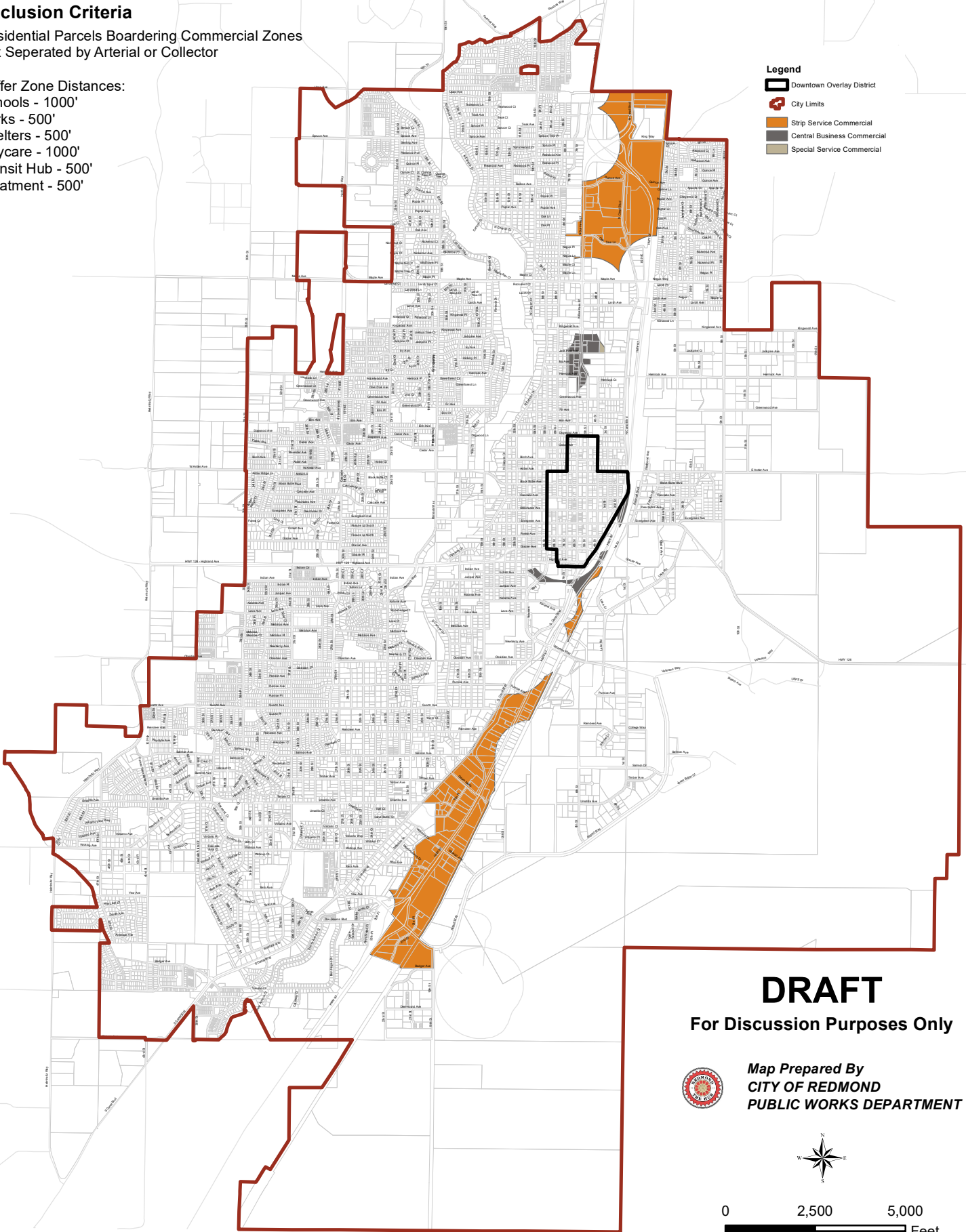
 Downtown Overlay District

 City Limits

 Strip Service Commercial

 Central Business Commercial

 Special Service Commercial

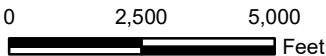


DRAFT

For Discussion Purposes Only



Map Prepared By
CITY OF REDMOND
PUBLIC WORKS DEPARTMENT



1 inch = 3,615 feet



CANNABIS DISPENSARIES (MTG #2)

REDMOND CITY COUNCIL
MARCH 25, 2025



TONIGHT'S TOPICS

SLIDE / 2



NOVEMBER 2024 BALLOT MEASURES



CODE ACTIONS REQUIRED TO MOVE FORWARD



OPERATIONAL ELEMENTS / REVENUE IMPLICATIONS



TIMEFRAME FOR NEXT STEPS



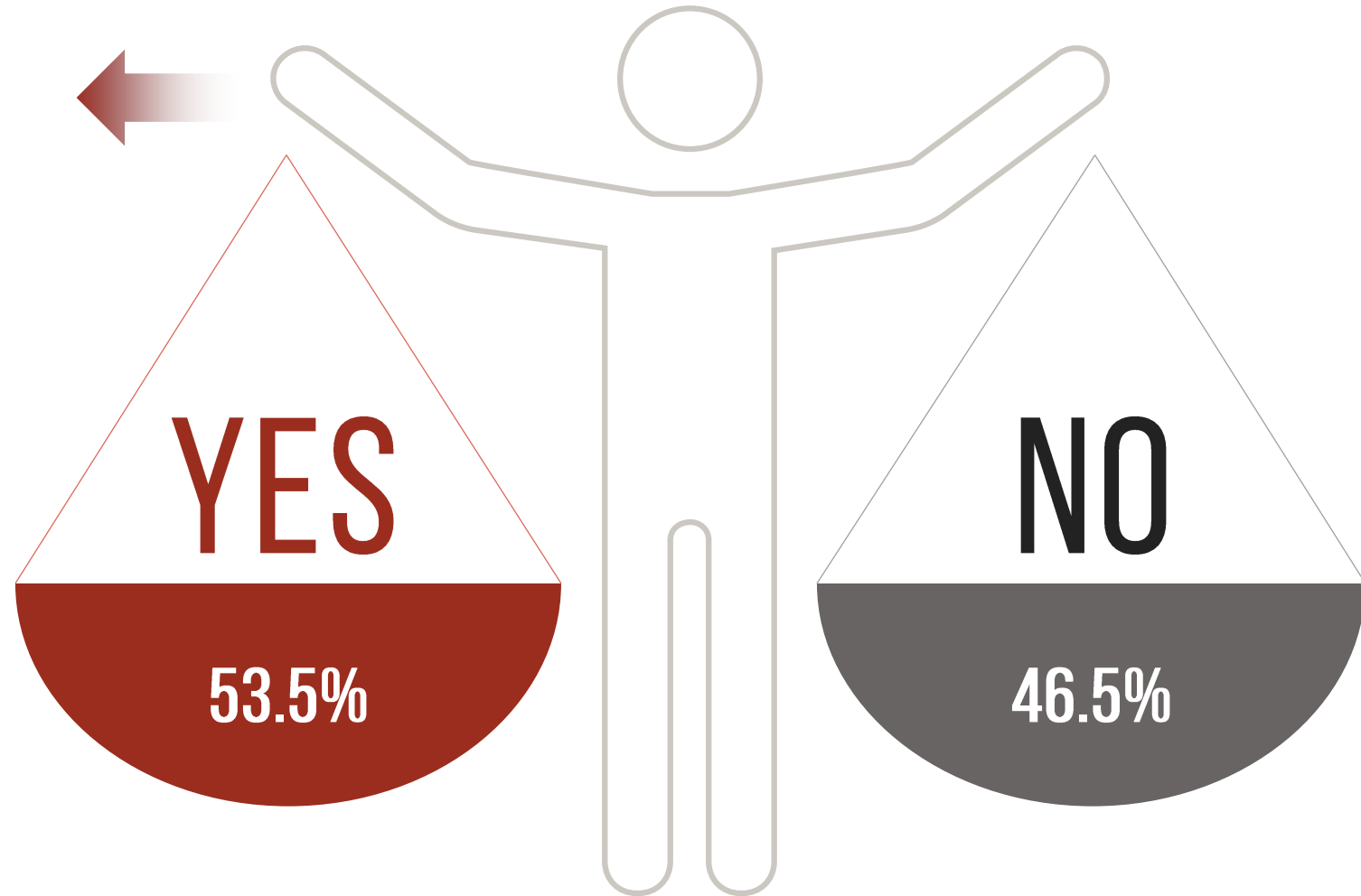
RECAP OF MARCH 19, PLANNING COMMISSION MTG.



RECOMMENDATION / SUGGESTED MOTIONS

NOVEMBER 2024 BALLOT MEASURE RESULTS – PART 1

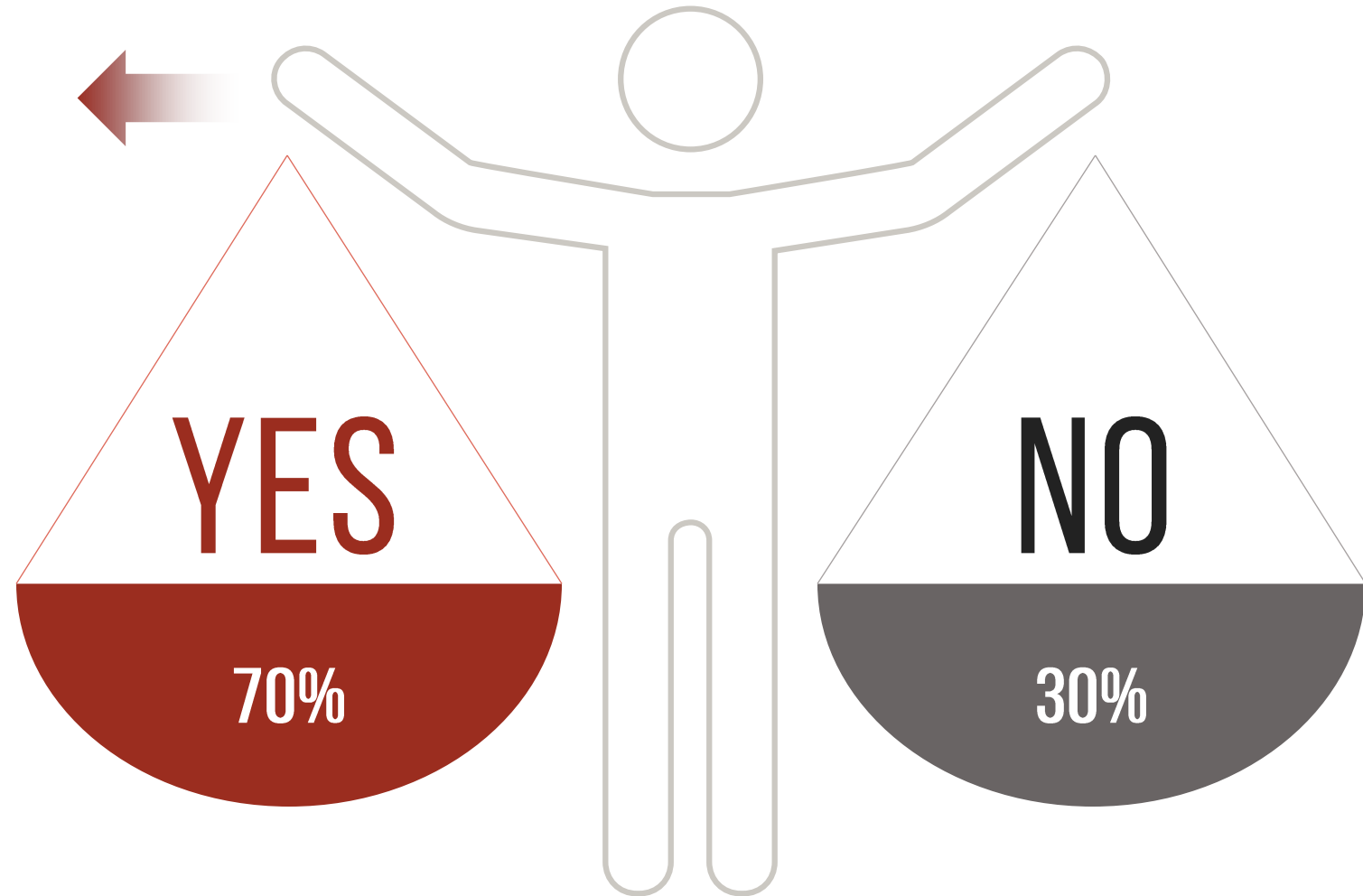
MEASURE 9-177
Should the City
modify the Code to
allow marijuana
dispensaries in
Redmond
(advisory)



NOVEMBER 2024 BALLOT MEASURE RESULTS – PART 2

MEASURE 9-178

Should the City impose a
3% tax on marijuana
items in the Redmond
(not advisory)





REQUIRED ACTIONS IF COUNCIL WANTS TO MOVE FORWARD

4 ORDINANCES

SLIDE / 5

MAR. 25/APR. 8

**CHANGES TO
CITY CODE
CHAPTER 7
(ORDINANCE)**

AMEND TAX PROVISIONS

3% tax on sale
of marijuana
items by
marijuana
retailer

MAR. 25/APR. 8

**CHANGES TO
CITY CODE
CHAPTER 8
(ORDINANCE)**

TIME, PLACE & MANNER

Amend Dev. Code
to allow as a use
and establish time,
place, manner
regulations

MAR. 25/APR. 8

**CHANGES TO
CITY CODE
CHAPTER 11
(ORDINANCE)**

UPDATE REDMOND SIGN CODE

Amend Sign Code as
it relates to retail
marijuana
dispensaries

MAR. 25/APR. 8

**CHANGES TO
CITY CODE
CHAPTER 7
(ORDINANCE)**

UPDATE REDMOND BUSINESS LICENSE

Amend Business
License provisions to
allow marijuana
retailers

Set a limit of 1
dispensary per 10,000
residents



TIME, PLACE & MANNER BUFFERS (MAP)

SLIDE / 6

Exclusions/Buffer :

Schools - 1000'
Parks - 500'
Daycare - 1000'
Transit Hub - 500'
Treatment Centers - 500'
Shelters – 500'

Includes residential parcels
adjacent to commercial
zones not separated by an
arterial or collector.

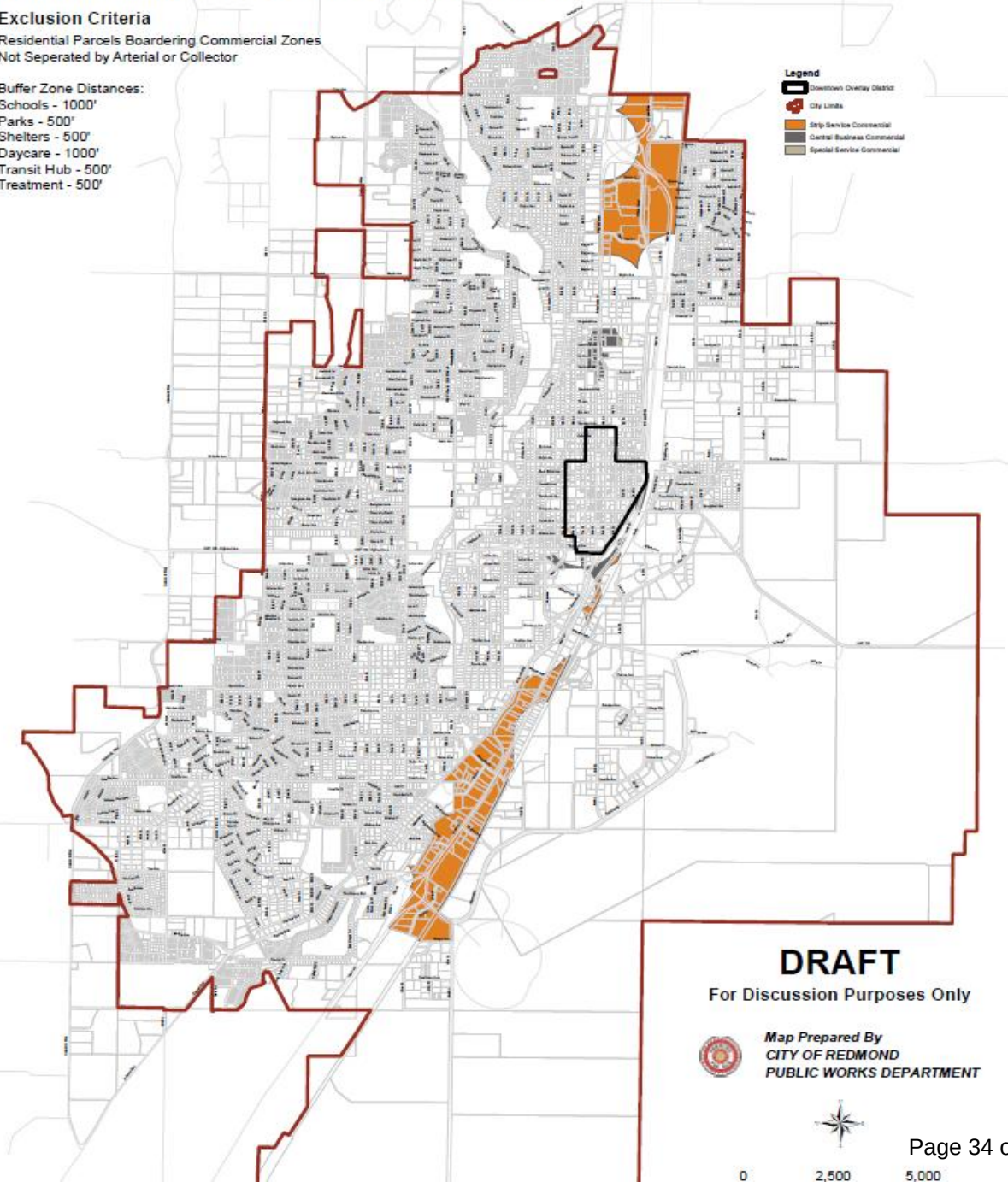
*(ORS requires 1000'
between each other)*

Potential Dispensary Zoning - 500' to 1000' Buffers

Exclusion Criteria

Residential Parcels Boardering Commercial Zones
Not Separated by Arterial or Collector

Buffer Zone Distances:
Schools - 1000'
Parks - 500'
Shelters - 500'
Daycare - 1000'
Transit Hub - 500'
Treatment - 500'



DRAFT

For Discussion Purposes Only



Map Prepared By
CITY OF REDMOND
PUBLIC WORKS DEPARTMENT



0 2,500 5,000



TIME, PLACE & MANNER BUFFER (MAP) NORTH

Potential Dispensary Zoning - 500' to 1000' Buffers

Exclusion Criteria

Residential Parcels Boardering Commercial Zones
Not Separated by Arterial or Collector

Buffer Zone Distances:

Schools - 1000'

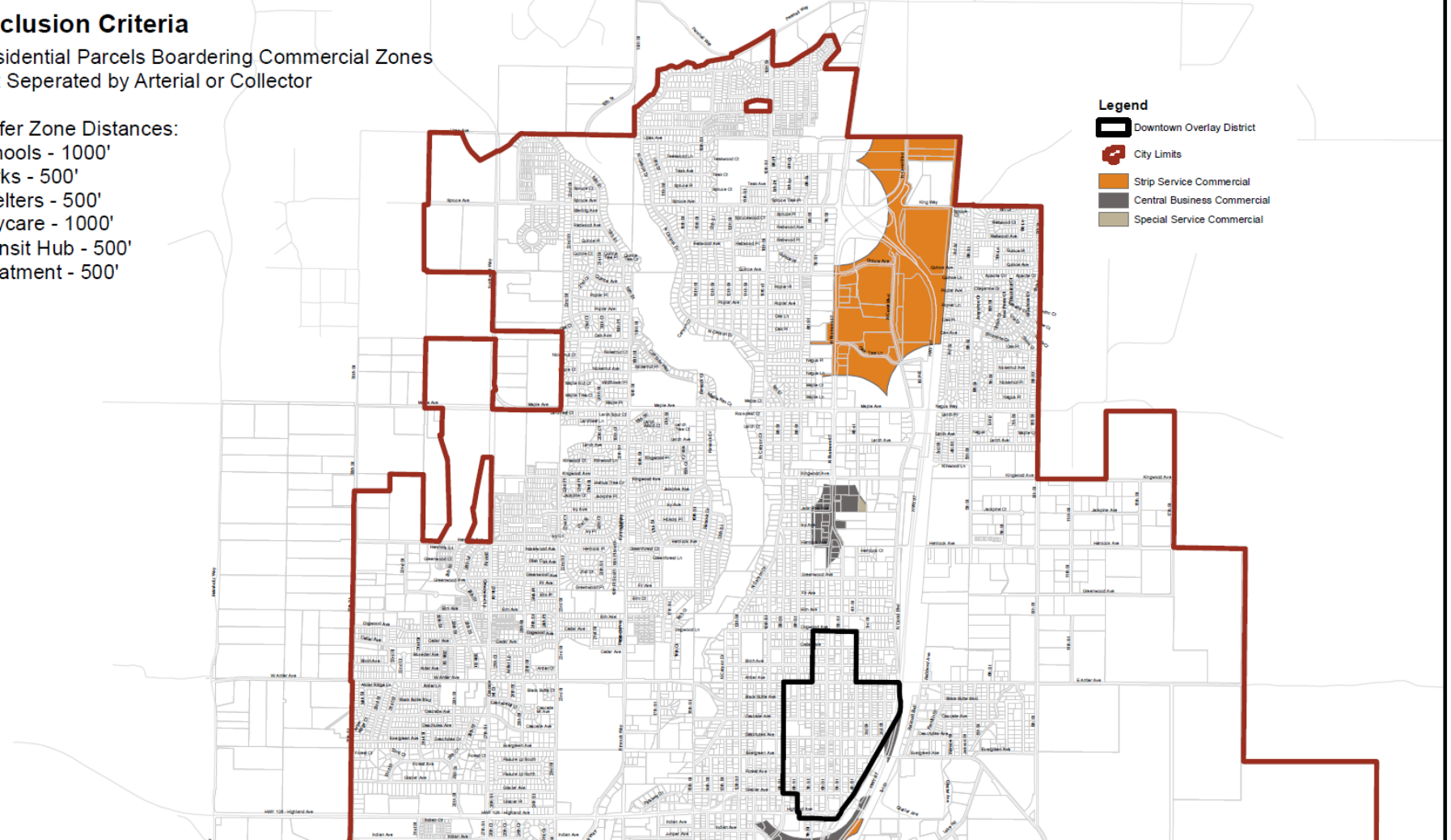
Parks - 500'

Shelters - 500'

Daycare - 1000'

Transit Hub - 500'

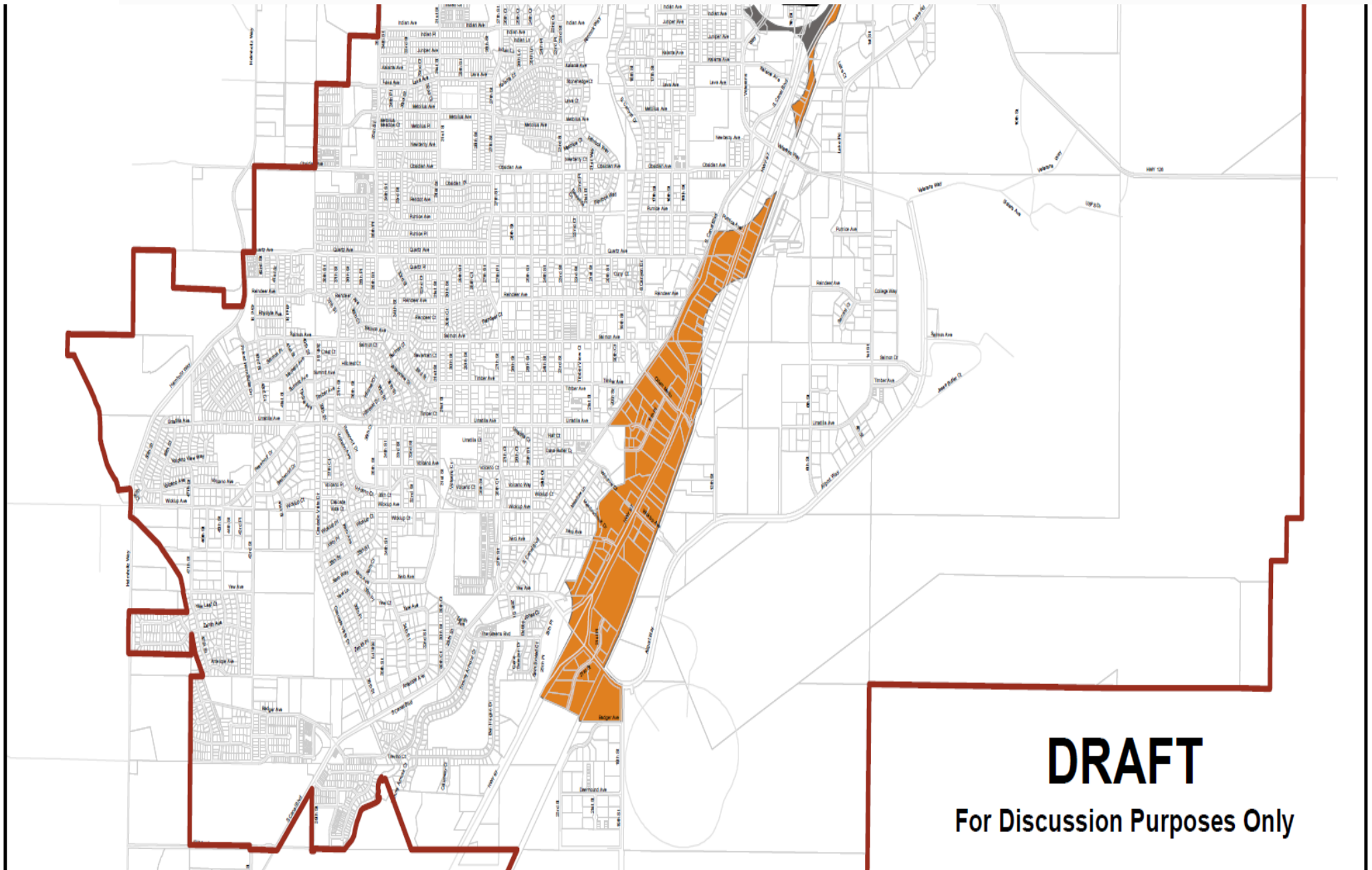
Treatment - 500'





TIME, PLACE & MANNER BUFFER (MAP) SOUTH

SLIDE / 8



DRAFT
For Discussion Purposes Only



ESTIMATED REVENUES

Estimated
annual revenue
per dispensary

\$150,000 - \$200,000

Includes assumption of
\$55,000 - \$65,000
in State Shared Revenue

No assumptions of revenue
in 2025/2026



RECAP OF MARCH 19 PLANNING COMMISSION HEARING RE: TPM'S

SLIDE / 10

BUFFERS PROPOSED:

Schools - 1000'
Parks - 500'
Daycare - 1000'
Transit Hub - 500'
Treatment Centers - 500'
Shelters – 500'

Includes residential parcels adjacent to commercial zones not separated by an arterial or collector.

(ORS requires 1000' between each other)

BUFFERS RECOMMENDED BY PC:

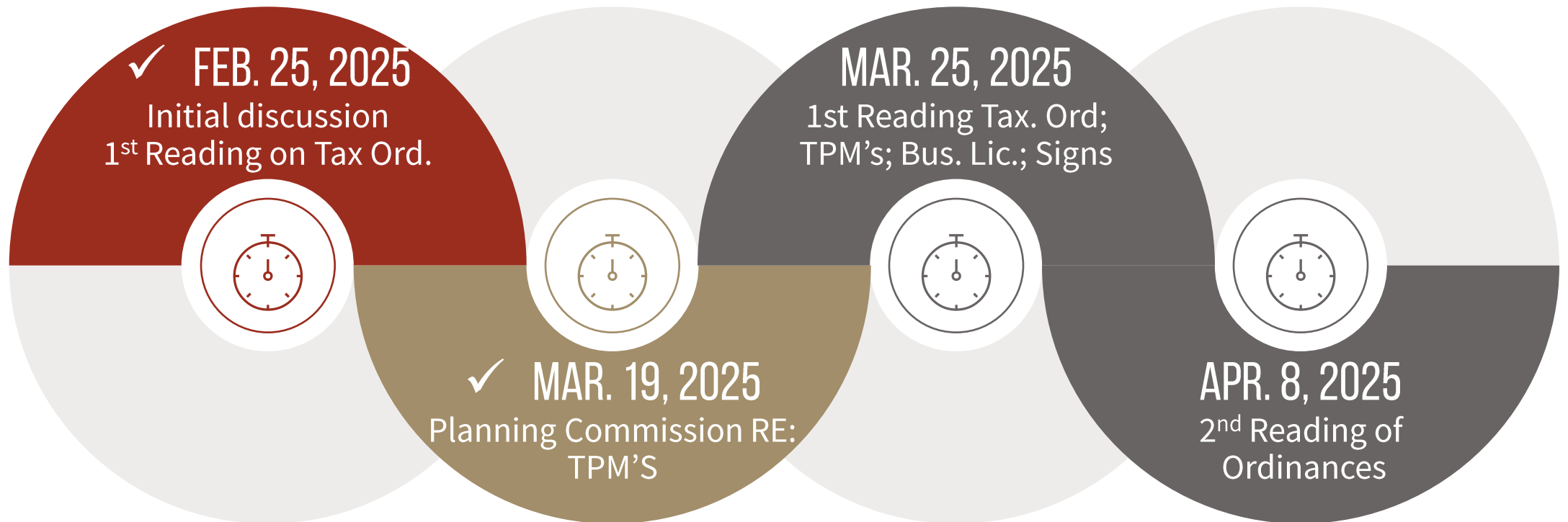
Schools - 1000'
Parks - 500'
Daycare - 1000'
Transit Hub - ~~500'~~/**250'**
Treatment Centers - 500'
Shelters – ~~500'~~/**1000'**

Include Variance allowance at staff's discretion.

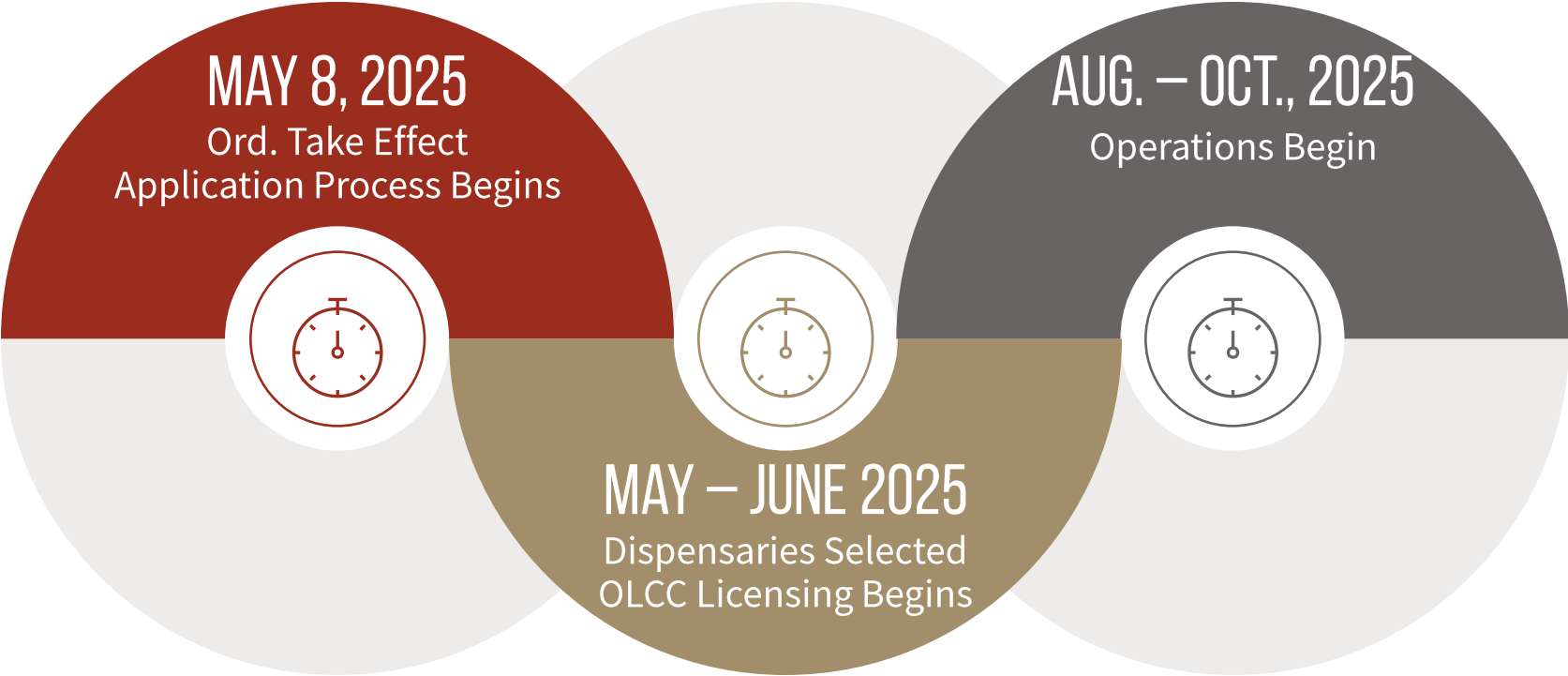
Includes residential parcels adjacent to commercial zones not separated by an arterial or collector.

(ORS requires 1000' between each other)

POTENTIAL SEQUENCE PART 1



POTENTIAL SEQUENCING PART 2





SUGGESTED MOTION FOR ORD 1 2025-02 TAX

**"I move to have a first reading of Ordinance #2025-02 by title only."
(Voice vote)**

(City Attorney will read the ordinance by title only, once.)



SUGGESTED MOTION FOR ORD 2

2025-03 TPMS

**"I move to have a first reading of Ordinance #2025-03 by title only."
(Voice vote)**

(City Attorney will read the ordinance by title only, once.)



SUGGESTED MOTION FOR ORD 3

2025-04 SIGN CODE

**"I move to have a first reading of Ordinance #2025-04 by title only."
(Voice vote)**

(City Attorney will read the ordinance by title only, once.)



SUGGESTED MOTION FOR ORD 4

2025-05 BUSINESS LICENSE

**"I move to have a first reading of Ordinance #2025-05 by title only."
(Voice vote)**

(City Attorney will read the ordinance by title only, once.)



QUESTIONS



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: Keith Leitz, City Attorney
Keith Witcosky, City Manager
James Wood, Finance Director
SUBJECT: Ordinance #2025-02: An Ordinance of the City of Redmond imposing a three percent tax on the sale of marijuana items by a marijuana retailer.

Report in Brief:

This item presents City Council with the ability to implement a 3% tax on marijuana sales at licensed retail dispensaries in the Redmond city limits in accordance with ballot measure 9-177 and 9-178 which were approved by Redmond voters on November 5, 2024.

Background:

In July 2016, through the previous passage of Measure 91, recreational cannabis use and possession by people 21 and older was legalized in Oregon.

While Oregon legalized the recreational use of marijuana, Redmond did not opt into the statewide program. The Redmond opt-out was done by using the existing City Code related to business licenses, which states land use permits and business license uses must comply with local, state and federal law. Since marijuana is not legal at the federal level, the Council had the ability to request the Oregon Liquor Control Commission (OLCC) not to process requests for marijuana licensures in the Redmond city limits.

In November 2024, Redmond voters passed two Measures which showed a majority are in favor of retail marijuana dispensaries. First, Measure 9-177 (53.5% to 46.5%), which advised the Council that voters desire a change in code to allow for retail marijuana dispensaries in Redmond. Second, a measure adding a three percent (3%) tax to sales of marijuana items, Measure 9-178 (70% to 30%).

To fully implement these measures, the Council has conducted a series of public hearings, including tonight, to consider four ordinances associated with setting the parameters for allowing cannabis dispensaries within the city limits.

The four are:

1. Codify the 3% tax into the City Code.
2. Establish Time Place Manner (TPMs) regulations regarding the operations of dispensaries.
3. Codify changes to the Sign Code related to dispensaries, which is not required, but preferred by the Council.
4. Codify changes to both the Business License rules and the Development Code which would formally allow the use.

Time Place Manner (TPM) Regulations:

Oregon Revised Statutes (ORS) 475C.449 and 475C.897 provide that local governments may impose reasonable regulations on the TPM of operation of recreational and medical marijuana facilities, respectively. The League of Oregon Cities believes that, under the home rule provisions of the Oregon Constitution, local governments do not need legislative authorization to impose TPM restrictions, and that the Legislature's decision to expressly confirm local authority to impose certain restrictions does not preclude cities from imposing other restrictions not described in state law.

State law expressly provides that cities may impose reasonable regulations that include, but are not limited to, the following:

The hours of operation of retail licensees and medical marijuana grow sites, processing sites and dispensaries; the

location of recreational licensees, as well as medical marijuana grow sites, processing sites and dispensaries, except that a city may not impose more than a 1,000-foot buffer between retail licensees; impose reasonable conditions on the manner in which marijuana is processed or sold to the public; and the public's access to the premises of recreational licenses, as well as medical marijuana grow sites, processing sites and dispensaries.

Taxation:

Cities which allow marijuana are eligible to receive a pro-rata share of the 10% total statewide marijuana tax revenue. The statewide revenue is distributed based on the following formulas:

75% of the city's population (as compared to the populations of all other cities that receive marijuana tax revenue); and 25% on licensure numbers in the city (as compared to the total number of licensures statewide).

The remaining tax revenues are distributed as follows: 10% to counties; 40% to the Common School Fund; 20% to the Mental Health Alcoholism and Drug Services Account; 5% to the Oregon Health Authority; and 15% to the State Police Account.

Cities may impose their own 3% tax. However, any local tax must be approved by voters at a General Election during an even-numbered year.

Discussion:

On February 25, 2025, City Council was initially presented with the decisions related to implementing dispensaries. A presentation from staff occurred and public testimony was taken. Council requested all items be deferred until the March 25, 2025, Council meeting. In the intervening time, on March 19, 2025, the Redmond Urban Area Planning Commission held a public hearing on the TPMs (which they are required to do since the TPMs change the City Development Code). The outcome of that meeting and their recommendations are detailed in the TPM item of this Council agenda.

The City's proposed tax ordinance for the 3% local tax on marijuana was modeled after the City's existing Transient Lodging Tax, the City's existing Rental Car Tax, and the State of Oregon's Marijuana tax program. The goal of the City's program is to leverage the existing framework currently implemented by the State of Oregon to provide retailers with a seamless integration with the City collection system.

Key elements of the proposed marijuana tax ordinance are:

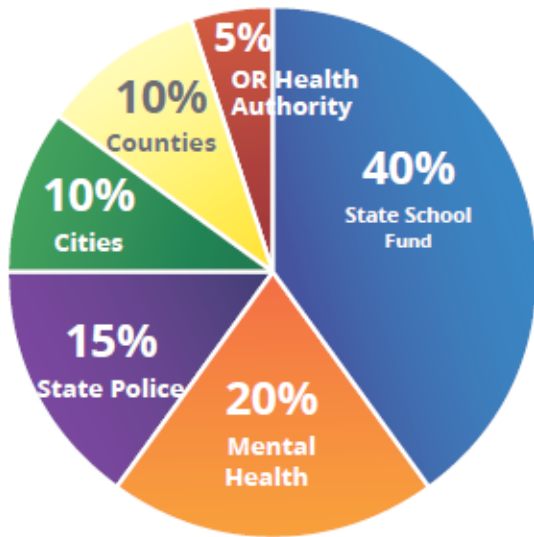
1. The 3% tax is applied on the retail sale of marijuana, which is a direct tax on the consumer, for which payment is required during the transaction.
2. The tax must be separately stated upon receipts provided to the consumer.
3. Exemptions to the marijuana tax are provided for:
 - a. Registry identification cardholders (RIC) under ORS 475C, or
 - b. Designated primary caregiver purchasing marijuana for a registry identification cardholders under ORS 475C.
4. Each retailer registers with the City's marijuana tax program and provides notice to consumers through prominent display of a City-provided certificate.
5. Retailers must submit quarterly financial returns to the City within 30 days of each calendar quarter.
6. Retailers must make tax payments, in full, along with each quarterly return.
7. The retailer may retain 2% of the tax collected for administrative impacts (i.e. \$100.00 sale x 3% tax x 2% administrative withhold = \$0.06).
8. Penalties and interest will be charged against retailers that do not pay timely.
9. Liens may be placed on personal property used in the retailer's business for failure to pay taxes.
10. Appeals may be made directly to the Tax Administrator, with appeals of the Tax Administrator's decision being made to City Council.
11. Unless required by law, information submitted to the marijuana tax program will remain confidential.
12. Retailers are required to maintain 3.5 years of financial/operational records for audit by the City.

Fiscal Impact:

The state imposes a 17% tax on recreational marijuana products. Until the end of 2020, cities that have opted in to allow dispensaries to locate within city limits have received 10% of the state's total tax revenues (minus expenses) on recreational marijuana products. The passage of Measure 110 in November 2020 represented a significant shift in the allocation of state marijuana revenue distributions. Starting in March 2021, quarterly revenue distributions to cities from state marijuana taxes saw roughly a 74% decrease from the fourth quarter 2020 distribution (the final distribution under the old formula). Going forward under Measure 110, cities will share \$1,125,000 quarterly, or \$4,500,000 annually. This amount is indexed with inflation starting July 2023.

The overall state distribution of marijuana taxes are distributed as follows:

Distribution of Quarterly \$11.25 Million



Revenue distributions to cities are made quarterly. However, only individual cities that certify will receive a distribution. This certification had been required quarterly with the OLCC, but in 2020 was moved to an annual certification with the Oregon Department of Administrative Services (DAS), similar to other shared revenue certifications. Since 2017, 75% of the shared revenue is distributed to eligible cities on a per capita basis, and 25% is distributed based on the number of licensed recreational and medical premises in the city (grower, processor, wholesaler, and retailer).

Cities may impose up to an additional 3% local tax on recreational marijuana products. Some cities have an agreement with the Oregon Department of Revenue to have the state collect their local tax at the same time as the state tax is collected. Redmond will collect the taxes on our own.

The City estimates it will collect around \$150,000 - \$200,000 in total per dispensary based on a local 3% tax. This range includes an assumption of state shared revenue.

The City estimate for state shared revenue is around \$55,000 - \$65,000. This is based on the League of Oregon Cities State Shared revenue estimate of \$1.49 - \$1.50 per capita. The City does not estimate a meaningful amount generated by the state's distribution of \$1,356,125 because it is based on the number of dispensaries a city has (estimated at up to 3) in relation to the number open statewide (more than 800).

Similar to other state-shared revenues (i.e. liquor and cigarette taxes), marijuana revenue is a discretionary resource and can be used to fund City services approved by the Budget Committee and City Council. The City's state-shared liquor tax revenue has declined by about \$300k in Fiscal Year 2024/25 and marijuana revenue could help to stabilize funding for General Operating services (i.e. Police, Transportation and Parks).

Alternative Courses of Action:

1. Approve Ordinance #2025-02.
2. Approve Ordinance #2025-02, with modification(s).
3. Do not approve Ordinance #2025-02.
4. Take no action and request more information.

As required by the City Charter, notices regarding this ordinance coming before the Council were posted in three public places on February 18, 2025, and March 18, 2025, and copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:

"I move to have a first reading of Ordinance #2025-02 by title only." (Voice vote)

(City Attorney will read the ordinance by title only)

**CITY OF REDMOND
ORDINANCE NO. 2025-02**

AN ORDINANCE OF THE CITY OF REDMOND IMPOSING A THREE PERCENT TAX ON THE SALE OF MARIJUANA ITEMS BY A MARIJUANA RETAILER.

WHEREAS, the City of Redmond has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant to allow the City; and

WHEREAS, the City of Redmond adopted by Ordinance 2014-19, a retail sales tax on marijuana items of fifteen percent (15%), which exists in Redmond City Code Chapter 7; and

WHEREAS, Oregon Revised Statute 475C.453 provides that a city council may adopt an ordinance to be referred to the voters that imposes up to a three percent (3%) tax on the sale of marijuana items by a marijuana retailer in the area subject to the jurisdiction of the city; and

WHEREAS, on November 5, 2024, voters approved measure 9-178 by a margin of 70% to 30%, which approved a 3% tax on the sale of marijuana items by a marijuana retailer.

NOW THEREFORE, BASED ON THE FOREGOING, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Sections 7.150 through 7.193. The amendments and adopted text are attached hereto as "Exhibit A".

SECTION TWO: SEVERABILITY: The provisions of this Ordinance are severable. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given without such invalid part or parts.

SECTION THREE: EFFECTIVE DATE: This Ordinance shall be effective on the 30th day following its passage.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder

Exhibit A:

Proposed City Code Amendment – Retail Marijuana Items Tax

CHAPTER 7: BUSINESS LICENSES

Regarding Chapter 7, new proposed text Section 7.167 through 7.193 is identified in **Red**. Proposed deleted text ~~strikethrough~~.

AMUSEMENT DEVICE TAX

(***)

Penalty.....7.167
Enforcement.....7.168

(***)

MARIJUANA ~~ITEMS~~ AND MARIJUANA-INFUSED PRODUCT TAX

Purpose7.170
Definitions7.171
Imposition of Tax.....7.172
Collection of Tax by Retailers; Rules for Collection.....7.174
Retailer’s Duties.....7.175
Exemptions.....7.176
Registration of Retailer; Certification of Authority.....7.177
City Tax Administrator Rules.....7.178
Due Date, Returns, and Payments.....7.179
Delinquency Payments.....7.180
Failure to Report and Remit Tax –
Determination of Tax by Tax Administrator.....7.181
Redeterminations.....7.182
Appeal.....7.183
Security for Collection of Tax.....7.184
Liens.....7.185
Refunds.....7.186
Enforcement.....7.187
Confidentiality.....7.188
Administration.....7.189
Violations.....7.190
Forms and Regulations.....7.191

(***)

Sec. 7.150. - Short Title

The provisions of Sections 7.150 to ~~7.170~~ **7.168** shall be known as the Amusement Device Tax Act.

(***)

Sec. ~~7.168~~ **7.167. - Penalty**

A violation of Section 7.158 is a Class B civil infraction.

Sec. ~~7.170~~ **7.168. - Enforcement.**

In addition to the civil and administrative infraction procedure, the City may file a civil action to recover taxes unpaid or, after mailing notice via certified mail to the person responsible for said business, the

City may place a lien against the real property where the business is located for the amount of the tax plus interest. Said lien shall be filed with the Finance Officer and noted in the lien docket.

RETAIL MARIJUANA ITEMS TAX

Sec. 7.170.- Purpose.

For the purposes of Sections **7.170 through 7.191**, every person who ~~sells~~ **purchases retail** marijuana ~~items, medical marijuana or marijuana-infused products~~ in the City of Redmond is exercising a taxable privilege. The purpose of this chapter is to impose a tax upon the retail **purchase** sale of marijuana ~~items, medical marijuana, and marijuana-infused products~~.

Sec. 7.171. - Definitions.

When not clearly otherwise indicated by the context, the following words and phrases, as used in in Sections **7.170 through 7.191**, shall have the following meanings:

Marijuana item has the meaning given that term in ORS 475C.009(25).

Marijuana retailer (retailer) means a person who sells retail marijuana items to a consumer.

Retail customer means a person (consumer) who purchases marijuana item(s) from a marijuana retailer.

Retail sale price means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item.

~~Gross Taxable Sales means the total amount received in money, credits, property or other consideration from sales of marijuana, medical marijuana and marijuana-infused products that is subject to the tax imposed by this chapter.~~

~~Manager means the City Manager for the City of Redmond or his/her designee.~~

~~Marijuana means all parts of the plant of the Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin, as may be defined by Oregon Revised Statutes as they currently exist or may from time to time be amended. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted there from), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.~~

~~Oregon Medical Marijuana Program means the office within the Oregon Health authority that administers the provisions of ORS 475.300 through 475.346, the Oregon Medical Marijuana Act, and all policies and procedures pertaining thereto.~~

~~Person means natural person, joint venture, joint stock company, partnership, association, club, company, corporation, business, trust, organization, or any group or combination acting as a unit, including the United States of America, the State of Oregon and any political subdivision thereof, or the manager, lessee, agent, servant, officer or employee of any of them.~~

~~Purchase or Sale means the acquisition or furnishing for consideration by any person of marijuana within the City.~~

~~Purchaser means any person who acquires marijuana from a seller for any valuable consideration.~~

~~Registry Identification Cardholder means a person who has been diagnosed by an attending physician with a debilitating medical condition and for whom the use of medical marijuana may mitigate the symptoms or effects of the person's debilitating medical condition, and who has been issued a registry identification card by the Oregon Health Authority.~~

~~Retail Sale means the transfer of goods or services in exchange for any valuable consideration.~~

~~Seller means any person who is required to be licensed or has been licensed by the State of Oregon to provide marijuana or marijuana-infused products to purchasers for money, credit, property or other consideration.~~

~~Tax means either the tax payable by the seller or the aggregate amount of taxes due from a seller during the period for which the seller is required to report collections under this chapter.~~

~~Taxpayer means any person obligated to account to the Manager for taxes collected or to be collected, or from whom a tax is due, under the terms of this chapter.~~

Sec. 7.172. - Levy of Imposition of Tax

As described in ORS 475C.453, the City of Redmond hereby imposes a tax of three percent (3%) on the retail sale price of marijuana items by a marijuana retailer (retailer) in the area subject to the jurisdiction of the city.

The tax constitutes a debt owed by the retail customer to the City which is extinguished only by payment to the retailer or to the City. The retail customer shall pay the tax to the retailer at the time the retail sale price is paid.

The retailer shall enter the tax on its records when the retail sale price is collected if the retailer keeps records on the cash accounting basis; and when earned if the retailer keeps records on the accrual accounting basis. If for any reason the tax due is not paid to the retailer of the commercial establishment, the tax administrator may require that such tax shall be paid directly to the City.

~~1. There is hereby levied and shall be paid a tax by every seller exercising the taxable privilege of selling marijuana and marijuana-infused products as defined in this chapter.~~

~~2. The amount of tax levied is as follows:~~

- ~~A. Five percent of the gross sale amount paid to the seller by a registry identification cardholder.~~
- ~~B. Fifteen percent of the gross sale amount paid to the seller of marijuana and marijuana-infused products by individuals who are not purchasing marijuana under the Oregon Medical Marijuana Program.~~
- ~~C. The purchaser shall pay the tax to the seller at the time of the purchase or sale of marijuana.~~

~~**7.183 Deductions.** The following deductions shall be allowed against sales received by the seller providing marijuana:~~

- ~~1. Refunds of sales actually returned to any purchaser;~~
- ~~2. Any adjustments in sales which amount to a refund to a purchaser, providing such adjustment pertains to the actual sale of marijuana or marijuana-infused products and does not include any adjustments for other services furnished by a seller.~~

Sec. 7.174 Seller Responsible for Payment of Tax. Collection of Tax by Retailers; Rules for Collection.

- ~~1. The taxes collected by the seller are due and payable to the Manager on a calendar basis on the 20th day of the month for the preceding month and are delinquent on the last day of the month in which they are due. The seller shall make a return to the Manager, on forms~~

provided by the City, specifying the total sales subject to this chapter and the amount of tax collected under this chapter. The Manager may require further information in the return relevant to payment of the tax. A return shall not be considered filed until it is actually received by the Manager.

- ~~2. At the time the return is filed, the full amount of the tax collected shall be remitted to the Manager. Payments received by the Manager for application against existing liabilities will be credited toward the period designated by the taxpayer under conditions that are not prejudicial to the interest of the City. A condition considered prejudicial is the imminent expiration of the statute of limitations for a period or periods.~~
- ~~3. Non-designated payments shall be applied in the order of the oldest liability first, with the payment credited first toward any accrued penalty, then to interest, then to the underlying tax until the payment is exhausted. Crediting of a payment toward a specific reporting period will be first applied against any accrued penalty, then to interest, then to the underlying tax. If the Manager, in his or her sole discretion, determines that an alternative order of payment application would be in the best interest of the City in a particular tax or factual situation, the Manager may order such a change. The Manager also may require additional information in the return relevant to payment of the liability. All taxes collected by sellers pursuant to this chapter shall be held in trust for the account of the City until payment is made to the Manager. A separate trust bank account is not required in order to comply with this provision.~~
- ~~4. For good cause, the Manager may extend the time for filing a return or paying the tax for not more than one month. Further extension may be granted only by the City Council. A seller to whom an extension is granted shall pay interest at the rate of one percent (1%) per month on the amount of tax due, without proration for a fraction of a month. If a return is not filed and if the tax and interest due are not paid by the end of the extension granted, the interest shall become a part of the tax for computation of penalties prescribed in Section 7.185.~~
- ~~5. Every seller required to remit the tax imposed in this chapter shall be entitled to retain five percent (5%) of all taxes due to defray the costs of bookkeeping and remittance.~~
- ~~6. Every seller must keep and preserve in an accounting format established by the Manager records of all sales made by the dispensary and such other books or accounts as may be required by the Manager. Every seller must keep and preserve for a period of three (3) years and six (6) months all such books, invoices and other records. The Manager shall have the right to inspect all such records at all reasonable times.~~

1. The tax imposed upon the retail customer under RCC Section 7.172 shall be collected at the point of sale and remitted by each retailer that engages in the retail sale of marijuana items.
2. In addition to being property of the City held in trust by the retailer, the tax collected or accrued by the retailer constitutes a debt owing by the retailer to the City.

Sec. 7.175 Retailer's Duties.

Each retailer shall collect the tax imposed by Section 7.172 at the same time as the retail sale price is collected from every retail customer. The amount of tax shall be separately stated upon the retailer's records, and any receipt rendered by the retailer. No retailer shall advertise that the tax or any part of the tax will be assumed or absorbed by the retailer, or that it will not be added to the retail price, or that, when added, any part will be refunded, except in the manner provided by these sections.

Sec. 7.176 Exemptions.

The tax shall not be imposed upon a registry identification cardholder, as outlined in ORS 475C.783; a designated primary caregiver who is purchasing a marijuana item for a registry identification cardholder, as outlined in ORS 475C.783; or other items specifically exempted from the tax under ORS 475C.678.

Sec. 7.177 Registration of Retailer; Certification of Authority.

1. Each retailer shall register with the tax administrator on a form provided by the administrator. Retailers starting a new business must register within 15 calendar days after commencing business. The privilege of registration after the date of imposition of the tax shall not relieve any person from the obligation of payment or collection of the tax regardless of registration.
2. The registration shall include:
 - a. The name(s) under which a retailer transacts or intends to transact business.
 - b. The mailing and physical addresses of the business.
 - c. Other information to facilitate the collection of the tax as the tax administrator may require.
 - d. The signature of the retailer.
3. The tax administrator shall, within ten days after registration, issue without charge a certificate of authority to each registrant to collect the tax from the retail customer, together with a duplicate for each additional place of business of each registrant. Certificates are non-assignable and non-transferable and shall be surrendered immediately to the tax administrator on the cessation of business at the location named or on the sale or transfer of the business. Each certificate and duplicate shall state the place of business to which it is applicable and shall be prominently displayed or readily available upon request so as to be seen by or available to all retail customers.
4. The certificate shall state:
 - a. The name of the retailer.
 - b. The address of the retailer.
 - c. The date on which the certificate was issued.
 - d. "This Marijuana Item Tax Collector Certificate of Authority signifies that the retailer named has fulfilled the requirements of the marijuana item tax provisions of the Redmond Code by registering with the tax administrator for the purpose of collecting from retail customers the marijuana item tax imposed by the City and remitting the tax to the tax administrator. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, or to operate marijuana retail without strictly complying with all local applicable laws including but not limited to those requiring a permit from any board, commission, department or office of the City of Redmond. This certificate does not constitute a permit."

Sec. 7.178 City Tax Administrator Rules.

The City Tax Administrator shall enforce provisions of these sections and is hereby authorized to establish such rules and procedures for the implementation and enforcement of this subchapter, consistent with its provisions, as the tax administrator considers necessary and appropriate.

Sec. 7.179 Due Date, Returns and Payments.

1. The retailer shall file a return to the City of Redmond on or before the last day of January, April, July and October of each year for the previous calendar quarter.
2. Retailers shall file the returns required under this section regardless of whether any tax is owed.
3. The retailer shall pay the tax to the City of Redmond in the form and manner prescribed by the City, but not later than with each quarterly return, without regard to extension granted under subsection (7) of this section.
4. Returns shall show the amount of tax collected or otherwise due for the related period. The tax administrator may require returns to show the total retail sales on which tax was collected or is due, gross receipts of the retailer for the period, an explanation in detail of any discrepancy between the amounts, and the amounts of retail sales exempt.
5. The retailer shall deliver the return and the tax due to the tax administrator's office either by

personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery for determining delinquencies.

6. The retailer may retain two percent (2%) of the tax as reimbursement for the costs incurred by the retailer in collecting and reporting a marijuana item tax and in maintaining marijuana item tax records.
7. For good cause, the tax administrator may extend the time for filing a return or paying the tax for not more than one month. No further extensions shall be granted except by the Council. A retailer to whom an extension is granted shall pay interest at the rate of ten percent (10%) per year on the amount of tax due, without proration for a fraction of a month. If a return is not filed, and the tax and interest due are not paid by the end of the extension, the interest shall become a part of the tax for computation of penalties described in **Section 7.180**.
8. The tax administrator may require returns and payment of the amount of taxes for other than quarterly periods in individual cases to ensure payment or to facilitate collection by the City.

Sec. 7.180 Delinquency Payments.

1. Any retailer who has not been granted an extension of time for remittance of tax due and who fails to remit any portion of any tax imposed by this chapter prior to delinquency shall pay a penalty of ten percent (10%) of the tax due, in addition to the tax.
2. Any retailer who has not been granted an extension of time for remittance of tax due and who fails to pay a delinquent remittance before the expiration of 31 days following the date on which the remittance became delinquent, shall pay a second delinquency penalty of fifteen percent (15%) of the tax due, the amount of the tax, and the ten percent (10%) penalty first imposed.
3. If the Manager ~~tax administrator~~ determines that the non-payment of a remittance is due to fraud or intent to evade the tax, a penalty of twenty-five percent (25%) of the amount of the tax shall be added to the penalties stated in subsections (1) and (2) of this section.
4. In addition to the penalties imposed by this section, any retailer who fails to remit the required tax imposed by this chapter shall pay interest at the rate of **ten percent (10%)** ~~one percent (1%)~~ per year, without proration for portions of a month on the tax due, exclusive of penalties, from the date on which the tax first became delinquent until paid.
5. Every penalty imposed, and such interest as accrues under the provisions of this section, shall become a part of the tax required to be paid.
6. ~~An operator~~ **A retailer** who fails to remit the tax within the required time may petition the tax administrator for waiver and refund of the penalty or a portion of it. The administrator may, if good cause is shown, direct a refund of the penalty or a portion of it.

Sec. 7.181 Failure to Report and Remit Tax – Determination of Tax by Manager-Tax Administrator.

1. In making a determination that the returns are incorrect, the tax administrator may compute and determine the amount required to be paid on the basis of the facts contained in the return or returns or on the basis of any other information. Deficiency determinations may be made of the amount due for one or more than one period. The determined amount shall be due and payable immediately on service of notice after which the determined amount is delinquent. Penalties on deficiencies shall be applied as provided in **Section 7.180**.
 - a. In making a determination, the tax administrator may offset overpayments that have been made against any deficiency for a subsequent period or against penalties and interest on the deficiency. The interest on deficiencies shall be computed in the manner provided in **Section 7.180**.
 - b. The tax administrator shall give the retailer a written notice of their determination. The notice may be served personally or by mail. If mailed, the notice shall be addressed to the retailer at the address that appears on the records of the tax administrator, and service is completed at the time of deposit in the United States

Post Office.

- c. Except in the case of fraud or intent to evade the tax or rules and regulations pursuant to it, a deficiency determination shall be made and notice mailed within three years after the last day of the month following the close of the monthly period for which the determination has been made or within three years after the return is filed, whichever is later.
 - d. A determination shall become due and payable immediately upon receipt of notice and shall become final within ten days after the tax administrator has given notice. The retailer may petition for redemption and refund if the petition is filed before the determination becomes final.
2. If a retailer fails or refuses to collect the tax or to make, within the time provided, any report or remit the tax, or makes a fraudulent return or otherwise willfully attempts to evade **Sections 7.170 to 7.191**, the tax administrator shall obtain facts and information on which to base an estimate of the tax due. After determining the tax due and the interest and penalties, the tax administrator shall give notice of the total amount due. Notice shall be in the manner provided by **Section 7.181(1)(b)**. The determination and notice shall be made and mailed within three years after discovery by the tax administrator of fraud, intent to evade, failure or refusal to collect the tax, or failure to file a return. The termination becomes due and payable immediately on receipt of notice and becomes final ten days after the tax administrator has given notice. The retailer may petition for redemption and refund if the petition is filed before the determination becomes final.
 3. If the tax administrator believes that collection of any amount of tax will be jeopardized by delay or if a determination will be jeopardized by delay, the tax administrator shall determine the amount to be collected, noting the fact on the determination. The amount determined is immediately due and payable after service of notice. After payment has been made, the retailer may petition for redemption and refund on such determination if the petition is filed within ten days from the date of service of notice by the tax administrator.

Sec. 7.182 Redeterminations.

1. A retailer against whom a determination is made under **Section 7.181** or any person directly interested may petition for redetermination, redemption and refund within the time required in **Section 7.181**. If a petition for redetermination and refund is not filed within the time required, the determination becomes final at the expiration of the allowable time.
2. If a petition for redetermination and refund is filed within the allowable period, the tax administrator shall reconsider the determination and, if the person requests a hearing in the petition, shall grant the person an oral hearing and shall give the person ten days notice of the time and place of the hearing. The tax administrator may continue the hearing if necessary.
3. The tax administrator may decrease or increase the amount of the determination as a result of the hearing. If an increase is determined, the increase is payable immediately after the hearing.
4. The order or decision of the tax administrator on a petition for redetermination of redemption and refund becomes final ten days after service on the petitioner of notice unless appeal of the order or decision is filed with the Council within ten days after service of the notice.
5. No petition for redetermination of redemption and refund or appeal therefrom shall be effective for any purpose unless the operator has first complied with the payment provisions hereof.

Sec. 7.183 Appeal.

1. ~~Any seller aggrieved by any decision of the Manager with respect to the amount of such tax, interest and penalties, if any, may appeal to the City Council by filing a notice of appeal with the Manager within fifteen (15) days of mailing of the notice of a decision. The City Manager shall fix a time and place for hearing the appeal, as prescribed by the City Council, and shall give the appellant fifteen (15) days written notice of the time and place of the hearing before the City Council.~~
2. ~~The appellant shall pay a nonrefundable appeal fee to facilitate the appeal. Appeal Fees shall~~

be set at \$150 for each decision appealed, and may be adjusted by Resolution of the City Council.

3. ~~The parties shall be entitled to appear personally and by counsel and to present such facts, evidence and arguments as may tend to support the respective positions on appeal.~~
4. ~~The City Council shall afford the parties an opportunity to be heard at an appeal hearing after reasonable notice. The City Council shall take such action upon the appeal it sees fit. The City Council shall at a minimum:~~
 - a. ~~At the commencement of the hearing, explain the relevant issues involved in the hearing, applicable procedures and the burden of proof.~~
 - b. ~~At the commencement of the hearing place on the record the substance of any written or oral ex parte communications concerning any relevant and material fact in issue at the hearing which was made outside the official proceedings during the pendency of the proceeding. The parties shall be notified of the substance of the communication and the right to rebut the communication. Notwithstanding the above, the parties are prohibited from engaging in ex parte communications with the members of the city council.~~
 - c. ~~Testimony shall be taken upon oath or affirmation of the witnesses.~~
 - d. ~~The City Council shall ensure that the record developed at the hearing shows a full and fair inquiry into the relevant and material facts for consideration for the issues properly before the hearings officer.~~
 - e. ~~Written testimony may be submitted under penalty of false swearing for entry into the record. All written evidence shall be filed with the City Recorder no less than five (5) working days before the date of the hearing.~~
 - f. ~~The City Council shall hear and consider any records and evidence presented bearing upon the Manager's determination of amount due, and make findings affirming, reversing or modifying the determination.~~
 - g. ~~Informal disposition may be made of any case by stipulation, agreed settlement, consent order or default.~~
5. ~~The action of the Manager shall be stayed pending the outcome of an appeal properly filed pursuant to this section.~~
6. ~~Failure to strictly comply with the applicable appeal requirements, including but not limited to the required elements for the written notice of appeal, time for filing of the notice of appeal, and payment of the applicable appeal fee, shall constitute jurisdictional defects resulting in the summary dismissal of the appeal.~~
7. ~~The findings of the City Council shall be final and conclusive, and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.~~

1. Any person aggrieved by any decision of the tax administrator may appeal to the City Council by filing a notice of appeal with the tax administrator within ten days of notice of the decision.
2. The tax administrator shall transmit the notice, together with the file of the appealed matter, to the Council.
3. The Council shall fix a time and place for hearing the appeal and shall give the appellant not less than ten days written notice of the time and place of hearing.

Sec. 7.184. Security for Collection of Tax.

The tax administrator may require a retailer to deposit security in the form of cash, bond or other security. The amount of security shall be fixed by the tax administrator, but shall not be greater than the retailer's estimated average quarterly liability for the period for which the retailer files returns or \$5,000.00, whichever amount is less. The amount of the security may be increased or decreased by the tax administrator, subject to the limitations of this subsection.

Sec. 7.185. Liens.

1. The tax, together with the interest, penalties, filing fees paid to the Clerk of Deschutes County, Oregon, and any advertising costs incurred when the tax becomes delinquent shall be a lien from the date of its recording with the clerk until paid. The lien shall be superior to all subsequent recorded liens on all tangible personal property used in the commercial establishment of an retailer within the City and may be foreclosed and the property sold to discharge the recorded lien. Notice of the lien shall be issued by the tax administrator when the retailer is in default in the payment of the tax, interests or penalty and shall be sent to the delinquent retailer. The personal property subject to the lien seized by the tax administrator may be sold at public auction after ten days notice made by one publication in a newspaper published in the City.
2. A lien for taxes shall be released by the tax administrator after the full payment of all taxes, penalties and interest for which the lien has been imposed. The retailer or person making the payment shall receive a receipt stating that the full amount of taxes, penalties and interest has been paid, that the lien is released, and that the record of lien is satisfied.

Sec. 7.186 Refunds.

1. Whenever the amount of any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or received by the tax administrator under this chapter, it may be refunded if a verified claim in writing, stating the specific reason for the claim, is filed with the tax administrator within three years from the date of payment. The claim shall be made on forms provided by the tax administrator. If the claim is approved by the tax administrator, the excess amount may be refunded or may be credited on any amounts then due and payable by the retailer, and the balance may be refunded to the ~~retailer~~ **retailer**, or the ~~retailer's~~ **retailer's** administrators, executors or assigns.
2. No refund shall be paid under the provisions of this section unless the claimant established the right by written records showing entitlement to such refund and the ~~Manager~~ **tax administrator** acknowledged the validity of the claim.

Sec. 7.187 Enforcement.

Any tax required to be paid by any retailer under the provisions of this chapter shall be deemed a debt owed by the retailer to the City. Any such tax collected by a retailer which has not been paid to the City shall be deemed a debt owed by the retailer to the City. Within three years after the tax becomes payable or within three years after a determination becomes final, the City may bring an action in the name of the City in the courts of this state, another state or the United States to collect the amount delinquent and penalties and interest. In lieu of filing an action for the recovery, the City, when taxes due are more than 30 days delinquent, can submit any outstanding tax to a collection agency. So long as the City has complied with the provisions set forth in ORS 697.105 (as hereafter amended), in the event the City turns over a delinquent tax account to a collection agency, it may add to the amount owing an amount equal to the collection agency fees.

Sec. 7.188 Confidentiality.

Except as otherwise required by law, it shall be unlawful for the City, any officer, employee or agent to divulge, release or make known in any manner any financial information submitted or disclosed to the City under the terms of this chapter. Nothing in this section shall prohibit:

1. The disclosure of the names and addresses of any person who is operating a licensed establishment from which marijuana is sold or provided; or
2. The disclosure of general statistics in a form which would not reveal an individual retailer's financial information; or
3. Presentation of evidence to the court, or other tribunal having jurisdiction in the prosecution of any criminal or civil claim by the tax administrator or an appeal from the tax administrator for amount due the City under this chapter; or

4. The disclosure of information when such disclosure of conditionally exempt information is ordered under public records law procedures; or
5. The disclosure of records related to a business' failure to report and remit the tax when the report or tax is in arrears for over six months or the tax exceeds five thousand dollars (\$5,000). The City Council expressly finds and determines that the public interest in disclosure of such records clearly outweighs the interest in confidentiality under ORS 192.501(5).

Sec. 7.189 Administration

1. It shall be the duty of every retailer liable for the collection and payment to the city of any tax imposed by this chapter to keep and preserve, for a period of three (3) years and six (6) months all records, books, reports, income tax reports, OLCC tax reports and other matters required by this chapter as may be necessary to determine the amount of such tax as the retailer may have been liable for the collection of and payment to the City, which records the tax administrator shall have the right to inspect at all reasonable times as set forth below. Every retailer shall maintain records of marijuana purchase and sales, accounting books and records of income. Retailers must, at a minimum, include a cash receipt and deposit journal, and a cash disbursements journal/check register for all authorized deductions. These records and books shall reconcile to the tax reports and be auditable. They shall also reconcile to the retailer's income tax reports. If the tax administrator finds the books and records of the retailer are deficient in that they do not provide adequate support for tax reports filed, or the retailer's accounting system is not auditable, it shall be the responsibility of the retailer to improve its accounting system to the satisfaction of the tax administrator.
2. The City, for the purpose of determining the correctness of any tax return, or for the purpose of an estimate of taxes due, may examine or may cause to be examined by an agent or representative designated by the City for that purpose, any books, papers, records, or memoranda, including copies of retailer's state and federal tax returns, bearing upon the matter of the retailer's tax return. All books, invoices, accounts and other records shall be made available within the City limits and be open at any time during regular business hours for examination by the tax administrator or an authorized agent of the tax administrator. If any taxpayer refuses to voluntarily furnish any of the foregoing information when requested, the tax administrator may immediately seek a subpoena to require that the taxpayer or a representative of the taxpayer attend a hearing or produce any such books, accounts and records for examination.

Sec. 7.190 Violations

1. It is unlawful for any retailer or any other person so required to fail or refuse to register as required, or to furnish any return required to be made, or fail or refuse to furnish a supplemental return or other data required by the ~~Manager~~ **tax administrator** or to enter a false or fraudulent report, with intent to defeat or evade the determination of any amount due required by this chapter.
2. Violation of any provision of this chapter of this code shall be punishable by a Class A civil infraction and/or a Class A administrative infraction. Every day in which the violation is caused or permitted to exist constitutes a separate infraction, and the punishment therefore shall be in addition to any other penalty, interest, sum or charge imposed by this code or this chapter. Delinquent taxes and fees, penalty and interest imposed by this chapter and this code may be collected in a civil action.
3. The remedies provided by this section are not exclusive and shall not prevent the City from exercising any other remedy available under the law, nor shall the provisions of this ordinance prohibit or restrict the City or other appropriate prosecutor from pursuing criminal charges under state law or City ordinance.

Sec. 7.191 Forms and Regulations.

The ~~Manager~~ **tax administrator** is hereby authorized to prescribe forms and promulgate rules and regulations to aid in the making of returns, the ascertainment, assessment and collection of said marijuana item tax and in particular and without limiting the general language of this chapter, to provide for:

1. A form of report on sales and purchases to be supplied to all retailers;
2. The records which retailers providing marijuana **items** and ~~marijuana-infused products~~ are to keep concerning the tax imposed by this chapter.



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: Steve Ashworth, Deputy City Manager
Keith Leitz, City Attorney
Kyle Roberts, Planning Director
SUBJECT: Ordinance #2025-03: An Ordinance of the City of Redmond amending the Redmond City Code, Chapter 8, regulating time, place, and manner for retail marijuana dispensaries.

Report in Brief:

This item requests City Council to conduct a public hearing to review and conduct a first reading of Ordinance #2025-03, amending the Redmond Development Code to establish marijuana dispensaries as a use and establish time, place, and manner (TPM) regulations.

Background:

An essential mechanism needed to regulate the siting and operation of marijuana dispensaries are TPM regulations. Oregon Revised Statutes (ORS) 475C.449 and 475C.897 provide that local governments may impose reasonable regulations on the TPM of operation of recreational and medical marijuana facilities, respectively. Under the home rule provisions of the Oregon Constitution, local governments do not need legislative authorization to impose TPM restrictions, and that the Legislature's decision to expressly confirm local authority to impose certain restrictions does not preclude cities from imposing other restrictions not described in state law. State law expressly provides that cities may impose reasonable regulations that include, but are not limited to, the following: hours of operation; the location of recreational licensees, except that a City may not impose more than a 1,000 foot buffer between retail licensees; impose reasonable conditions on the manner in which marijuana is sold to the public; and the public's access to the premises of retail dispensaries.

Discussion:

With direction from City Council, staff drafted amendments to the zoning standards of the RDC, specifically, adding marijuana business as a use to each zoning district's use table as well as the creation of a new section of code for the TPM regulations. In general, marijuana businesses will only be allowed in C-1, C-2 (excluding the Downtown Overlay District), and C-3 commercial zoning districts. Furthermore, marijuana businesses cannot be located: adjacent to any residentially zoned area; within 500 feet of any public parks, shelters and treatment facilities, and the Redmond transit hub; within 1,000 feet of licensed childcare and daycare facilities, a public elementary or secondary school or private or parochial elementary or secondary school; and within 1,000 feet of another marijuana business. Further details of the TPMs are included in Exhibit B of this staff report.

Planning Commission Recommendation:

As required through the legislative amendment process, the Redmond Urban Area Planning Commission (UAPC) held the first evidentiary public hearing on March 19, 2025. After review, public testimony, and deliberation, the UAPC voted unanimously (6-0) to recommend City Council adopt the proposed amendments as presented by staff with modifications to increase the buffer for shelters from 500 feet to 1,000 feet; reduce the buffer for the Redmond Transit Hub from 500 feet to 250 feet; and the Commission recommended staff create a variance process that can be used to allow for flexibility when applying buffering to properties with unique circumstances.

The Chair of the UAPC will attend the March 25 Council meeting to discuss the context of these recommendations.

Fiscal Impact:

There are no direct fiscal impacts to the City with this development code amendment.

Alternative Courses of Action:

Conduct the public hearing and consider additional public testimony. Courses of action include:

1. Conduct a first reading of Ordinance #2025-03.
2. Direct staff to make additional changes and conduct a first reading of Ordinance #2025-03.
3. Take no action and request more information for review at a continued hearing.

As required by the City Charter, notices regarding this ordinance coming before the Council were posted in three public places on March 18, 2025, and three copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:

"I move to have a first reading of Ordinance #2025-03, by title only." (Voice vote)

(The City Attorney will read the ordinance by title only)

**CITY OF REDMOND
ORDINANCE NO. 2025-03**

**AN ORDINANCE OF THE CITY OF REDMOND AMENDING THE REDMOND CITY CODE
CHAPTER 8 REGULATING TIME PLACE AND MANNER FOR RETAIL MARIJUANA
DISPENSARIES.**

WHEREAS, the City of Redmond has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant to allow the City; and

WHEREAS, Oregon Revised Statute (ORS) 475C.449 specifically authorizes cities to implement local time, place, and manner regulations; and

WHEREAS, on November 5, 2024, voters approved advisory ballot measure 9-177 by a margin of 53.5% to 46.5%, which requested the City Council allow the sale of marijuana items by a marijuana retailer within the City; and

WHEREAS, the Redmond Urban Area Planning Commission held a public hearing on March 19, 2025, and, after reviewing the record and gathering public testimony, has recommended that the City Council adopt time, place, and manner regulations for retail marijuana dispensaries; and

WHEREAS, the City Council held multiple public hearings to consider time, place, and manner regulations for retail marijuana dispensaries, reviewed the existing record and has gathered additional evidence and public testimony; and

WHEREAS, the City of Redmond finds that certain time, place, and manner regulations are necessary for public safety, efficiency, aesthetics, and orderly administration for retail marijuana dispensaries within the City; and

WHEREAS, the City Council determines that the findings contained in Exhibit C for the adoption of the amendments to the Redmond Development Code have fully addressed the City's Comprehensive Plan, the applicable state law, the Statewide Planning Goals and the City's standards and criteria for an amendment to the Redmond Development Code; and

WHEREAS, the City Council finds that the attached amendments are necessary to further these interests.

NOW THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Sections 8.026 through 8.260 and establishes Sections 8.900 through 8.915. The amendments and adopted text are attached hereto as "Exhibit A" and "Exhibit B", respectively.

SECTION TWO: In support of the approval, the City of Redmond hereby adopts the findings, which are attached hereto as "Exhibit C", which were prepared by City staff and demonstrate compliance with the Redmond Development Code, Section 8.760 – Amendments, and the applicable Statewide Planning Goals.

SECTION THREE: SEVERABILITY: The provisions of this Ordinance are severable. The

invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given without such invalid part or parts.

SECTION FOUR: EFFECTIVE DATE: This Ordinance shall be effective on the 30th day following its passage.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder

EXHIBIT A

Sec. 8.026. Consistency with Plans and Laws.

Actions initiated under this Code shall be consistent with applicable State and Federal laws and regulations as these laws and regulations may now or hereafter provide. No parcel of land or structure may be used for, or in conjunction with, an activity that violates any State or Federal law (with the exception of federal laws related to marijuana businesses and processing industrial hemp).

(Ord. No. 2014-03, 4-1-2014)

Sec. 8.135. Table A, Residential Zones, Uses Permitted.

The following uses are allowed outright or conditionally in each of the Residential zones as follows:

"O" means Permitted Outright

"C" means Permitted Conditionally

"N" means Not Allowed

Residential Uses:	R-1	R-2	R-3	R-4	R-5	RESTRICTIONS AND REQUIREMENTS
Accessory Building:						
Detached sheds, shops, and garages	O	O	O	O	O	Must be located within the property and not in the yard setback areas. Moveable shipping containers, or similar, are not allowed.
Guest House	O	O	O	O	O	No kitchen; uses main houses' sewer & water
Accessory Dwelling Unit / Accessory Suite	O	O	O	O	O	Uses main houses' sewer & water or individual City Services; may have kitchen
Accessory Use	O	O	O	O	O	Includes Home Occupations
Apartments						See Multi-Family Complex / Dwelling
Bed and Breakfast	C	C	C	C	C	
Boarding or Rooming House	N	N	C	O	O	
Duplex, Triplex, Quadplex, Townhouse, Cottage Cluster	O	O	O	O	O	
Manufactured Home	O	O	O	O	O	See Single Family Detached Dwelling
Manufactured Home Park	N	N	N	O	O	See Section 8.375
Manufactured Home Subdivision	N	N	O	O	O	Subject to compliance w/ applicable ORS
Multi Family Complex (five + units)	C	C	C	O	O	
Public-Owned Affordable Housing Developments	O	O	O	O	O	See Section 8.145
Nursing, Convalescent, and Assisted Living Facility	N	N	C	C	C	More than 15 people
Planned Unit Development	C	C	C	C	C	
Residential Care Facility	N	N	C	C	O	Defined in and regulated by ORS
Residential Care Home	O	O	O	O	O	Defined in and regulated by ORS
Single Family Detached Dwelling	O	O	O	O	O	

Single Room Occupancy Development	O	O	O	O	O	
Non Residential Uses:	R-1	R-2	R-3	R-4	R-5	RESTRICTIONS AND REQUIREMENTS
Child Care Facility:						
Child Care Center	C	C	C	C	C	
Child Care Home	O	O	O	O	O	
Church, Religious Institution	C	C	C	C	C	
Community Center (private)	C	C	C	C	C	
Community Pool (private)	C	C	C	C	C	
Emergency Shelter	O	O	O	O	O	Reviewed under ORS 197.782. Emergency shelters for natural disaster response are not subject to review.
Farm Use, Farming	O	O	O	O	O	
Marijuana Business	N	N	N	N	N	
Mini Storage	N	N	N	N	N	
Mobile Food Pod	N	N	N	N	N	
Mobile Food Unit	N	N	N	N	N	
Mobile Food Vendor on private property	O	O	O	O	O	Permitted through Business Licensing provisions in City Code, Section 7.005 et seq. Can only operate between 8 AM and 9 PM for no more than two consecutive days within a 90-day period and must be located on real property in association with an event.
Mobile Food Vendor on public property	O	O	O	O	O	Permitted through Special Events provisions in City Code, Section 7.350 et seq. or Parks Reservation Permit.
Multi-Use Trail	O	O	O	O	O	
Park	O	O	O	O	O	
Livestock	O	O	O	O	O	Subject to livestock provisions, Section 8.365
Office	N	N	C	C	C	Conditional in conjunction with a master plan or PUD
Retail	N	N	C	C	C	Conditional in conjunction with a master plan or PUD
Residential Conversion of Existing Commercial Structure	O	O	O	O	O	See Section 8.144
School (private)	C	C	C	C	C	
Supportive Shelter	O	O	O	O	O	See Section 8.370, Supportive Shelter Standards.
Tennis Court (private)	O	O	O	O	O	Non-commercial use only
Public Facility or Emergency Management Services	C	C	C	C	C	
City Owned Utility Facility	O	O	O	O	O	
Private Utility Facilities	C	C	C	C	C	
All "R" zones are subject to density transfer provisions. See Section 8.020, "Definitions," Density Transfer, and 8.367, "OSPR / 'R' Zone Density Transfer Provision						

(Ord. No. 2009-04, 4-28-2009; Ord. No. 2015-04, 5-19-2015; Ord. No. 2016-17, 1-31-2017; Ord. No. 2018-09, 9-11-2018; Ord. No. 2020-15, 11-10-2020; Ord. No. 2022-04, 6-28-2022; Ord. No. 2023-07, 12-19-2023)

Sec. 8.137 Table for R-3A Zones, Uses Permitted.

The following uses are allowed outright or conditionally in the Residential Zone R-3A as follows:

Residential Uses:	R-3A	RESTRICTIONS AND REQUIREMENTS
Accessory Building: Detached sheds, shops, garages.	O	Must be located within the property and not in the yard setback areas. Moveable shipping containers, or similar, are not allowed. Potting sheds, or similar, must be located within the property and not in the yard setback areas.
Guest Houses or Accessory Dwelling Unit	O	Connected to primary residential unit utilities; includes kitchen.
Accessory Use	O	Includes Home Occupation.
Multi-Family Complex	O	
Bed and Breakfast	C	
Single Family Detached Dwelling, Duplex, Triplex, Quadplex, Townhouse, Cottage Cluster, Single Room Occupancy Development	O	
Public-Owned Affordable Housing Development	O	See Section 8.145
Residential Care Home	O	Defined and regulated by ORS.
Non-Residential Uses:		
Child Care Facility		
Child Care Center	C	
Child Care Home	O	
Church, Religious Institution	C	
Community Center (private)	C	
Community Pool (private)	C	
Commercial Office	C	Only within buildings existing as of Oct. 20, 2007, or as modified (expanded) up to a maximum of 25 percent. Any modification shall require site plan review. A building destroyed or damaged may be rebuilt up to the former size and general configuration.
Retail	C	
Professional Offices	C	
Restaurant	C	
Theater	C	
Art Gallery or Center	C	
Public or Semi Public Uses	C	
Marijuana Business	N	
Mobile Food Pod	N	
Mobile Food Unit	N	
Mobile Food Vendor on private property	O	Permitted through Business Licensing provisions in City Code, Section 7.005 et. Seq. Can only operate between 8 AM and 9 PM for no more than two consecutive days within a 90-day

		period and must be located on real property in association with an event.
Mobile Food Vendor on public property	O	Permitted through Special Events provisions in City Code, Section 7.350 et. Seq. or Parks Reservation Permit.
School (private)	C	
Supportive Shelter	O	See Section 8.370, Supportive Shelter Standards.
Tennis Court (private)	O	
City Owned Utility Facility	O	
Private Utility Facilities	C	
Residential Conversion of Existing Commercial Structure	O	See Section 8.144
Emergency Shelter	O	Reviewed under ORS 197.78.2 Emergency shelters for natural disaster response are not subject to review.

C = conditional uses.

(Ord. No. 2018-09, 9-11-2018; Ord. No. 2020-15, 11-10-2020; Ord. No. 2022-04, 6-28-2022; Ord. No. 2023-07, 12-19-2023)

Sec. 8.190. Table C, Uses Permitted.

The following uses identified below are allowed outright or conditionally in each of the Commercial and Industrial zones. Outright or conditional uses in the M-1.5 zone may be permitted Conditionally in the M-1 or M-2 zones; this allowance does not apply for uses Not Allowed ("N").

"O" means Permitted Outright

"C" means Permitted Conditionally

"N" means Not Allowed

(***)

Retail Uses:	C-1	C-2	C-3	C-4	C-4A	C-5	M-1	M-1.5	M-2	DOD	Restrictions and Requirements:
Bicycle Sales and Service	O	O	N	O	O*	O	N	O	N	O	
Bulky Retail (including furniture)	O	O	N	O	O	O	N	O	N	O	Excludes equipment and heavy equipment.
Contractor Supplies (enclosed)	O	O	N	O	O	N	O	O	O	O	Also called Building Supplies (non-landscaping).
Contractor Supplies (outdoors)	O	C	N	C	O	N	N	O	N	C	
Delicatessen	O	O	O	O	O*	O	C	C	N	O	
Drug Store, Pharmacy	O	O	O	O	O*	O	N	O	N	O	
Equipment Sales, Service & Rental	O	O	N	O	O	N	N	O	N	C	Excludes Heavy Equipment Sales and Service.

Florist	O	O	O	O	O*	O	N	O	N	O	
Gallery, Studio	O	O	N	O	O	O	N	O	N	O	
General Retail	O	O	N	O	O*	O	N	N	N	O	
Gift/Card Shop	O	O	O	O	O*	O	N	N	N	O	
Grocery Store, Market	O	O	N	O	O**	O	N	N	N	O	
Hardware Store	O	O	N	O	O*	O	N	C	N	O	
Heavy Equipment Sales	O	N	N	N	N	N	O	C	O	N	Only permitted w/ primary service use in M Zone.
Heavy Equipment Service	O	N	N	N	N	N	O	C	O	N	
Heavy Equipment Storage (outdoor)	N	N	N	N	N	N	N	C	O	N	
Marijuana Business	O	O	O	N	N	N	N	N	N	N	See Section 8.900, Marijuana Businesses Standards
Medical Supplies (Retail)	O	O	O	O	O	N	N	C	N	O	
Mobile/Manufactured Home Sales & Service	O	N	N	C	N	N	N	N	N	N	
Novelty, Specialty, Variety Store	O	O	C	O	O*	O	N	N	N	O	Includes music, art supply, electronic equipment, sporting goods.
Outdoor Merchandise Display, Other	O	C	N	O	O	N	N	C	N	C	Non storage related; for retail sales.
Pet Shop	O	O	N	O	O	O	N	N	N	O	
Plant Nursery	O	N	N	O	O	O	N	C	N	N	
Thrift Store- ¹	O	O	O	O	N	O	N	N	N	O	

(***)

O* Maximum size = 10,000 square feet

O** Maximum size = 20,000 square feet

(Ord. No. 2012-10, 8-14-2012; Ord. No. 2015-04, 5-19-2015; Ord. No. 2016-17, 1-31-2017; Ord. No. 2017-12, 12-12-2017; Ord. No. 2018-09, 9-11-2018; Ord. No. 2020-15, 11-10-2020; Ord. No. 2022-04, 6-28-2022; Ord. No. 2022-09, 12-13-2022; Ord. No. 2023-07, 12-19-2023)

Sec. 8.220. Table E, Permitted Uses.

The following land uses are permitted outright or conditionally in each respective zone:

"O" means Permitted Outright

"C" means Permitted Conditionally

"N" mean Not Allowed

LAND USE:	ZONE	Comment:
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Residential	FG	OSPR	PF	Park	Airport Zone / Airport Compatibility Zone	
Homeless Shelter	O	O*	C	N	N	
Public-Owned Affordable Housing Development	O	O	O	O	N	See Section 8.145
Single Family Dwelling	O	C	N	N	N	In conjunction with a use permitted by this Section, a caretaker residence or in OSPR with approved density transfer.
Farm Uses:						
Grazing of livestock and horses	N	O	N	N	N	
Production of crops	N	O	O	N	N	
Livestock stabling	O	N	N	N	N	
Other Farm Uses	N	C	N	N	N	
Non-Residential Uses:						
Marijuana Business	N	N	N	N	N	
Mobile Food Pod	N	C	N	N	N	Permitted through Site and Design Review
Mobile Food Unit	N	C	N	N	N	Permitted through Temporary Use Permit, Section 8.380.
Mobile Food Vendor on private property	O	O	O	O	O	Permitted through Business Licensing provisions in City Code, Section 7.005 et seq. Can only operate between 8 Am and 9 Pm for no more than two consecutive days within a 90-day period and must be located on real property in association with an event.

Mobile Food Vendor on public property	O	O	O	O	O	Permitted through Special Events provisions in City Code, Section 7.350 et seq. or Parks Reservation Permit.
Public or Private Schools	C	N	C	N	N	
Parks, trails, reserve areas	O	O	O	O	N	
Public Facilities including cemetery	N	O/C	O/C	O/C	N	Outright only when approved in the Comp Plan or Other Public Facilities Plan for OSPR and Park Zones. Conditional use if adjacent to "R" zone (applies to the PF zone only)
Public Safety, Emergency Services, Training Coordination Facilities	O	C	O	C	C	
Expo Center Arenas	O	N	N	N	N	
Plaza, Amphitheater for Outdoor Events	O	C	O	O	N	
Campground for use during Events	O	N	N	N	N	
Recreational and Sports Facilities	O	C	O	O	C*	In the Public Facility Zone, recreation facilities shall be in public ownership. *Applies to Airport Compatibility Zone.
Museum, Theater, Community Center	O	C	O/C	C	O	In the Public Facility Zone, outright uses for public and non-profit agencies. Conditional use permits are required for commercial uses exceeding six consecutive months or six months within the same calendar year.
Commercial Use: Accessory to Permitted Use	O	O	O	O	O	In the Public Facility Zone, commercial uses are limited to

						no more than 50 percent of the total floor area, building footprint or lot area, whichever is most restrictive. Commercial use subject to a Temporary Use Permit.
RV Park	O	N	N	N	C*	*Applies to Airport Compatibility Zone.
Emergency Shelter	O	O	O	O	O	Reviewed under ORS 197.782. Emergency shelters for natural disaster response are not subject to review.
Supportive Shelter	O	N	O	N	N	See Section 8.370, Supportive Shelter Standards.
Airport						
Airfields					O	
General Aviation					O	
Passenger Terminal Complexes					O	
Air Cargo & Maintenance Facilities					O	
Support Facilities (Air life, Fire, etc.)					O	
Any use complimentary to aviation					O	
Other Uses					O	Light industrial, manufacturing, or commercial uses consistent with applicable provisions of either the Redmond Airport Master Plan, Redmond Comprehensive Plan or if the uses do not create a safety hazard or otherwise limit approved airport uses as determined

						by the Airport Director.
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(Ord. No. 2009-04, 4-28-2009; Ord. No. 2015-04, 5-19-2015; Ord. No. 2016-17, 1-31-2017; Ord. No. 2018-09, 9-11-2018; Ord. No. 2020-15, 11-10-2020; Ord. No. 2022-04, 6-28-2022; Ord. No. 2023-07, 12-19-2023)

Sec. 8.260. Table G, Uses Permitted.

The following land uses are permitted outright or conditionally in each respective Zone as follows:

"O" means Permitted Outright

"C" means Permitted Conditionally

"N" means Not Allowed

Standard	MUN	MUE	Reference/Standards:
Commercial Uses:			
Child Care Facilities	C	C	
Marijuana Business	N	N	
Retail Uses	O/C	C***	In the MUN zone, single retail uses are permitted outright up to 25,000 square feet in floor area; single retail uses between 25,000 and 40,000 square feet in floor area require a Conditional Use Permit.
Services Commercial Uses	O	O	
Veterinarian Services	O	O	
Drive through / up facilities as part of an approved use (facilities must include an inside use component such as seating or a service area, except for voting drop offs and postal drop boxes)	O	O	
** Any residential use is prohibited within 1 mile of the Redmond Airport Runway Protection Zone.			
*** In the MUE zone, commercial uses must be of a type and scale that is designed to support surrounding industrial, and employment uses and may not be used for commercial development that serves a primarily regional retail function.			
Standard	MULW	Reference/Standards:	
Commercial Uses:			
Child Care Facilities	C		
Marijuana Business	N		
Retail Uses	O	In the MULW zone, retail use shall be only allowed as an accessory to an outright permitted or conditional use and shall be limited to 2,500 square feet per use.	
Convenience Store	O	Limited to 2,500 square feet in size	

Services Commercial Uses	O	In the MULW zone, service commercial uses shall support the neighborhood (such as beauty and barber shops, day care, dry cleaners) and shall be limited to 2,500 square feet per use.
Drive through / up facilities as part of an approved use (facilities must include an inside use component such as seating or a service area, except for voting drop offs and postal drop boxes)	C	In MULW drive through or drive up facilities shall not be located within 600 feet of any arterial or collector intersection with a State highway, within 400 feet of a local street intersection with a State highway, and not adjacent to or have access to a State highway. Otherwise, drive through or drive up facilities may be located within 100 feet of a collector or arterial street intersection and shall be separated from other drive through and drive up facilities by a minimum of 300 feet.

(Ord. No. 2009-03, 5-26-2009; Ord. No. 2009-14, 12-8-2009; Ord. No. 2011-09, 11-8-2011; Ord. No. 2015-04, 5-19-2015; Ord. No. 2020-15, 11-10-2020; Ord. No. 2022-04, 6-28-2022; Ord. No. 2022-09, 12-13-2022; Ord. No. 2023-07, 12-19-2023)

EXHIBIT B

MARIJUANA BUSINESSES

Sec. 8.900. Purpose.

For the purpose of zoning regulation pursuant to this section, recreational and medical marijuana facilities are considered the same by the City of Redmond.

Sec. 8.905. Applicability and Zoning.

Marijuana businesses are an allowed use in the C-1, C-2 (excluding in the Downtown Overlay District), and C-3 zones. The following standards apply to all marijuana businesses in Redmond:

1. Marijuana businesses include production, laboratories, processing, wholesale, and retail use.
2. Marijuana businesses are prohibited abutting any “R” residentially zoned area, except that this provision shall not apply where the subject property abuts a street that has a highway, major arterial, minor arterial, or collector functional classification as shown in the City of Redmond Transportation System Plan.
3. Home Occupation. A marijuana business may not be operated as a home occupation.
4. The sale or distribution of marijuana is prohibited for mobile vendors and at all special events and outdoor markets.

Sec. 8.910. Restrictions on Location: Marijuana Dispensary or Retailer.

A marijuana dispensary or retailer shall not locate:

1. Within 500 feet of any public parks, shelters and treatment facilities, and Redmond transit hub.
2. Within 1,000 feet of any licensed childcare and daycare facilities.
3. Within 1,000 feet of a public elementary or secondary school for which attendance is compulsory under ORS 339.020, or a private or parochial elementary or secondary school, teaching children as described in ORS 339.030(1)(a).
4. Within 1,000 feet of another marijuana dispensary or retailer.
5. If a new protected property or use described in this section should be established within the aforementioned separation distance of an existing legally established marijuana dispensary or retailer, the existing marijuana dispensary or retailer may remain in place and the separation requirement shall not be applied.
6. The spacing distance specified in this section is a straight-line measurement from the closest points between property lines of the affected properties.

Sec. 8.915. Standards of Operation.

1. Compliance with Other Laws. All marijuana businesses shall comply with all applicable laws and regulations, including, but not limited to, zoning, building, and fire codes.
2. Registration and Compliance with State Law. The marijuana business’s state license or authority shall be in good standing with the Oregon Health Authority or Oregon Liquor Control Commission (OLCC) and the marijuana business shall comply with all applicable laws and regulations administered by the respective state agency, including, without limitation those rules that relate to labeling, packaging, testing, security, waste management, food handling, and training.
3. No portion of any marijuana business shall be conducted outside, including but not limited to outdoor storage, production, processing, wholesaling, laboratories and retail sale, except for temporary ingress and egress of vehicles, persons and materials associated with the permitted use.
4. Hours of Operation. Operating hours for a marijuana business shall be in accordance with the applicable license issued by the OLCC or OHA.

5. Odors. A marijuana business shall use an air filtration and ventilation system that is certified by an Oregon Licensed mechanical engineer to ensure that all odors associated with the marijuana is confined to the licensed premises to the extent practicable. For the purposes of this provision, the standard for judging “objectionable odors” shall be that of an average, reasonable person with ordinary sensibilities after taking into consideration the character of the neighborhood in which the odor is made and the odor is detected.
6. Doors and windows shall remain closed, except for the minimum length of time needed to allow people to ingress or egress the building.
7. Secure Disposal. The facility must provide for secure disposal of marijuana remnants or by-products; marijuana remnants or by-products shall not be placed within the marijuana business’s exterior refuse containers.
8. Drive-Through, Walk-Up. A marijuana business may not have a walk-up window or a drive-through.
9. The facility shall maintain compliance with all applicable security requirements of the OLCC including alarm systems, video surveillance, and a restriction on public access to certain facilities or areas within facilities.

EXHIBIT C

FINDINGS FOR TEXT AMENDMENTS TO THE REDMOND CITY CODE, CHAPTER 8 (DEVELOPMENT CODE)

HEARING DATE: March 25, 2025, 6:00 PM, Redmond City Hall Council Chambers and via digital conference (GoTo Meeting)

HEARINGS BODY: Redmond City Council

FILE NUMBER: 711-25-000033-TA

FILE NAME: Redmond Development Code Text Amendment

REQUEST: A Legislative Amendment to the Redmond City Code, Chapter 8 (Development Code) to Establish Cannabis Dispensary Time, Place, and Manner Regulations

APPLICANT: City of Redmond

REVIEWING STAFF: Kyle Roberts, AICP, Planning Director
Keith Leitz, City Attorney

I. BACKGROUND

Summary:

The Redmond Development Code (RDC) is the primary mechanism to implement the City's Comprehensive Plan, regulate zoning, growth and development, land use activity, and other City policies related to Great Neighborhood Principles. As a living document, periodic amendments to the RDC are needed to adapt to changing conditions, comply with Comprehensive Plan policies, new state legislation, or simply to improve administration of provisions within the code. Code amendments touch on many different aspects of the community, livability and have significant implications regarding providing certainty, flexibility and modernization of regulations all at the same time.

In July 2016, through the previous passage of Measure 91, recreational marijuana use and possession by people 21 and older was legalized in Oregon. While Oregon legalized the recreational use of marijuana, Redmond did not opt into the statewide program. The Redmond opt-out was done by using the existing City Code related to business licenses, which states land use permits and business license uses must comply with local, state and federal law. Since marijuana is not legal at the federal level, City Council had the ability to request the Oregon Liquor Control Commission (OLCC) not to process requests for marijuana licensures in the Redmond city limits.

In November 2024, Redmond voters passed two Measures which showed a majority are in favor of retail marijuana dispensaries. First, Measure 9-177 (53.5% to 46.5%), which advised Council that voters desire a change in code to allow for retail marijuana dispensaries in Redmond. Second, a measure adding a three percent tax to sales of marijuana items, Measure 9-178 (70% to 30%).

These proposed amendments to the zoning standards in the Development Code is being initiated legislatively by staff at the direction of Council. The findings and supporting materials demonstrate the proposed text amendments is consistent with the Statewide Planning Goals, the Comprehensive Plan, and RDC Section 8.760 (Amendments). The four criteria set forth in Section 8.760 are addressed herein, as well as applicable state laws and requirements.

Proposal:

An essential mechanism needed to regulate the siting and operation of marijuana dispensaries are Time, Place, and Manner (TPM) regulations. Oregon Revised Statutes (ORS) 475C.449 and 475C.897 provide that local governments may impose reasonable regulations on the TPM of operation of recreational and medical marijuana facilities, respectively. The League of Oregon Cities believes that, under the home rule provisions of the Oregon Constitution, local governments do not need legislative authorization to impose TPM restrictions, and that the Legislature's decision to expressly confirm local authority to impose certain restrictions does not preclude cities from imposing other restrictions not described in state law.

State law expressly provides that cities may impose reasonable regulations that include, but are not limited to, the following: The hours of operation of retail licensees and medical marijuana grow sites, processing sites and dispensaries; the location of recreational licensees, as well as medical marijuana grow sites, processing sites and dispensaries, except that a city may not impose more than a 1,000 foot buffer between retail licensees; impose reasonable conditions on the manner in which marijuana is processed or sold to the public; and the public's access to the premises of recreational licenses, as well as medical marijuana grow sites, processing sites, and dispensaries.

With direction from City Council, staff drafted amendments to the zoning standards of the RDC, specifically, adding marijuana business as a use to each zoning district's use table as well as the creation of a new section of code for the TPM regulations. In general, marijuana businesses will only be allowed in C-1, C-2 (excluding the Downtown Overlay District), and C-3 commercial zoning districts. Furthermore, marijuana businesses cannot be located: adjacent to any residentially-zoned area; within 500 feet of any public parks, shelters and treatment facilities, and the Redmond transit hub; within 1,000 feet of licensed childcare and daycare facilities, a public elementary or secondary school or private or parochial elementary or secondary school; and within 1,000 feet of another marijuana business. Further details of the TPMs are included in Exhibit B of this staff report.

Exhibits:

The proposed amendments to the RDC are comprised of two exhibits. The exhibits are attached hereto:

Exhibit A – Amendments to existing zoning district use tables throughout the RDC

Exhibit B – New section under Article I – Zoning Standards, Marijuana Businesses (Secs. 8.900-8.915)

Noticing:

Noticing for the first evidentiary hearing scheduled for March 19, 2025, was noticed as follows:

- Per ORS 197.610, a notice of proposed change to an implementing regulation and zoning map amendment was submitted to the Department of Land Conservation and Development (DLCD) on February 12, 2025.
- Per Section 8.1110 of the Redmond Development Code, a public hearing notice for the March 19th Planning Commission hearing was published in the *Redmond Spokesman* on March 6, 2025.

Noticing for the second evidentiary hearing scheduled for March 25, 2025, was noticed as follows:

- Per Section 8.1110 of the Redmond Development Code, a public hearing notice for the March 25th City Council hearing was published in the *Redmond Spokesman* on March 13, 2025.

Applicable Criteria:

The following are the applicable sections from the Oregon Revised Statutes, Oregon Administrative Rules, and the Redmond Development Code:

- Oregon Revised Statutes (ORS) – Chapters 197 and 475C
- Oregon Administrative Rules (OAR), Chapter 660:
 - Division 15, Statewide Planning Goals and Guidelines
 - Division 18, Post-Acknowledgement Amendments
- City of Redmond Development Code:
 - Article I – Zoning Standards
 - Section 8.760: Criteria for Amendments

II. FINDINGS & CONCLUSIONS

Findings:

Redmond Development Code, Article I – Zoning Standards: Amendments: Sections 8.750 through 8.770 set forth the procedure and standards for an amendment to the text of the Redmond Development Code. Specifically, Section 8.760 sets forth the four review criteria that must be met when evaluating amendment requests. Findings for each criterion are presented below.

8.760 Criteria for Amendments. The burden of proof is upon the applicant. The applicant shall show the proposed change is:

1. In conformity with all applicable State statutes;

FINDING: The following State statutes apply directly to this application:

ORS 197.610, *Submission of proposed comprehensive plan or land use regulation changes to Department of Land Conservation and Development*

ORS 197.610 requires local jurisdictions to submit proposed comprehensive plan or land use regulation changes to Department of Land Conservation and Development (DLCD). Notice of the proposed implementing amendments to the Redmond Development Code (RDC) has been provided to DLCD more than 35 days in advance of the first evidentiary hearing concerning the amendments.

ORS 197.797, *Local quasi-judicial land use hearings; notice requirements; hearing procedures*

ORS 197.797 sets forth noticing requirements. The applicable RDC standards that address amendment and legislative procedures and noticing requirements (i.e., Sections 8.750-8.770 and 8.1100-8.1125) were developed in compliance with the applicable State statute regarding noticing and public hearings. The relevant findings, incorporated by reference herein, show compliance with the aforementioned statutes.

Notice of the proposed text amendment has been advertised in the local newspaper (public notice) as required by the RDC and State statute. Regarding statutory public hearing requirements, this proposal is legislative and not quasi-judicial. Sections 8.1100 through 8.1125 of the RDC implement the quasi-judicial statutory requirements in similar fashion and have been met. The Redmond Urban Area Planning Commission and City Council's public hearing and review processes meet the statutory requirements for the purpose of the review.

ORS 475C.449, *Local time, place and manner regulations* [cannabis for recreational use]

ORS 475C.897, *Local time, place and manner regulations* [cannabis for medical use]

ORS 475C.449 and 475C.897 provide that local governments may impose reasonable regulations on the TPM of operation of recreational and medical marijuana facilities, respectively. As previously

mentioned, the League of Oregon Cities believes that, under the home rule provisions of the Oregon Constitution, local governments do not need legislative authorization to impose TPM restrictions, and that the Legislature's decision to expressly confirm local authority to impose certain restrictions does not preclude cities from imposing other restrictions not described in state law.

The TPM regulations as drafted, comply with the time, place, and manner regulations of ORS 475C.449 and 475C.897.

Based on the above discussion and finding, staff concludes that the proposed amendments comply with criterion #1.

2. In conformity with the State-wide planning goals whenever they are determined to be applicable;

FINDING: The following State-wide planning goals have been determined to apply directly to this application:

Goal 1 – Citizen Involvement - calls for the opportunity for citizens to be involved in all phases of the planning process. The Redmond Urban Area Planning Commission serves as the City's formal citizen advisory commission to fulfill Goal 1 and is made up of Redmond area residents.

The agenda for the Planning Commission public hearing, where and when the proposed amendments are discussed, were provided in accordance with law. All documents were available for public review. Public notice advertising the March 19th public hearing was published in the *Redmond Spokesman*.

Goal 2 – Land Use Planning – requires establishing a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

The Oregon Liquor and Cannabis Commission (OLCC) is the agency who issues licenses for marijuana dispensaries at the state level. Per ORS 475C.053, before OLCC will issue a license, the applicant must obtain approval for a Land Use Compatibility Statement (LUCS) from the City. The LUCS must demonstrate that the requested license is for a land use (i.e., marijuana business) that is allowable within the given zoning designation where the land is located. Thus, amending the RDC to establish marijuana business as a use and establish TPM regulations is essential.

Goal 3 – Agricultural Lands – is not applicable because there are no agricultural lands in the city limits.

Goal 4 – Forest Lands – is not applicable because there are no forest lands in the city limits.

Goal 5 – Natural Resources, Scenic and Historic Areas, and Open Spaces – is not applicable because the proposed amendments do not affect any regulation that implements Goal 5 and the City's acknowledged regulations implementing Goal 5 remain in effect with no change in applicability.

Goal 6 – Air, Water, and Land Resources Quality – is not applicable because the City's acknowledged regulations implementing Goal 6 remain in effect with no change in applicability.

Goal 7 – Areas Subject to Natural Hazards – is not applicable because the City's acknowledged regulations implementing Goal 7 remain in effect with no change in applicability.

Goal 8 – Recreational Needs – requires the City to satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities

including destination resorts. This goal is not applicable as the amendments have no effect on the availability of or access to recreational opportunities.

Goal 9 – Economic Development – requires the City to plan and zone enough land to meet the community's projected commercial and industrial needs. The City adopted an Economic Opportunities Analysis (EOA) in 2020. This document serves as the City's compliance document under Goal 9, OAR 660-009-0015, and ORS 197.712. Strategies identified in the EOA carried over as economic development goals and policies outlined in Chapter 9 of the City's Comprehensive Plan. The proposed code amendments do not have a direct impact on the EOA or the economic development goals and policies of the City's Comprehensive Plan.

Goal 10 – Housing – provides for the housing needs of citizens of the state. The City adopted a Housing Needs Analysis (HNA) in 2019. This document serves as the City's compliance document under Goal 10, OAR Chapter 660, Division 008, and ORS 197.296(3). This report concludes that Redmond should plan to accommodate development of 6,963 new dwelling units over the next 20 years in order to house the projected population growth. The proposed amendments will have nearly no impact on lands needed for housing as the amendments would restrict marijuana businesses to three commercial zones. Furthermore, the TPM regulations would place additional restrictions on potential sites for dispensaries within the three commercial zones.

Goal 11 – Public Facilities and Services – requires the City to plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development. The proposed amendments will have no impact on the City's ability to plan and develop public facilities and services.

Goal 12 – Transportation – requires the City to provide and encourage a safe and convenient and economic transportation system. Per OAR 660-012-0060, the proposed amendments will have no impact on an existing or planned transportation facility.

Goal 13 – Energy Conservation – is not applicable because the City's acknowledged regulations implementing Goal 13 remain in effect with no change in applicability.

Goal 14 – Urbanization – requires the City to provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities. The proposed amendments do not encourage uncoordinated development, sprawl, or lower targeted densities. The management of the City's land use inventories is unaffected by this amendment.

Goal 15 – Willamette River Greenway – is not applicable to the city of Redmond.

Goal 16 – Estuarine Resources – is not applicable to the city of Redmond.

Goal 17 – Coastal Shorelands – is not applicable to the city of Redmond.

Goal 18 – Beaches and Dunes – is not applicable to the city of Redmond.

Goal 19 – Ocean Resources – is not applicable to the city of Redmond.

Based on the above discussion and finding, the proposed amendments are consistent with the statewide planning goals and therefore complies with criterion #2.

3. In conformity with the Redmond Comprehensive Plan, land use requirements and policies; and

FINDING: The Redmond Comprehensive Plan is the official land use policy statement of the Redmond City Council. The City frequently reviews and updates the RDC to try and ensure it is aligned with the Comprehensive Plan. Staff have found only a small number of Comprehensive Plan policies have meaningful relevance to the proposed amendments.

Chapter 2 of the Comprehensive Plan identifies goals and policies that pertain to land use planning and procedures. Goal 1 of the chapter states: “Ensure that Redmond’s Comprehensive Plan, implementation tools, and administration procedures build on the community’s vision for the future and align with regional, state, and federal plans and regulations.” The RDC serves as the major implementation mechanism of the Comprehensive Plan. Amendments to the RDC create greater alignment with the Comprehensive Plan that contribute to advancing the community’s vision for the future.

Policy 2-1-7 suggests identifying and assigning land uses in a way that encourages the best relationship between places where people live, work, shop, and recreate. The proposed amendments directly address this policy by restricting marijuana businesses as an allowed use in only three of the city’s 25 zoning districts. Additionally, establishing TPM regulations further restrict the siting and operations of marijuana businesses.

Policy 2-3-4 speaks to the need to ensure that the community has opportunities to provide input during the preparation and review of implementing ordinances (i.e., the amendments to the Redmond City Code). To allow the use, siting, and operation of marijuana dispensaries in Redmond will require multiple ordinances that amend various sections of the Redmond City Code. These were previewed via a presentation to City Council on February 25, 2025. Although no action was taken by Council, an opportunity for citizens to provide comment was provided. Additionally, further opportunities for the community to provide input will occur during the public hearings with the Planning Commission and City Council.

Chapter 10 of the Comprehensive Plan addresses housing need in Redmond and contains the only policy in the Comprehensive Plan that mentions marijuana; specifically, exploring marijuana taxes as an additional source of revenue. The proposed RDC amendments would allow marijuana businesses as a use in Redmond and would therefore enable the collection of marijuana taxes. Although Policy 10-5-1(c) suggests the City evaluate other sources of revenue for funding affordable housing, such as transient lodging taxes, general obligation bonds, Bancroft Bonds, or marijuana taxes, marijuana tax revenue is a discretionary resource that can be used to fund City services approved by the Budget Committee and City Council.

Staff concludes that the proposed amendments are consistent with the applicable Redmond Comprehensive Plan goals and policies.

4. That there is a change of circumstances, further studies justifying the amendment or mistake in the original zoning.

FINDING: In July 2024, City Council approved an advisory ballot measure to provide public input on whether to allow marijuana dispensaries within the city limits of Redmond. In November 2024, Redmond voters passed the Measure (Measure 9-177), which showed a majority are in favor of retail marijuana dispensaries and advised Council that voters desire a change in code to allow for retail marijuana dispensaries in Redmond. The result of the Measure constitutes the change of circumstances and ultimately the catalyst for the proposed amendments.

III. RECOMMENDATION

As required through the legislative amendment process, the Redmond Urban Area Planning Commission held the first evidentiary public hearing on March 19, 2025. After review, public testimony, and deliberation, the Commission voted unanimously (6-0) to recommend City Council adopt the proposed amendments as presented by staff with modifications to increase the buffer for shelters from 500 feet to 1,000 feet; reduce the buffer for the Redmond Transit Hub from 500 feet to 250 feet; and the Commission recommended staff create a variance process that can be used to allow for flexibility when applying buffering to properties with unique circumstances.

Statement to Redmond City Council Regarding Proposed Dispensary Radius Restrictions

Good evening, Mayor Fitch, Council Members, and City Staff,

My name is Russell Huntamer, President and Partner of Compass Commercial Real Estate Services, and I appreciate the opportunity to speak tonight regarding the proposed radius restrictions on cannabis dispensaries. While I understand the city's intent to promote public safety, these buffer zones—whether 250 or 500 feet—will not be effective in achieving that goal. Instead, they will severely limit where dispensaries can operate, reducing economic opportunities and tax revenue for Redmond without providing meaningful public benefit.

Dispensaries Are Among the Most Regulated Businesses

It's important to recognize that dispensaries are already among the most highly regulated businesses in Oregon. They have:

- Strict ID verification requirements at every transaction.
- 24/7 surveillance and security measures, far exceeding those of liquor stores, vape shops, or lotto cafes.
- No onsite consumption or loitering.
- Extensive compliance oversight from the Oregon Liquor and Cannabis Commission (OLCC).

By contrast, liquor stores, bars, and other age-restricted businesses face far less oversight yet are not subject to similar buffer zones. If the concern is public safety, imposing additional restrictions on dispensaries while ignoring these other establishments is inconsistent and ineffective.

Optics vs. Real Impact

While these buffer zones may create the perception that action is being taken to protect sensitive areas, they will not have the intended effect. Dispensaries are already among the safest and most secure retail businesses due to state-imposed regulations. Additional local restrictions will not enhance safety but will instead:

1. **Significantly Limit Dispensary Locations** – The proposed buffers would dramatically reduce the number of viable properties, effectively creating a de facto ban in many areas.
2. **Redirect Tax Revenue Elsewhere** – Redmond residents will simply take their business to Bend, Madras, or other nearby cities, costing Redmond valuable local tax revenue.
3. **Strengthen the Illicit Market** – Overregulation makes legal access more difficult, incentivizing unlicensed sales, which lack consumer protections and oversight.

A More Balanced Approach

If the city moves forward with these restrictions, we ask that the council also consider:

- **Natural or Artificial Barriers** – Distance requirements should take into account barriers such as highways, rivers, or walls that provide separation even if a business is technically within the buffer distance.
- **Variance Options** – Rather than a rigid setback rule, the city should allow case-by-case variances where a proposed location does not pose an actual conflict with a sensitive use.

These adjustments would ensure that regulations are both practical and effective without unnecessarily limiting economic opportunities.

Conclusion

The goal should be responsible regulation, not arbitrary restriction. I encourage the council to take a balanced approach—one that acknowledges dispensaries as legal, highly regulated businesses and allows for thoughtful exceptions when warranted. Overly broad buffers will not provide additional protection, but they will hurt Redmond's economy and limit access to a legal, state and voter approved industry.

Thank you for your time and consideration.

Russell Huntamer

541.419.2634



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: Keith Leitz, City Attorney
Kyle Roberts, Planning Director
SUBJECT: Ordinance #2025-04: An ordinance of the City of Redmond amending the Redmond City Code, Chapter 11, the City Sign Code, as it relates to retail marijuana dispensaries.

Report in Brief:

This item requests City Council conduct a public hearing to review Ordinance #2025-04, amending the Redmond City Code, Chapter 11, the City Sign Code, as it relates to retail marijuana dispensaries.

Background:

This item is the third ordinance on the subject of marijuana dispensaries. The purpose of this item is to add a 12th prohibition within the City's sign code (Redmond City Code 11.130) that is specific to retail marijuana dispensaries.

Discussion:

When considering sign code regulations, the City is required to demonstrate a compelling interest in the sign code regulation(s) and show that the regulation(s) are the least restrictive means of achieving that interest. This regulation is specific to retail marijuana dispensaries and includes prohibitions on:

1. signs that make unsubstantiated claims about health benefits of marijuana,
2. signs that promote excessive or irresponsible consumption of marijuana, and
3. signs that normalize use of marijuana among minors, or utilize any modality directed towards minors (i.e. cartoons, local sports depictions, etc.).

The City has a compelling interest in protecting the public and especially minors, as the most vulnerable population. These three regulations narrowly focus on the specific purposes of meeting their protective goals. The regulations are also narrowly tailored. They do not prevent retail marijuana dispensary signage or over-regulate the content thereof. Therefore, the retail marijuana dispensary sign code regulations meet all constitutional requirements for sign code regulations.

Fiscal Impact:

None.

Alternative Courses of Action:

1. Approve Ordinance #2025-04.
2. Approve Ordinance #2025-04, with modification(s).
3. Have a first reading only of Ordinance #2025-04
4. Make modifications and have a first reading only of Ordinance #2025-04.
5. Take no action and request more information.

As required by the City Charter, notices regarding this ordinance coming before the Council were posted in three public places on March 18, 2025, and copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:

"I move to have a first reading of Ordinance #2025-04 by title only." (Voice vote)

(City Attorney will read the ordinance by title only.)

**CITY OF REDMOND
ORDINANCE NO. 2025-04**

AN ORDINANCE OF THE CITY OF REDMOND AMENDING THE REDMOND CITY CODE, CHAPTER 11, THE CITY SIGN CODE, AS IT RELATES TO RETAIL MARIJUANA DISPENSARIES.

WHEREAS, the City of Redmond has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant to allow the City; and

WHEREAS, on November 5, 2024, voters approved advisory ballot measure 9-177 by a margin of 53.5% to 46.5%, which requested the City Council allow the sale of marijuana items by a marijuana retailer within the City; and

WHEREAS, the City Council held multiple public hearings to consider changing the Redmond City Code to allow retail marijuana dispensaries in City limits, has reviewed the existing record and has gathered additional evidence and public testimony; and

WHEREAS, the City of Redmond has substantial and compelling interests in regulating content of signs for retail marijuana dispensaries to prevent advertising directed at excessive consumption of marijuana, or advertisements that could promote use of marijuana by minors; and

WHEREAS, the City Council finds that the attached amendments are necessary to further these interests.

NOW THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Section 11.130. The amendments and adopted text are attached hereto as "Exhibit A".

SECTION TWO: SEVERABILITY: The provisions of this Ordinance are severable. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given without such invalid part or parts.

SECTION THREE: EFFECTIVE DATE: This Ordinance shall be effective on the 30th day following its passage.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder

EXHIBIT A

Sec. 11.130. - Prohibited Signs.

The following signs are prohibited:

1. Signs that use valances, propellers, wind activated, or attention attracting devices. These devices when not part of any sign, but on the premises where a sign is utilized, are similarly prohibited unless they are permitted specifically by other legislation.
2. Signs that contain, include, or are illuminated by any flashing, intermittent revolving, rotating or moving lights. This does not apply to signs utilized by the City or Oregon Department of Transportation.
3. Signs that move or have any animated moving parts.
4. That the Community Development Director, or designee, determine to create confusion with or interfere with the effectiveness of traffic signs or signals.
5. That are placed on, affixed to, or painted on a motor vehicle or trailer and placed on public or private property for the primary purpose of providing a sign not otherwise permitted by these standards. Signs on vehicles used in the normal course of business shall not be subject to this provision.
6. Portable signs not supported by a sign structure in the ground, nor attached to or erected against a building or structure and are capable of being moved about the premises except as may be specifically permitted by the terms of these standards.
7. Bench signs.
8. Signs or sign structures that create a hazard by obstructing clear view of pedestrian and vehicular traffic.
9. Any small sign, generally of a temporary nature, and generally known as a "snipe sign" tacked, nailed, posted, pasted, glued, or otherwise attached to trees, poles, stakes, fences or buildings or other structures.
10. Parapet or pergola signs.
11. Any sign that incites violence, intimidation, or otherwise creates a clear and present danger as determined by the Community Development Director, or designee.
12. Specific to retail marijuana dispensaries, signs that make unsubstantiated claims about health benefits of marijuana, promote excessive or irresponsible consumption of marijuana, normalize use of marijuana among minors, or utilize any modality directed towards minors (i.e. cartoons, local sports depictions, etc.).



CITY OF REDMOND

CITY HALL
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REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
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redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
FROM: Keith Leitz, City Attorney
Kyle Roberts, Planning Director
SUBJECT: Ordinance #2025-05: An ordinance of the City of Redmond amending the Redmond City Code, Chapter 7, regulating Business Licenses, as it relates to retail marijuana dispensaries.

Report in Brief:

This item requests City Council conduct a public hearing to review and approve Ordinance #2025-05, amending the Redmond City Code, Chapter 7, regulating Business Licenses, as it relates to retail marijuana dispensaries.

Background:

This item is the fourth ordinance on the subject of marijuana dispensaries. The purpose of this item is to modify City Code to allow for the issuance of business licenses to retail marijuana dispensaries. This ordinance is the mechanism that will allow for retail marijuana dispensaries to be issued business licenses by the City.

Discussion:

In July 2016, through the previous passage of Measure 91, recreational cannabis use and possession by people 21 and older was legalized in Oregon.

While Oregon legalized the recreational use of marijuana, Redmond did not opt into the statewide program. The Redmond opt-out was done by using the existing City Code related to business licenses, which states land use permits and business license uses must comply with local, state and federal law. Since marijuana is not legal at the federal level, Council had the ability to request the Oregon Liquor Control Commission (OLCC) not to process requests for marijuana licenses in the Redmond city limits.

In July 2024, City Council referred an advisory measure to voters to receive input whether to change City Code to allow retail marijuana dispensaries to be eligible for business licenses. In November 2024, Redmond voters passed two measures which showed a majority are in favor of retail marijuana dispensaries and a 3% tax on retail marijuana sales. First, Measure 9-177 (53.5% to 46.5%), which advised council that voters desire a change in code to allow for retail marijuana dispensaries in Redmond. Second, a measure adding a three percent (3%) tax to sales of marijuana items, Measure 9-178 (70% to 30%).

To fully implement these measures, City Council has conducted a series of public hearings, including at City Council on February 25, 2025, at Planning Commission on March 19, 2025, and tonight before City Council.

In the prior three ordinances tonight, City Council considered:

1. Ordinance 2025-02, codifying the 3% tax into the City Code (previously before Council on February 25, 2025)
2. Ordinance 2025-03, establishing Time Place Manner (TPMs) regulations regarding the operations of dispensaries (previously before Planning Commission on March 19, 2025)
3. Ordinance 2025-04, adding an additional sign code prohibition specific to retail marijuana dispensaries

Ordinance 2025-05 has two functions. First, it changes City Code to exempt retail marijuana businesses from the requirement to comply with federal law. City Council previously made a similar change to City Code exempting hemp businesses from the requirement to comply with federal law. This is the change that would ultimately allow for retail dispensaries to begin the process of obtaining a business license, if they meet all other state and City requirements.

Second, it establishes a business license cap of 1 retail marijuana dispensary business license per 10,000 City residents. This requirement is based on Oregon law established in 2024, House Bill 4121, which prohibits the state from approving any new dispensaries if the per capita ratio exceeds 1 dispensary per 7,500 residents over the age of 21 years old. The City's 1/10,000 residents (of all ages) is meant to approximate the state's 1/7,500 residents over 21 years old. Redmond's current population is around 37,000 which approximates to a total of three dispensaries being allowed under this 1/10,000 ratio.

Ordinance 2025-05 is being presented as the last of these ordinances because the prior three ordinances establish conditions for retail marijuana dispensaries, and this ordinance allows for the licensing of retail marijuana dispensaries.

Fiscal Impact:

The City estimates it will collect around \$150,000 - \$200,000 from each dispensary operating in Redmond based on a local 3% tax. This includes the estimated amount of state shared revenues (\$55,000 - \$65,000).

Alternative Courses of Action:

1. Conduct a first reading of Ordinance #2025-05.
2. Make modifications and then conduct a first reading of Ordinance #2025-05.
3. Take no action and request more information.

As required by the City Charter, notices regarding this ordinance coming before the Council were posted in three public places on March 18, 2025, and copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:

"I move to have a first reading of Ordinance #2025-05 by title only." (Voice vote)

(City Attorney will read the ordinance by title only.)

**CITY OF REDMOND
ORDINANCE NO. 2025-05**

AN ORDINANCE OF THE CITY OF REDMOND AMENDING THE REDMOND CITY CODE CHAPTER 7 REGULATING BUSINESS LICENSES, AS IT RELATES TO RETAIL MARIJUANA DISPENSARIES.

WHEREAS, the City of Redmond has all powers that the constitutions, statutes, and common law of the United States and Oregon expressly or impliedly grant to allow the City; and

WHEREAS, on March 20, 2024, House Bill 4121 was signed in to law, establishing a permanent cap on the per capita number of retail marijuana licenses of one license per 7,500 residents in Oregon who are 21 years of age or older; and

WHEREAS, the City of Redmond receives official population estimates from Portland State University based on a total population regardless of age; and

WHEREAS, establishing a per capita number of retail marijuana licenses of one license per 10,000 residents takes into account an approximate number of residents who are older than 21 years of age versus residents who are not 21 years of age or older; and

WHEREAS, on November 5, 2024, voters approved advisory ballot measure 9-177 by a margin of 53.5% to 46.5%, which requested the City Council allow the sale of marijuana items by a marijuana retailer within the City; and

WHEREAS, the City Council held multiple public hearings to consider changing the Redmond City Code to allow retail marijuana dispensaries in City limits, has reviewed the existing record and has gathered additional evidence and public testimony; and

WHEREAS, the City of Redmond finds that certain business license regulations are necessary for efficiency, aesthetics, prevention of blight, and orderly administration for retail marijuana dispensaries within the City; and

WHEREAS, the City Council finds that the attached amendments are necessary to further these interests.

NOW THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Sections 7.020 through 7.021. The amendments and adopted text are attached hereto as "Exhibit A".

SECTION TWO: SEVERABILITY: The provisions of this Ordinance are severable. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given without such invalid part or parts.

SECTION THREE: EFFECTIVE DATE: This Ordinance shall be effective on the 30th day following its passage.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of March 2025.

Ed Fitch, Mayor

ATTEST:

Kayla Duddy, Deputy City Recorder

EXHIBIT A

Sec. 7.020. - Applicant Review.

The person or department designated to review a license application may require the applicant to supply information necessary to determine whether the business complies with this Code, city ordinance, or state or federal law. If the applicant fails to supply information so required or submits false or misleading information, the license shall be suspended or denied. All businesses must comply with the provisions of this Code, city ordinances, and all state and federal laws (with the exception of federal laws related to **marijuana businesses and processing industrial hemp**) before a license may be issued.

Sec. 7.021. – Retail Marijuana Dispensary Business Licenses.

The City may not accept an application for a retail marijuana business license unless there is not more than one active retail marijuana business license per 10,000 City of Redmond residents.



2025 AIRPORT BOND – \$105.7 M

REDMOND CITY COUNCIL
MARCH 25, 2025



AGENDA ITEMS

01

**ORDINANCE AUTHORIZING FULL FAITH &
CREDIT BOND ISSUANCE**

02

PUBLIC HEARING TO COMPLY WITH TAX CODE



KEY TAKEAWAYS

01

COUNCIL AUTHORIZATION NEEDED TO ISSUE BONDS UP TO \$105.7 MILLION IN JULY 2025

02

BONDS TO BE PAID FOR BY AIRPORT REVENUES

03

LARGER BOND ISSUANCE YET SIMILAR TO 2009 TERMINAL BOND ISSUANCE

04

PROJECT IS FEASIBLE UNDER CONSERVATIVE FINANCIAL ASSUMPTIONS



RDM'S DECADE OF GROWTH (2014 – 2024)

131% GROWTH VS. 2014

Passenger volumes more than doubled since 2014.

27%

Passenger volumes exceeded pre-pandemic levels in 2021, and in 2024 were 27% higher than in 2019.

2021: AVELO

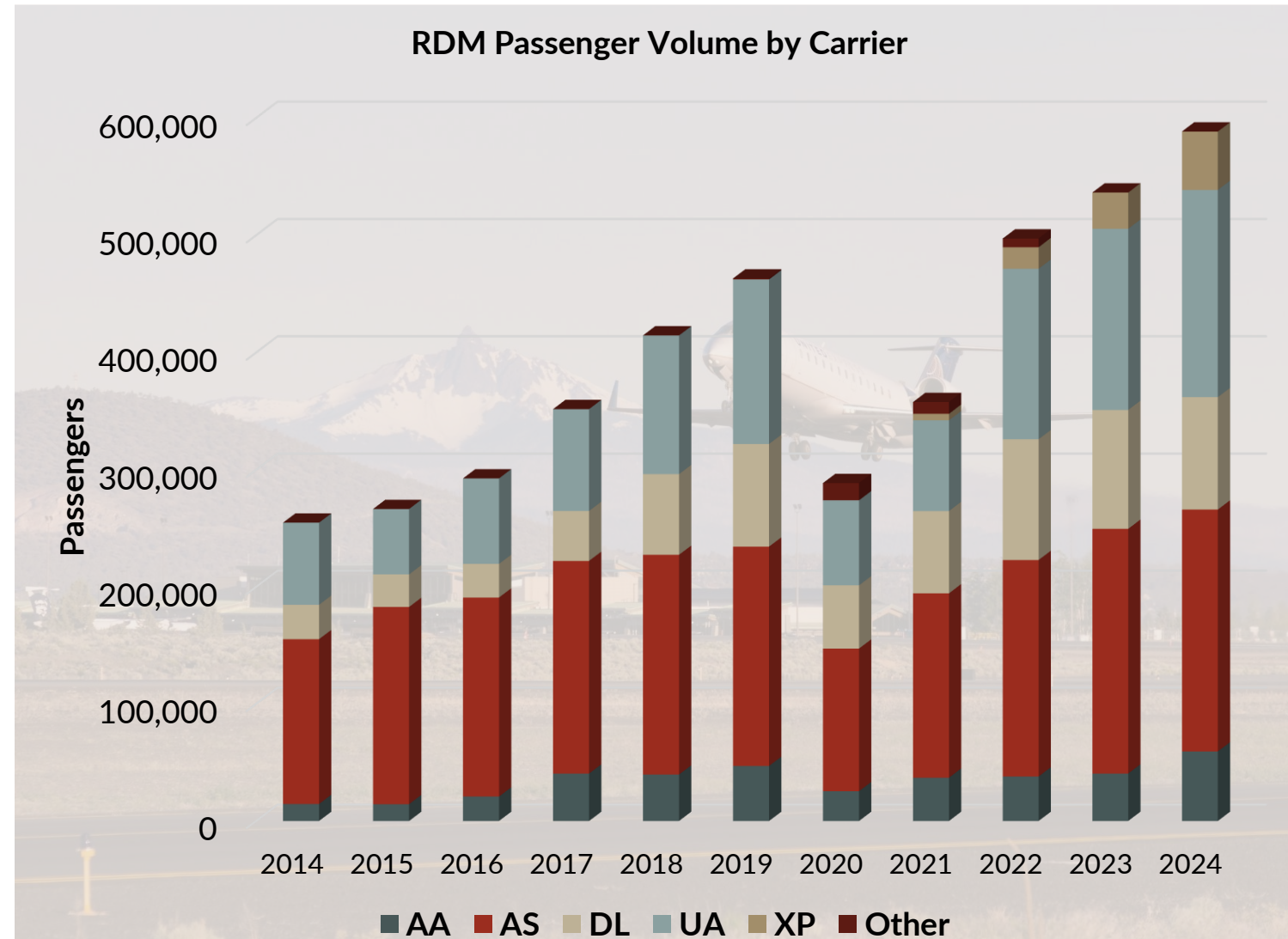
Avelo Airlines began service to RDM in 2021 and now serves three destinations.

2024: DFW

American added summer seasonal service to its largest hub in 2024. DFW returns in Summer 2025.

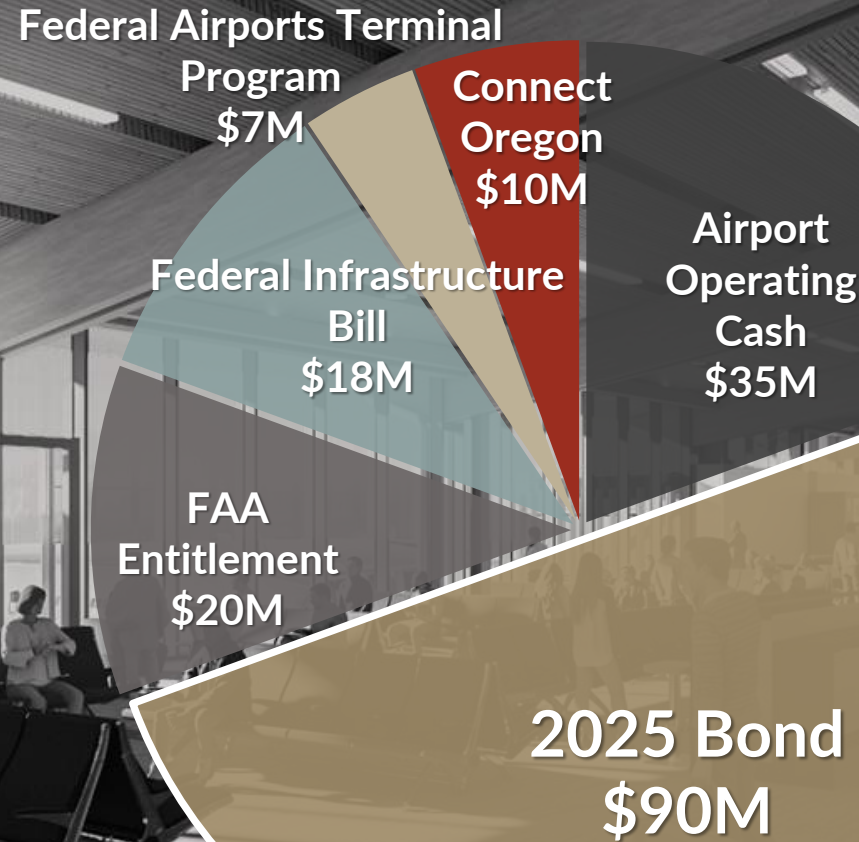
2025: PDX YEAR-ROUND

Alaska extended PDX service to year-round 3x daily.



Source: Diio Mi, YE September

TERMINAL EXPANSION FUNDING



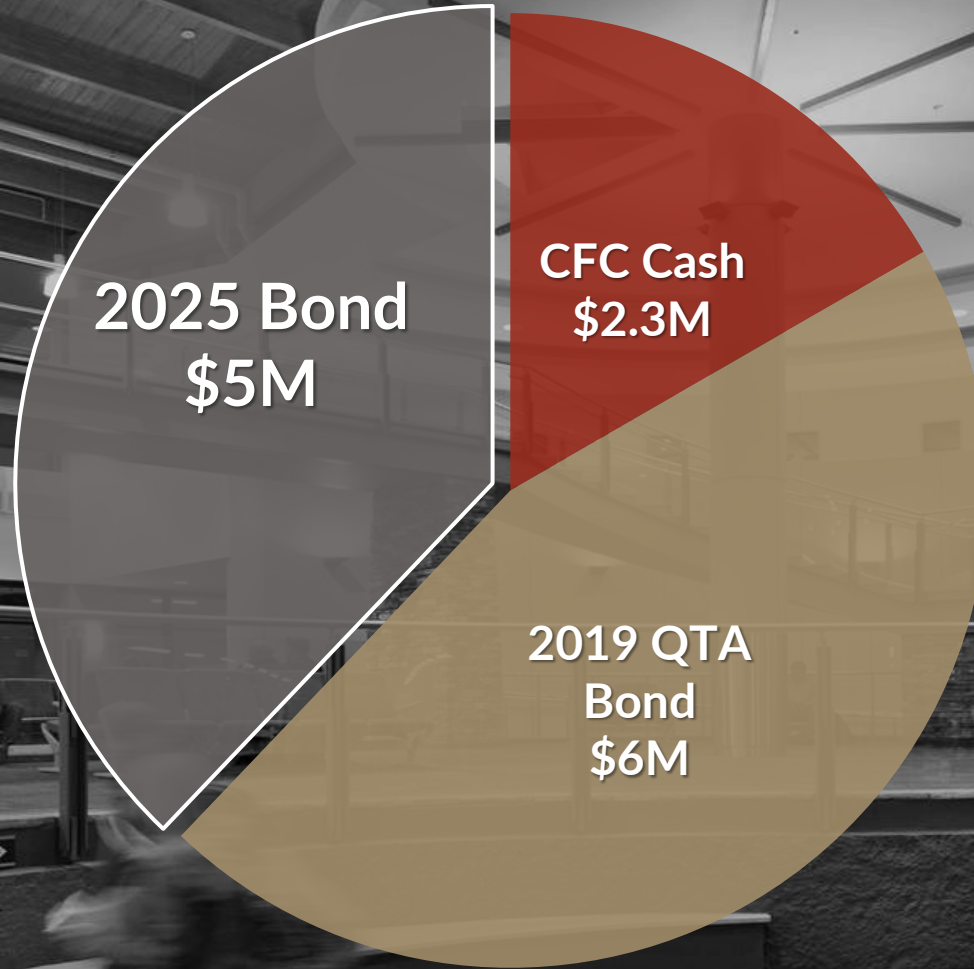
**\$180M
PROJECT**

**\$90M
BOND**





RENTAL CAR QUICK TURNAROUND (QTA) FUNDING



**\$13.3M
PROJECT**

**\$5M
BOND**



QUICK TURNAROUND (QTA)

Detail Bays

Fueling Station

Automatic Car Wash

Parking Lot / Staging

Equipment Storage

Overflow Lot





CURRENT FUNDING CAPACITY

TERMINAL BOND ANNUAL DEBT SERVICE

\$6.6 million (estimated
beginning in FY 2027/28)

OPERATING SURPLUS

2023/24

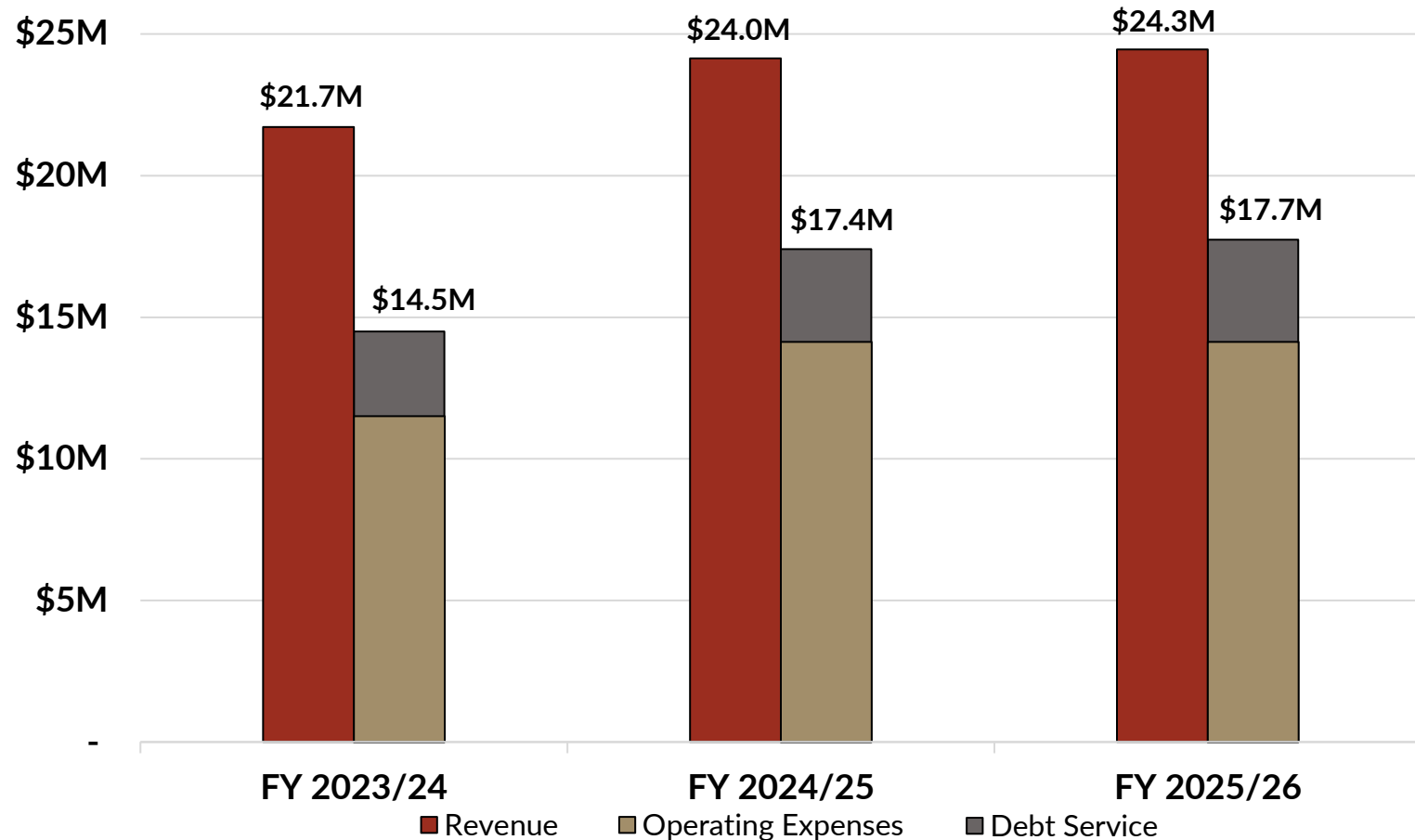
\$7.2 million (actual)

2024/25

\$6.6 million (estimated)

2025/26

\$6.6 million (estimated)

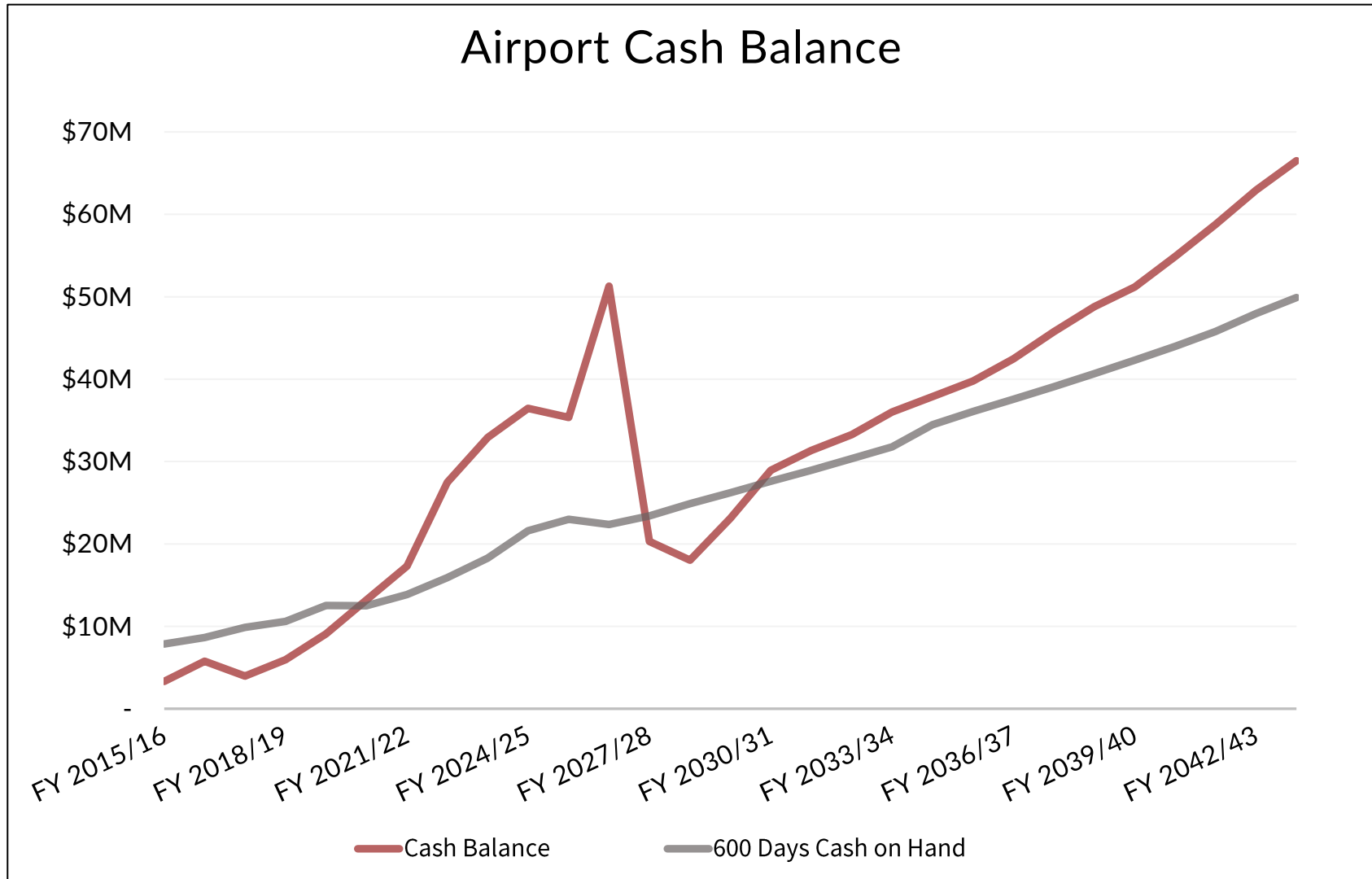




20 YEAR PROJECTION ASSUMPTIONS

- \$90 million 25-yr bond at 4.5%
- 2.5% annual passenger growth including every 2 out of 10 years, zero growth
- \$500K annually for new projects/assets
- \$5 million for Parking Lot Expansion
- All assets replaced after fully depreciated
- 1 new employee annually (beginning 2028)
- Airlines contributing to debt service in 2028
- <4% annual Cost per Enplanement increase
- No new land developments
- Land and airfield leases follow current agreements in perpetuity

CASH FLOW PROJECTIONS



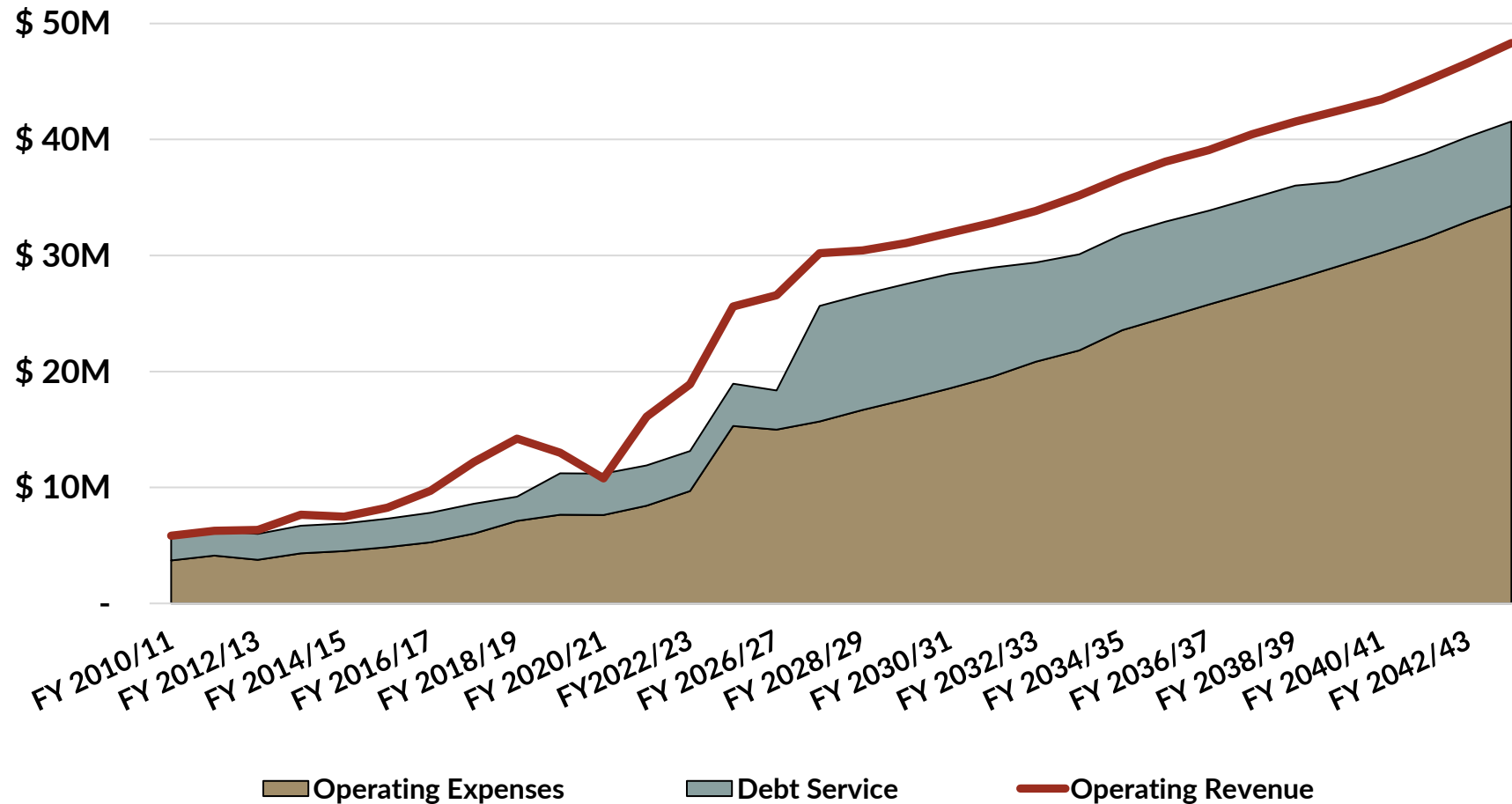
\$35 million cash into terminal expansion

Financially & operationally sustainable after terminal expansion

Approaching 600 days cash on hand shortly after terminal expansion



ANNUAL OPERATING INCOME



Debt Service to
Operating Revenue:

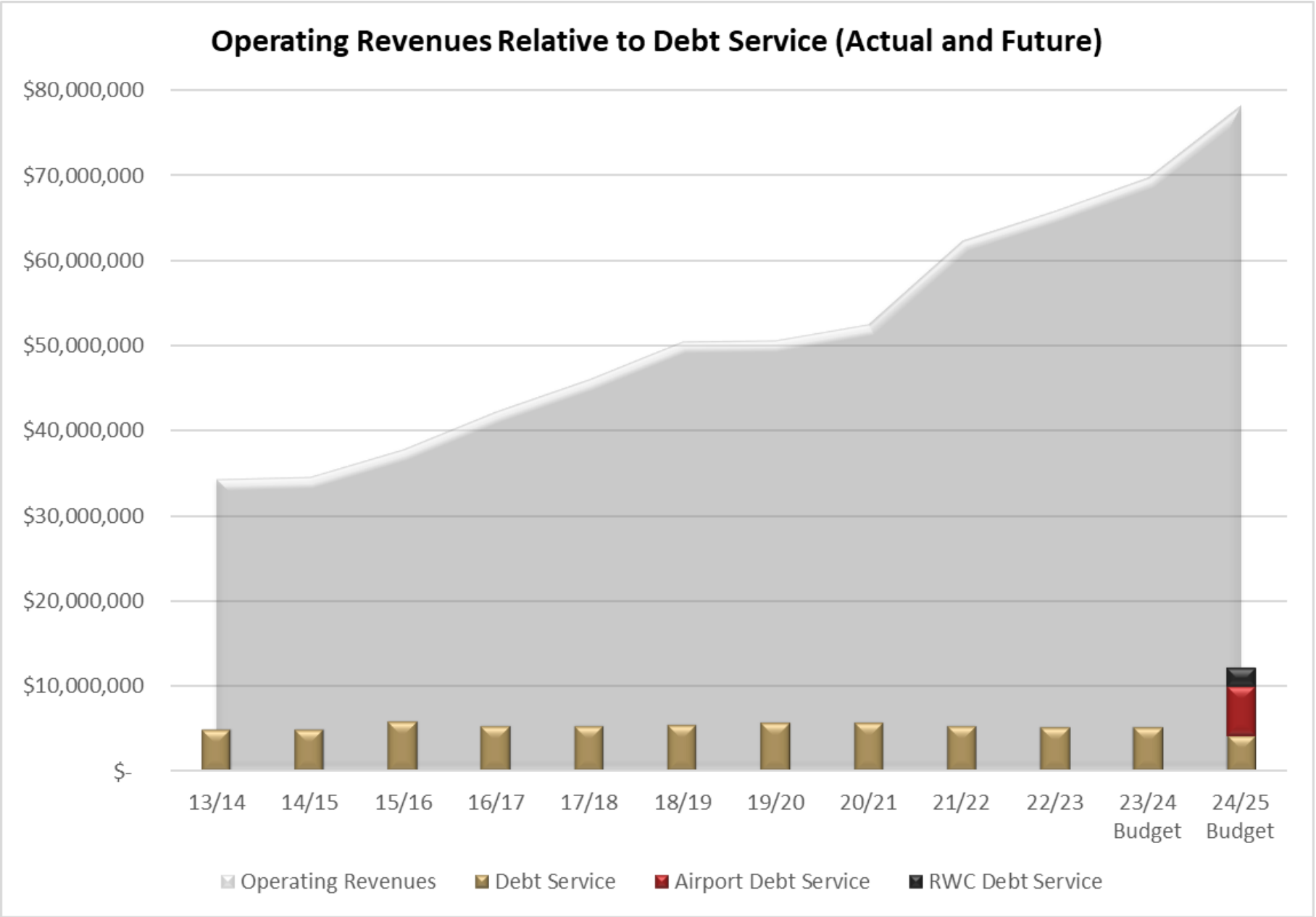
FY 2010/11 = 36%

FY 2027/28 = 33%



CITY-WIDE DEBT OBLIGATIONS

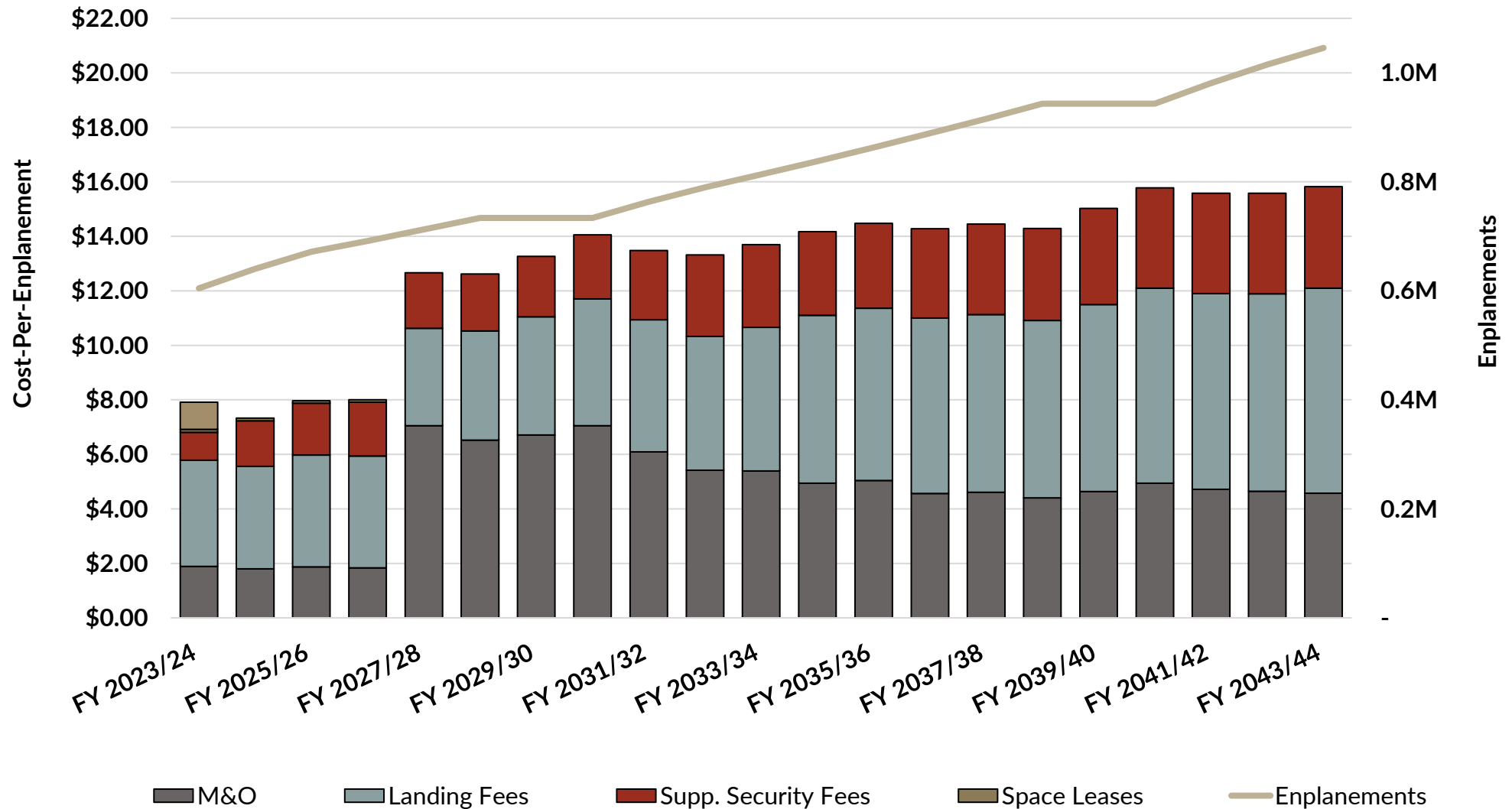
ONGOING RESOURCES vs ANNUAL DEBT SERVICE



Future Annual Debt Service is about 16% of 24/25 Resources vs. 15% in 12/13



AIRLINE COST PER ENPLANEMENT



TERMINAL EXPANSION



QTA CONSTRUCTION





QUESTIONS?



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CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Jason Neff, Deputy City Manager/Chief Financial Officer
Zachary Bass, Airport Director
SUBJECT: Resolution #2025-01: Approving the Issuance of Tax-Exempt Debt in the Form of Full Faith and Credit (FFC) Bonds for Airport Projects

Report in Brief:

For purposes of satisfying certain requirements of the Internal Revenue Code of 1986 (the "Code"), the attached resolution approves the issuance of tax-exempt debt in the form of Full Faith and Credit (FFC) bonds for certain Airport projects.

Background:

On March 25, 2025, the Council is considering Ordinance #2025-06 providing authorization and designation for staff to sell bonds secured by the Full Faith and Credit of the City (FFC), and execute and deliver bond declarations and other documents related to the issuance of the bonds for the Airport Terminal Expansion and Airport Quick Turn Around (QTA) Rental Car Facility (the "Series 2025 Bonds"). The ordinance proposed a not-to-exceed amount of \$105.7 million for the Series 2025 Bonds (Tax-Exempt & Taxable Bonds).

To issue the portion of the FFC that will fund certain projects at the Airport, the City must comply with the Tax and Equity Fiscal Responsibility Act of 1982 ("TEFRA"), the Code and related federal regulations, which require the elected representatives having jurisdiction over the area in which the projects (the Airport) are located to (1) hold a public hearing after 7 days notice, such notice was published on the City's website on March 18, 2025 and (2) adopt a resolution approving the issuance of tax-exempt obligations as part of the TEFRA process. The TEFRA approval process does not authorize any additional debt for the City.

The public hearing and adoption of the attached resolution will satisfy the TEFRA and Code requirements.

Discussion:

Refer to earlier agenda topic, Ordinance 2025-06 and its associated staff report.

Fiscal Impact:

Refer to earlier agenda topic, Ordinance 2025-06 and its associated staff report.

Alternative Courses of Action:

1. Approve the resolution.
2. Do not approve the resolution.
3. Request more information.

Recommendation / Suggested Motion:

"I move to approve Res. No. 2025-01, approving the issuance of the tax-exempt debt, in the form of Full Faith and Credit Bonds for purposes of satisfying the TEFRA and Code requirements needed for the issuance of the portion of the Bonds relating to projects located at the Airport."

RESOLUTION NO. 2025-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, OREGON, APPROVING THE ISSUANCE OF ONE OR MORE SERIES OF TAX-EXEMPT REVENUE BONDS FOR PURPOSES OF THE INTERNAL REVENUE CODE OF 1986 FOLLOWING THE PUBLIC HEARING.

WHEREAS, the City Council (the “City Council”) of the City of Redmond, Oregon (the “City”), on March 25, 2025, enacted Ordinance No. 2025-06 authorizing the issuance, sale, execution and delivery of Revenue Bonds in one or more series (the “Bonds”);

WHEREAS, a portion of the Bonds not to exceed \$105,000,000 will be used to finance all or a portion of the costs associated with (i) constructing and equipping capital projects at the Redmond Municipal Airport, which is owned and operated by the City and is located at 2522 S.E. Jesse Butler Circle, Redmond, Oregon 97756 (the “Airport”), including new outbound baggage carousels and jet bridges, upgrading electrical systems, an expanded passenger holding area and public use facilities, elevators and escalators and support infrastructure and concession and a facility to be used by rental companies to fuel, clean and store vehicles, (ii) funding capitalized interest on the Bonds during construction and (iii) paying costs of issuance of the Bonds related thereto (collectively, the “Project”);

WHEREAS, on March 25, 2025, the City Council, as the applicable elected representatives, held a public hearing required for the issuance of the Bonds by the City pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), notice of such public hearing having been posted on March 18, 2025 to the City’s website;

WHEREAS, pursuant to the Code, the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the Bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such Bonds is to be located, after a public hearing held following reasonable public notice;

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Code only if the Bonds are approved in accordance with Section 147(f) of the Code;

WHEREAS, all components of the Project will be owned by the City, and the Project is located wholly within the City of Redmond, Oregon;

WHEREAS, this City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of Section 147(f) of the Code;

WHEREAS, pursuant to Section 147(f) of the Code, the City has, following notice duly given, held a public hearing regarding the issuance of the Bonds on the date hereof, at which hearing no public comment was received; and

WHEREAS, the City Council finds that it would be in the best interest of the City to approve the issuance, sale, execution and delivery of the Bonds pursuant to Section 147(f) of the Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDMOND, AS FOLLOWS:

Section 1. City Council Approval of the Issuance of the Bonds. This City Council approves the issuance, sale, execution and delivery of the Bonds in one or more series issued pursuant to the plan of finance described in this Resolution to finance costs of the Project. It is the purpose and intent of this City Council that this Resolution constitute approval of the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

Section 2. Further Actions Related to the Bonds. The proper officers of the City have been authorized and directed pursuant to Ordinance No. 2025-06 to take such further action relating to the Bonds and any and all documents which may be deemed reasonable and desirable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transactions approved by this Resolution.

Section 3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption by the City Council.

ADOPTED by the City Council and **SIGNED** by the Mayor this 25th day of March 2025.

CITY OF REDMOND, OREGON

By: _____
Ed Fitch, Mayor

ATTEST:

By: _____
Kayla Duddy, Deputy City Recorder

From: Catherine Caudle <caudlecaatherine@yahoo.com>
Sent: Thursday, March 20, 2025 8:30 AM
To: Public Testimony
Subject: Bond for Airport

[EXTERNAL]: This email originated from outside of the city. Do not click links or open attachments unless you recognize the sender and know the content is safe.

The notice didn't mention the cost to home owners. Since many use the airport we need to request funds from other cities and counties before asking a small few to pay for the larger majority.
Sent from my iPad



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Jason Neff, Deputy City Manager/Chief Financial Officer
Zachary Bass, Airport Director
SUBJECT: Ordinance #2025-06: Authorizing the Issuance, Sale, Execution and Delivery of Bonds secured by the Full Faith and Credit of the City (FFC), Series 2025 for Airport Projects: \$105.7M.

Report in Brief:

This action seeks Council authorization and designation for staff to sell bonds secured by the Full Faith and Credit of the City (FFC), and execute and deliver bond declarations and other documents related to the issuance of the bonds for the Airport Terminal Expansion and Airport Quick Turn Around (QTA) Rental Car Facility (the "Series 2025 Bonds"). The ordinance establishes a not-to-exceed amount of \$105.7 million for the airport bonds (estimated \$90.0 million for the Terminal Expansion, \$10.0 million for Capitalized Interest for the Terminal Expansion, \$5.0 million for the QTA and \$0.7 million for bond issuance costs).

Background:

The ordinance before the City Council provides staff with the authority to secure new financing (not-to-exceed \$105.7 million) to move forward the projects described below. The sale date for the bonds is expected to be July 8, 2025. Interest rates, under current market conditions, are estimated to be between 4.5% and 5.5% for a 25-year maturity tax-exempt bond secured by the City's FFC.

Airport Terminal Expansion

Due to extensive growth of the Central Oregon region over the last decade, the Airport has seen its annual passenger count more than double, from 500,000 to 1.2 million, with forecasts projecting annual passenger counts to reach 1.7 million by 2036. The current terminal building is inadequate to accommodate this increase and therefore the Airport has been designing (100% designed) a terminal building expansion for the last several years. The planned expansion will double the size of the terminal, increase passenger flow, improve safety and provide new business opportunities. Design and construction of the project is estimated at \$180 million. Some major improvements include expanding the current passenger hold room, adding an upper level to the building for jet bridges, and additional concessionaire space. Construction is anticipated to begin in summer 2025 and be complete in 2028.

Airport Quick Turn Around (QTA) Rental Car Facility

The project includes the design and construction of a QTA rental car facility, which currently does not exist at the Airport. This facility will consolidate internal rental car operations, to include a car wash, detail bays, overflow parking and a fueling station.

The QTA facility will be located on airport property at SE Airport Way and SW Wickiup Ave. near the Deschutes County Fairgrounds and will benefit both the Airport and the rental car agencies. For the Airport, it will reduce the rental car traffic and the amount of rental car parking spaces required near the terminal as well as minimize rental car traffic on Highway 97.

Discussion:

Timeline for Bond Issuance:

Council Ordinance & TEFRA Hearing
Referral Period Ends
Credit Rating Agency Presentation

March 25
April 24
June 2

Draft Preliminary Official Statement sent to Council
Bond Pricing (Bonds Sold)
Bond Closing (Project Funding Available)

June 6
July 8
July 22

Project Funding & Feasibility:

Airport Terminal Expansion:

Funding for this project is planned to come from the following:

Federal Grants	\$ 45 million
State Grants	\$ 10 million
Airport Cash	\$ 35 million
Airport Bond (with this ordinance approval)	\$ 90 million
TOTAL PROJECT	\$ 180 million

The debt service for the \$100 million debt issuance (\$90 million for project and \$10 million for capitalized interest {see below}) is estimated to be about \$6.6 million annually beginning in FY 2027/28. The annual debt service is feasible at the time of issuance with the Airport Fund (FY 2023/24 actual, FY 2024/25 estimate and FY 2025/26 estimate) having an operating surplus which meets or exceeds debt service. Over the past several years, staff have been developing, maintaining and stress testing a 20-year financial feasibility model which shows the Airport Fund is capable of meeting the additional debt service as well as supporting an appropriate level of operations, capital replacement and maintaining reasonable cash on hand.

Capitalized Interest for Airport Terminal Expansion

It is estimated that up to \$10 million of the not-to-exceed authorization would be issued for capitalized interest on the Terminal Expansion. Capitalized interest is a common financing tool (especially among airport issuances) to essentially defer payments until the asset being constructed is in service and the estimated additional revenues from the new asset are available to support debt service (the mechanics include calculating the interest over an initial period (i.e. 2 years), adding that amount to the issuance and utilizing the additional borrowing to pay interest over the initial period). Specific to the Redmond Terminal Expansion, when the project is complete, new airline agreements are anticipated to include airline contributions towards the annual debt service. Utilizing capitalized interest allows a portion of the interest expense accrued during construction to be charged to the airlines following completion of the Terminal Expansion project, resulting in an approximate \$3.3 million present value benefit to the City.

Airport Quick Turn Around (QTA) Rental Car Facility:

The QTA cost is estimated at \$13.3 million and will be paid for by the Customer Facility Charge (CFC) cash (\$2.3 million), bond issuance #1 (\$6.0 million) secured in spring 2019 and bond issuance #2 (with this ordinance approval) of \$5.0 million. Initial design of the project was completed in FY 2019/20 but was delayed because of COVID-19 impacts, including the collection of CFCs to fund the project. The debt service for the project (bond issuance #1 = \$0.4 million annually and bond issuance #2 estimated to be \$0.4 million annually) will be covered by CFC revenues, which are approximately \$1.0 million annually.

Cost of Issuance

Cost of issuance refers for the City's expenses associated with issuing the bonds including financial advisory services, bond counsel, underwriting fees, rating fees and other fees/charges related to the sale and issuance of the securities. Total cost of issuance is estimated to be about 0.5% to 0.7% of the bonds issued, estimated not to exceed \$700,000.

Fiscal Impact:

See above.

Alternative Courses of Action:

1. Approve the ordinance.
2. Do not approve the ordinance.
3. Request more information.

As required by the City Charter, notices regarding this ordinance coming before the Council were posted in three public places on March 18, 2025, and copies of the Ordinance were available for review at City Hall.

Recommendation / Suggested Motion:

"I move to have a first and second reading of Ord. No. 2025-06, by title only" (Voice vote)

(City Attorney will read ordinance by title only.)

"I move to approve Ord. No. 2025-06 to authorize the City to issue, sell, execute and deliver the Series 2025 Bonds, execute and deliver the financing and legal documents relating to the Series 2025 Bonds and any further actions required for the issuance of the Series 2025 Bonds, and to delegate authority to the Authorized Representatives." (Roll call vote)

**CITY OF REDMOND, OREGON
ORDINANCE NO. 2025-06**

AN ORDINANCE OF THE CITY OF REDMOND, OREGON, AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$105,700,000, IN ONE OR MORE SERIES, TO FINANCE CERTAIN AIRPORT EXPANSION PROJECTS AND TO FUND CAPITALIZED INTEREST; AUTHORIZING A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY TO SECURE THE REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF FINANCING, LEGAL AND DISCLOSURE DOCUMENTS THAT ESTABLISH THE TERMS FOR THE EXECUTION, SALE AND DELIVERY OF THE REVENUE BONDS, IN ONE OR MORE SERIES; DESIGNATING AUTHORIZED REPRESENTATIVES AND DELEGATING RESPONSIBILITIES; AND RELATED MATTERS.

WHEREAS, the City of Redmond, Oregon (“City”) is authorized by Oregon Revised Statutes (“ORS”) Section 287A.150 and related provisions of ORS Chapter 287A, the laws of the State of Oregon and its City Charter (collectively, the “Act”), to authorize and issue “revenue bonds” as defined in ORS 287A.001 for any public purpose, and to secure those bonds with a pledge of the City’s full faith and credit as provided in ORS 287A.315;

WHEREAS, the Act permits the City to authorize the issuance of such “revenue bonds” by enacting a nonemergency ordinance, but prohibits the City from selling such “revenue bonds” until the time period for referral of the ordinance has expired, to allow time for the electors of the City to gather signatures to refer the ordinance authorizing issuance of such “revenue bonds” to the voters;

WHEREAS, the City has determined that it is financially feasible and in the best interests of the City to provide for the financing of all or a portion of the following projects (collectively, the “Airport Expansion”), which include:

The Terminal Expansion Projects:

(1) Constructing and equipping new outbound baggage carousels and jet bridges and upgrading electrical systems at the Redmond Municipal Airport (the “Airport”);

(2) Constructing and equipping the expansion of the passenger holding area, including boarding space, public-use facilities, elevators and escalators, support infrastructure and concessions; and

The Quick Turnaround (QTA) Rental Car Facility Project:

(3) Constructing and equipping a facility that will be used by rental companies to fuel, clean, service and store vehicles.

WHEREAS, the City Council has determined that it is financially feasible and in the best interests of the City to authorize the issuance, in one or more series and at different times, of

“revenue bonds” to finance the Airport Expansion (the “Bonds”), and to pledge the full faith and credit of the City to secure the Bonds, all as more fully described below;

WHEREAS, the City intends to use the proceeds of the Bonds, together with other lawfully available funds of the City, to finance all or a portion of the following projects (collectively, the “Project”);

- (1) finance the Airport Expansion; and
 - (2) fund capitalized interest during the construction of the Airport Expansion;
- and
- (3) pay costs of issuance of the Bonds including, without limitation, the funding of any required reserves and payment of costs in connection with obtaining a Credit Enhancement Device (a “Credit Enhancement Device” as defined in ORS 287A.001) for the Bonds, if beneficial to the City.

WHEREAS, it is in the best interests of the City to authorize the execution and delivery of one or more bond declarations to establish the terms and conditions of the issuance, sale, execution and delivery of the Bonds (the “Bond Declaration”) and the preparation of any disclosure or offering documents (the “Official Statement”) and such other purchase agreements, sale documents and any other agreements, certificates or documents to provide for the issuance, sale, execution and delivery of the Bonds to finance the Project (collectively, the “Financing Documents”);

WHEREAS, the City enacts this Ordinance to authorize and provide (i) the terms under which the City may sell the Bonds, in a total aggregate principal amount not to exceed \$105,700,000; (ii) for the sale of the Bonds through a negotiated sale process; (iii) the establishment of the terms of issuance, sale, execution and delivery of the Bonds, in one or more series, and at different times, pursuant to the Financing Documents; and (iv) authorization of certain officials and employees of the City to take action on the City’s behalf in connection with the Bonds authorized by this Ordinance and the execution and delivery of the Financing Documents related to the Bonds.

NOW, THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

Section 1. Procedure. The Bonds shall not be sold until the period for referral of this Ordinance has expired and this Ordinance takes effect. If this Ordinance is referred to the electors of the City, the City shall not sell the Bonds unless the electors approve this Ordinance.

Section 2. Authorization of the Bonds. The City hereby authorizes the issuance, in one or more series and at the same or different times, of the Bonds, in a total aggregate principal amount not to exceed \$105,700,000. The Bonds may be issued in any combination of Governmental tax-exempt bonds (“Governmental Tax-Exempt Bonds”), tax-exempt, private activity bonds not subject to the alternative minimum tax (“PAB Non-AMT Bonds”), tax-exempt, private activity bonds subject to the alternative minimum tax (the “PAB AMT Bonds” and collectively with the Governmental Tax-Exempt Bonds and the PAB Non-AMT Bonds, the “Tax-Exempt Bonds”) or taxable bonds (“Taxable Bonds”). The Bonds shall be “revenue bonds” issued pursuant to ORS 287A.150, payable from any lawfully available funds of the City and secured by a pledge of the full faith and credit of the City as specified in Section 4 below. The proceeds of the Bonds received

by the City pursuant to the terms of the Financing Documents shall be used, together with other lawfully available funds of the City, to pay all or a portion of the costs of the Project. The true interest cost of all Tax-Exempt Bonds shall not exceed 5.55% per annum. The true interest cost of the Taxable Bonds shall not exceed 6.00% per annum.

Section 3. Authorized Representative. Subject to this Ordinance taking effect, the City authorizes and directs the City Manager, the Deputy City Manager (Chief Financial Officer), or their respective designees (each, an “Authorized Representative”), each acting individually, to act on behalf of the City as set forth in Section 7 herein.

Section 4. Security. The Bonds shall be secured by and payable from the City’s general non-restricted revenues and other funds that are lawfully available for that purpose, including, the proceeds of the Bonds and revenues from an ad valorem tax authorized to be levied under the City’s permanent rate limit under sections 11 and 11b, Article XI of the Oregon Constitution, and revenues derived from other taxes, if any, levied by the City in accordance with and subject to limitations and restrictions imposed under applicable law or contract, that are not dedicated, restricted or obligated by law or contract to an inconsistent expenditure or use. The City pledges its full faith and credit and taxing power to the repayment of the Bonds as contemplated by ORS 287A.315, and any successor statute. The registered owners of the Bonds will not have a lien or security interest on the Project financed with the proceeds of the Bonds.

Section 5. Expected Use of Airport Revenues. The City expects to pay the debt service on the Bonds from revenues of the Airport, to the extent they are available. The City will enter into covenants consistent with this intent as provided in Sections 4, 5 and 7(e) herein. The Bonds are not secured by a pledge of, or lien on, the revenues of the Airport, and registered owners of the Bonds will not have a lien or security interest in such revenues.

Section 6. Tax-Exempt Status and Covenant as to Arbitrage. The City covenants to use the proceeds of the Tax-Exempt Bonds and the facilities financed with the proceeds of the Tax-Exempt Bonds, and to otherwise comply with the provisions of the Internal Revenue Code of 1986 (the “Code”) so that the interest paid on the Tax-Exempt Bonds will not be includable in gross income of the owners of such Tax-Exempt Bonds. The City specifically covenants:

- (1) To comply with “arbitrage” provisions of Section 148 of the Code, and to pay any required rebates and penalties; and
- (2) To operate the facilities financed with the proceeds of the Governmental Tax-Exempt Bonds so that neither the Governmental Tax-Exempt Bonds, nor obligations refunded by them, are “private activity bonds” under Section 141 of the Code; and
- (3) To use the proceeds and the facilities financed with the proceeds of the Tax-Exempt Bonds designated as “private activity bonds” so that such Tax-Exempt Bonds constitute exempt-facility airport bonds within the meaning of Section 142(a)(1) of the Code; and
- (4) To comply with all reporting requirements.

The Authorized Representative may enter into covenants on behalf of the City to protect the tax-exempt status of the interest paid on any series of Tax-Exempt Bonds. The Authorized Representative will consult with Bond Counsel with respect to the use of proceeds of the Tax-Exempt Bonds to finance unspecified improvements to the Airport as authorized herein.

Section 7. Bond Financing Documents and Sale Authorized. Subject to this Ordinance taking effect, each Authorized Representative, acting singly, is authorized and directed, on behalf of the City without further approval of the City Council to take all such actions as are necessary to effect the issuance, sale, execution and delivery of the Bonds to finance the Project, as provided below:

(a) Issue and sell the Bonds in one or more series and at the same or different times and establish maturity dates for such series of Bonds;

(b) Establish the principal and interest payment dates, principal amounts, optional and mandatory redemption provisions, if any, coupon rates and yields, denominations and all other terms for the Bonds;

(c) Make any designations with respect to the federal tax treatment of the Bonds as may be necessary or appropriate upon the advice of Bond Counsel, including designating all or any portion of the Bonds as Governmental Tax-Exempt Bonds, PAB Non-AMT Bonds, PAB AMT Bonds or Taxable Bonds; enter into any covenants with respect to the tax status of the Bonds; and execute and deliver a tax certificate with respect to the tax status of the Bonds;

(d) Negotiate terms with Morgan Stanley & Co. LLC, as underwriter with respect to the Bonds, under which such Bonds shall be sold, and execute and deliver a purchase contract in the form approved by the Authorized Representative for such Bonds that incorporates those terms;

(e) Make any covenants necessary or desirable to obtain favorable financing terms on the Bonds, including any covenants with respect to the pledge of the City's full faith and credit to secure the Bonds and with respect to the expected use of revenues from the Airport to pay debt service on the Bonds as described in Section 5 herein;

(f) Negotiate the terms of, and execute and deliver the Financing Documents;

(g) Participate in the preparation of and authorize the distribution of preliminary and final official statements (the "Official Statement") relating to any series of Bonds, and "deem final" the preliminary Official Statement;

(h) Provide for the authentication, registration, payment, exchange and transfer of the Bonds in the Financing Documents;

(i) Obtain credit ratings on the Bonds if determined by the Authorized Representative to be in the best interest of the City and expend Bond proceeds to pay for the ratings;

(j) Approve the form of the Bonds and take actions necessary to qualify the Bonds for the book-entry system of The Depository Trust Company ("DTC"), and provide for the authentication, registration, payment, exchange and transfer of the Bonds;

(k) Approve, execute and deliver a Continuing Disclosure Certificate pursuant to the Securities and Exchange Commission Rule 15c2-12;

(l) Approve, execute and deliver closing documents and certificates relating to the sale of the Bonds and the execution and delivery of the Bonds and the Financing Documents;

(m) Enter into covenants regarding the use of the proceeds of the Bonds received by the City pursuant to the Financing Documents and the use of the Project;

(n) Evaluate any proposals from providers of Credit Enhancement Devices for the Bonds, obtain a Credit Enhancement Device for the Bonds and execute and deliver agreements related to such Credit Enhancement Device and/or including representations, agreements and covenants in the Bonds or the Financing Documents with respect to such Credit Enhancement Device; and

(o) Execute and deliver a certificate specifying the actions taken pursuant to this Ordinance, and any other certificates, documents or agreements or take any other action that an Authorized Representative determines are desirable to execute and deliver the Financing Documents, the Official Statement and all other documents and agreements related to the Bonds and to sell and deliver the Bonds in accordance with this Ordinance.

Section 8. Defeasance. The City may defease the Bonds pursuant to the terms of the Financing Documents.

Section 9. Appointment of Bond Counsel, Disclosure Counsel, Financial Advisor and Underwriter. The City hereby appoints Orrick, Herrington & Sutcliffe LLP of Portland, Oregon, as bond counsel and disclosure counsel to the City with respect to the Bonds; Piper Sandler & Co., as financial advisor to the City with respect to the Bonds; and Morgan Stanley & Co. LLC, as underwriter with respect to the Bonds, and agrees to pay their respective fees associated with the issuance of the Bonds.

Section 10. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Bonds by the Owners, the provisions of this Ordinance shall be part of the contract of the City with the Owners and shall be deemed to be and shall constitute a contract between the City and the Owners pursuant to ORS 287A.315 and ORS 287A.325, or any successor statute. The covenants, pledges, representations and warranties contained in this Ordinance, or in the documents executed in connection with the Bonds, including without limitation the City's covenants and pledges contained in Section 4 of this Ordinance, and the other covenants and agreements to be performed by or on behalf of the City shall be contracts for the equal benefit, protection and security of the Owners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Ordinance.

Section 11. Effective Date of Ordinance. This Ordinance shall be effective 30 days after its enactment by the City Council pursuant to Section 32 of the City Charter unless it is successfully referred as provided by Oregon law.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of March 2025.

By: _____
Ed Fitch, Mayor

ATTEST:

By: _____
Kayla Duddy, Deputy City Recorder



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
Jessica MacClanahan, Public Works Director/City Engineer
FROM: Maria Ramirez, Special Projects and Natural Resource Program Manager
SUBJECT: Central Dry Canyon Project Bid Award to Keeton King, LLC, Project #PK2102: \$3,995,188.96

Report in Brief:

This item requests City Council award a \$3,995,188.96 contract to Keeton King, LLC to construct the Central Dry Canyon Improvement Project.

Background:

The Central Dry Canyon is zoned an enhancement area in the 2013 Dry Canyon Master Plan. This area includes Sam Johnson Park, Kiwanis Park, Spud Bowl, the Redmond Skate Park, and the Weigand Family Dog Park. This area of the park also serves as a primary recreational destination and event venue for the community.

Over the years, the heavy use of the Dry Canyon has presented challenges such as traffic flow, pedestrian circulation, and general crowding; particularly when busy day-to-day use and park events occur simultaneously.

To address these concerns and the wear and tear of the fall surface at Hope Playground in Sam Johnson Park, the 2018 Parks Master Plan recommended necessary maintenance improvements, as well as an area plan that aims to improve Americans with Disability Act (ADA) access, and enhances vehicle, bicycle, and pedestrian connections throughout the park series.

In Fiscal Year (FY) 21/22, the City contracted with Environmental Science Associates (ESA) to assess opportunities for improving connectivity and lead a comprehensive public outreach campaign to develop a preferred concept for the area. As part of this effort, ESA and the City conducted a two-day site observation to analyze usage patterns and circulation. Additionally, Public Assembly Permit staff from the City's Community Development Department, along with event organizers from the Chamber, Redmond Area Parks and Recreation, and other providers, were interviewed to identify strengths and weaknesses of the existing layout.

Using insights from these assessments, multiple concepts were developed. The City hosted an online public forum for residents to provide feedback on each concept, helping to shape a preferred design for development. This concept was presented to the City's Parks Committee for recommendation to prioritize and budget within the City's 5-year Capital Improvement Plan.

Following are the key milestones for the public campaign and concept development:

FY 23/24 – 24/25: Milestones

- January 9, 2023: City Council awarded the Construction Design Contract in the amount of \$409,100 to ESA
- May 23, 2023: Council hosted a Joint Parks Committee discussion on key topics including the Central Dry Canyon preferred concept and cost estimate
- July 6, 2023: Parks Committee provided formal recommendations for design development of canyon pedestrian gateways and corridors
- October 5, 2023: Parks Committee recommendation on Spudbowl configuration
- December 4, 2023: City Council and Parks Committee Joint meeting follow-up on Spudbowl configuration
- August 4, 2024: Council Informal to review 90% design concepts and cost estimates

- December 20, 2024: Completion of final construction and bid packages

An Invitation to Bid was publicly posted on January 12, 2025, with bids opened on February 26, 2025.

Discussion:

The City publicly procured construction services per the Oregon Revised Statutes Section 279C and the State of Oregon Model Rules.

Five (5) bids were received and publicly opened on February 26, 2025. The bids were reviewed and the lowest bid from Keeton King, LLC in the amount of \$3,885,503.69 was deemed responsible. A third-party cost estimator reviewed all received bids and identified two minor discrepancies in the City bid package assumptions related to unit quantities. These quantities were associated with materials. These were corrected and increased the total project cost by \$109,685.27 to a total of \$3,995,188.96. After the adjustments, Keeton King remains the lowest responsible bidder.

All received bids, shown below:

Contractor	Total Bid Amount
Keeton King, LLC	\$3,995,188.96
Taylor NW Corporation	\$4,640,580.40
Bar Seven A Companies	\$4,587,808.00
K&E Excavating, Inc	\$4,960,933.00
Rickabaugh Construction, LLC	\$6,423,529.94

On March 6, 2025, the Redmond Parks Committee provided a formal recommendation to award the contract to Keeton King, LLC.

A Notice of Intent to Award was issued on March 5, 2025, and the public was given seven (7) days to protest. No protests were received.

If awarded by the City Council, construction is anticipated begin in May 2025 and scheduled to last 14 months. Construction and closures throughout the park series will be sequenced over the course of the construction duration to ensure local and daily park access is available.

Fiscal Impact:

This project is included in the City's 5-Year Capital Improvement Program for a total of \$6.7 million, including \$5.3 million in Parks System Development Charges (SDCs), \$1 million in Water Infrastructure Maintenance funds, and \$400,000 in Water SDCs.

The bid amount from Keeton King is within the planned budget for the project.

Alternative Courses of Action:

1. Award a construction contract with Keeton King, LLC in the amount of \$3,995,188.96
2. Do not award the contract.
3. Request additional information.

Recommendation / Suggested Motion:

"I move to award the Central Dry Canyon Improvement Project to Keeton King, LLC in the amount of \$3,995,188.96 and authorize the City Manager to sign the contract."



CENTRAL DRY CANYON CONTRACT BID AWARD: TO KEETON KING, LLC: \$3,995,188.96

**REDMOND CITY COUNCIL
MARCH 25, 2025**



BACKGROUND

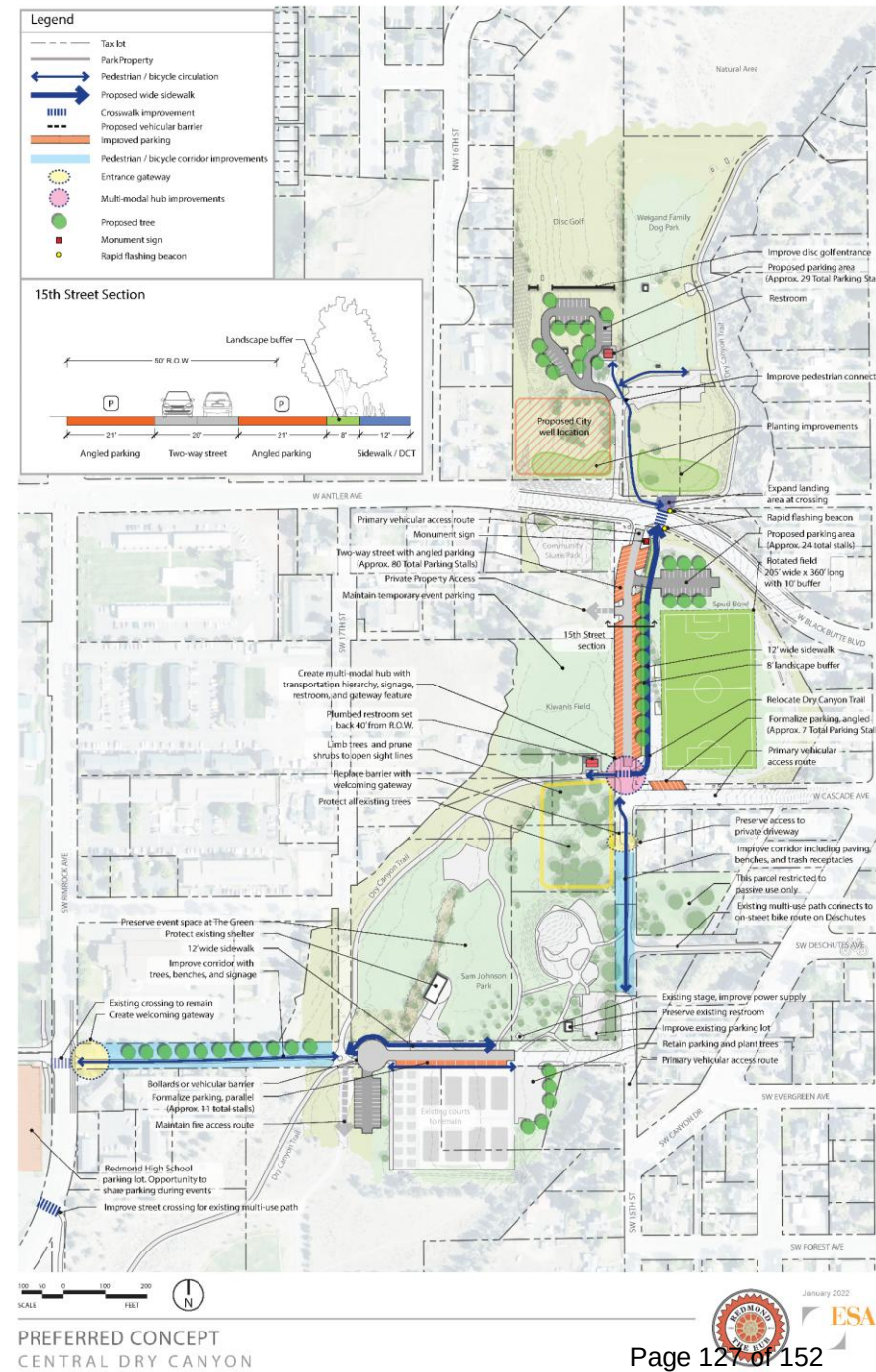
COMMUNITY OUTREACH FY22/23 – FY 23/24

- IDENTIFIED OPPORTUNITIES AND CONSTRAINTS
- COMMUNITY OUTREACH COMPLETE
- PREFERRED CONCEPT PLAN DEVELOPED

CONSTRUCTION DESIGN FY23/24 – FY24/25

- CONSTRUCTION DESIGN AWARD – COUNCIL
- COUNCIL INFORMAL DESIGN REVIEW
- 100% DESIGN COMPLETE

SLIDE / 3



CENTRAL DRY CANYON PARK

SLIDE / 4



PHASE

BID AWARD

SCHEDULE

FY 2022-23 thru
FY 25-26

ESTIMATE

\$6,100,000

FUNDING

Parks & Water
Funds

PROJECT SCOPE

- Park reconfiguration to provide better vehicle and pedestrian flow and create a comprehensive park feel from the Sam Johnson Playground, tennis courts, and pickleball courts to the Dog Park
- New fall surface, pavement, trails, parking, and landscape areas
- New 12" and 8" waterline

BEFORE



AFTER



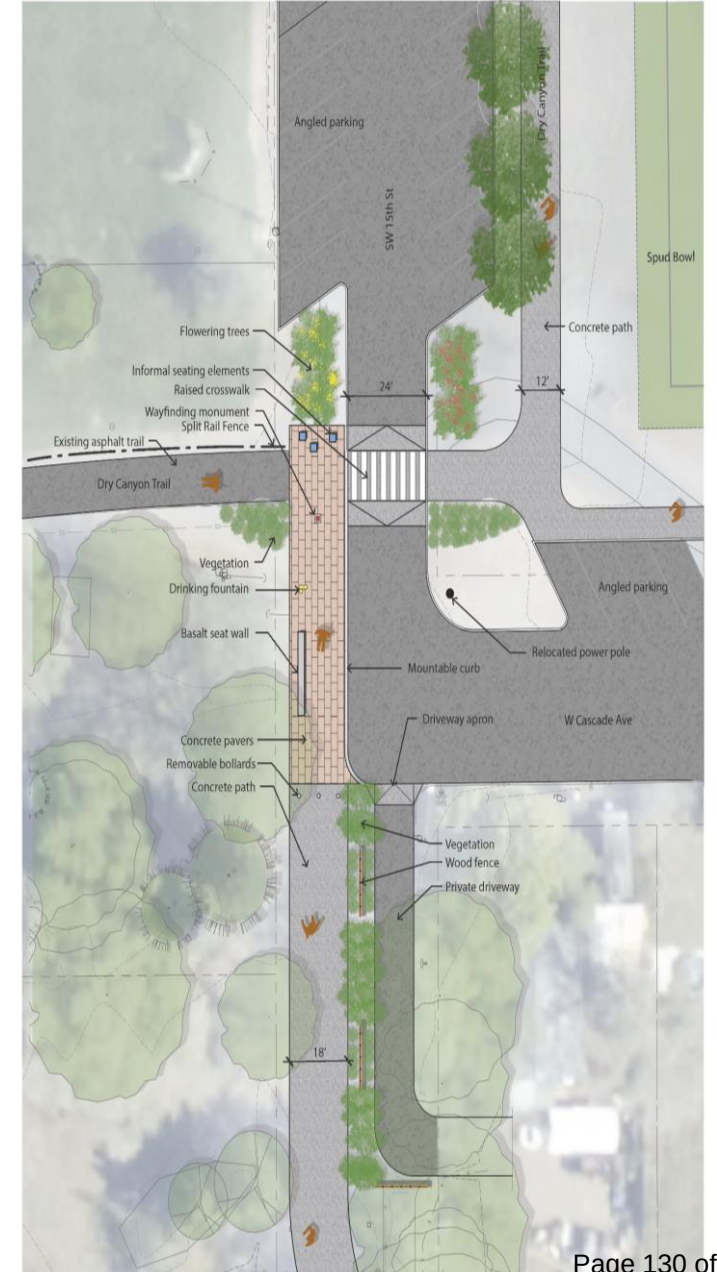
RIMROCK PATHWAY

15TH AND CASCADE INTERSECTION

BEFORE



AFTER

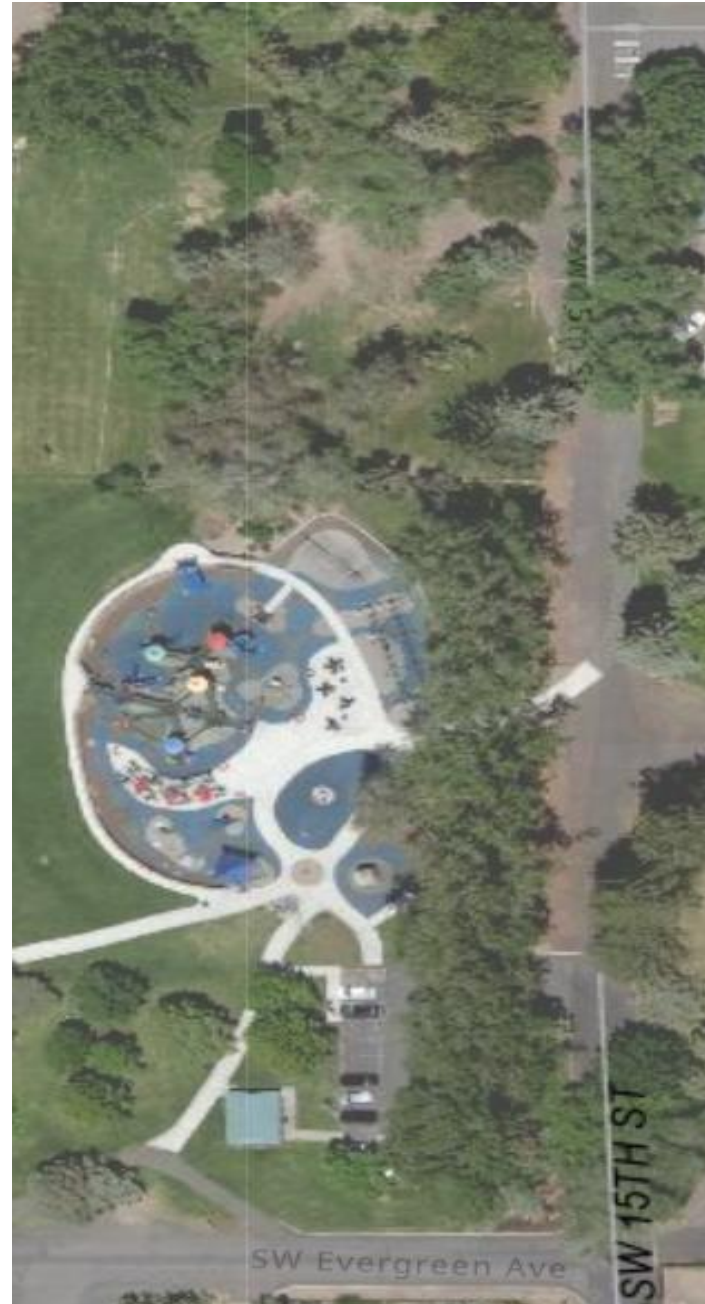


15TH STREET PROMENADE

HOPE PLAYGROUND FALL SURFACE REPLACEMENT

SLIDE / 7

BEFORE

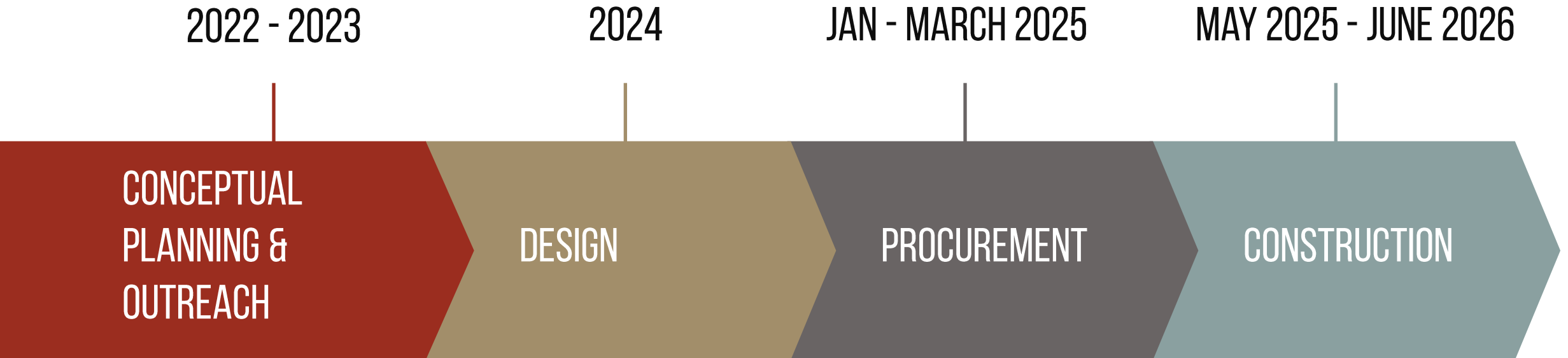


AFTER





CENTRAL DRY CANYON TIMELINE



PROJECT SCHEDULE



PROJECT COSTS

FUNDING SOURCES

Bidder	Amount
Keeton King, LLC	3,995,188.96
Taylor NW, LLC	\$4,640,580.40
Bar Seven A Companies	\$4,587,808.00
K&E Excavating, Inc	\$4,960,933.00
Rickabaugh Construction, LLC	\$6,423,529.94

- **ENGINEER'S ESTIMATE:** \$6,400,000
- **FUNDING SOURCES:** Parks SDCs, Water SDCs, Water Capital Maintenance



QUESTIONS?



CITY OF REDMOND

CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
Jessica MacClanahan, Public Works Director/City Engineer
FROM: Maria Ramirez, Special Projects and Natural Resource Program Manager
SUBJECT: Central Dry Canyon Design Contract Amendment #5 with Environmental Science Associates, Project #PK2102: \$78,370

Report in Brief:

This item requests City Council authorize Amendment #5 to Contract #2023-09 with Environmental Science Associates in the amount of \$78,370 for services during construction on the Central Dry Canyon Project.

Background:

On January 9, 2023, City Council approved a \$409,100 design contract with Environmental Science Associates (ESA) for the Central Dry Canyon project. Since the original award, several amendments have been processed for a total of \$27,384.75.

These amendments covered additional design scope for stormwater improvements, steel waterline replacement, and wage rate adjustments as outlined below. Services during construction (proposed Amendment #5) are often included in design contracts which allow the Engineer of Record to provide technical support reviewing submittals, Requests for Information, and overall technical oversight during construction.

Original Contract	\$409,100.00
Amendment #1 - Wage Rate Adjustments	\$ 18,388.25
Amendment #2 - Stormwater Improvements	\$ 7,626.00
Amendment #3 - Cascade Ave Waterline	\$ 11,135.00
Amendment #4 - Contract Term Extension	\$ 0.00
Amendment #5 - Services During Construction	\$ 78,370.00
Amendments Subtotal	\$115,471.75
New Contract Total	\$524,569.25

Discussion:

Per City policy, contract changes of greater than 10% or \$100,000 over the original contract amount require City Council authorization. Previous contract amendments resulted in a cumulative increase of 9.1% over the original contract amount. The inclusion of Amendment #5 will increase total changes to the contract by 28% over the original amount.

Fiscal Impact:

This project is included in the City's 5-Year Capital Improvement Program for a total of \$6.1 million, including \$4.6 million in Parks System Development Charges (SDCs), \$1 million in Water Capital Maintenance funds, and \$415,000 in Water SDC's. This contract amendment is within the allowable budget for the overall project.

Alternative Courses of Action:

1. Approve Amendment #5 to Environmental Science Associates's contract in the amount of \$78,370 for services during construction.
2. Request additional information.
3. Do not approve Amendment #5.

Recommendation / Suggested Motion:

"I move to approve Amendment #5 to Contract #2023-09 with Environmental Services Associates for services during construction of the Central Dry Canyon Project, in the amount of \$78,370, and authorize the City Manager to sign the amendment."



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411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
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STAFF REPORT

DATE: March 25, 2025
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
Jessica MacClanahan, Public Works Director/City Engineer
FROM: Ryan Kirchner, Public Works Operations Manager - Wastewater/Transportation/Fleet
SUBJECT: Crack Seal Maintenance Project Bid Award to C.R. Contracting LLC, DBA C.R. Contracting, Project #TR2429: \$225,890

Report in Brief:

This item requests City Council award the Crack Seal Maintenance Project to C.R. Contracting LLC, DBA C.R. Contracting in the not-to-exceed amount of \$225,890.

Background:

The City maintains approximately 183 miles of roadways and parking lots, valued at over \$350 million. Each year, the City invests significant resources in maintaining and improving this infrastructure through various surface treatments, including crack sealing, seal coats, slurry seals, chip seals, and overlays. This year, the City will allocate approximately \$1.6 million to street surface maintenance projects, treating about 16% of its streets.

To prioritize preventative maintenance, the City utilizes a computerized pavement management program and partners with a third-party consultant. The goal is to maintain a Pavement Condition Index (PCI) rating in the low 80s (Good Condition). A comprehensive preventative maintenance program is essential, as these treatments extend pavement life at a significantly lower cost than full reconstruction.

For this year's program, approximately 12 miles of City streets have been identified for crack seal treatment, as shown on the attached map. This treatment, combined with other annual surface maintenance efforts, supports the City's goal of preserving its streets and maintaining a strong PCI rating.

Discussion:

The City competitively bid for construction services per Oregon Revised Statutes (ORS) Section 279C.335. Three bids were received and publicly read on March 4, 2025, from the following contractors:

CONTRACTOR	BID AMOUNT(\$)
C.R. Contracting LLC, DBA C.R. Contracting	\$225,890
Toploc Asphalt Maintenance LLC, DBA Central Oregon Asphalt Sealing	\$298,400
Hybrid Construction, DBA Aegis Asphalt & Construction	\$353,300

C.R. Contracting LLC, DBA C.R. Contracting is the lowest responsive and responsible bidder. The bid was less than the engineer's estimate of \$248,395. A not-to-exceed amount of \$225,890 will be established for the contract. The Notice of Intent to Award was issued on March 7, 2025. This project has an estimated completion date of August 29, 2025.

Fiscal Impact:

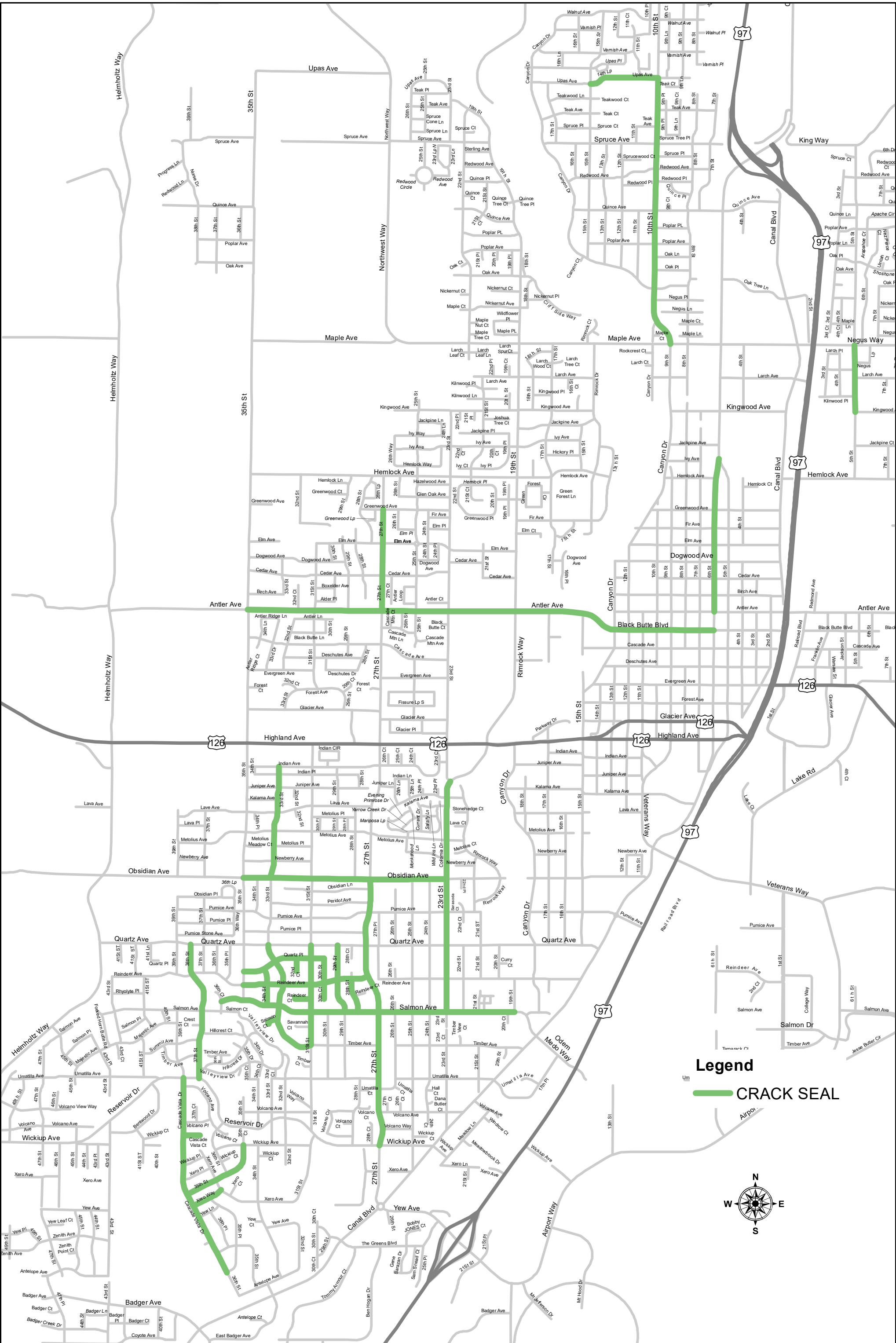
The Fiscal Year (FY) 2024/25 budget included \$1.6 million in the Transportation Infrastructure Maintenance Sub-Fund (22161). The City was awarded a Surface Transportation Block Grant for \$473,578 during FY 2024/25 that will be used to support the funding of this project. The procurement was made through Redmond City Code Section 2.406 & ORS 279C.335.

Alternative Courses of Action:

1. Award the project to C.R. Contracting LLC, DBA C.R Contracting.
2. Request additional information.
3. Reject all bids for the Crack Seal Maintenance Project.

Recommendation / Suggested Motion:

"I move to award the crack seal maintenance project to C.R. Contracting LLC, DBA C.R Contracting, in the not to exceed amount of \$225,890 and authorize the City Manager to sign the contract."



Transportation Fund		FY 2021/22 Actual	FY 2022/23 Actual	FY 2023/24 Budget	FY 2024/25 Proposed Budget	FY 2024/25 Approved Budget	FY 2024/25 Adopted Budget
TOTAL CAPITAL OUTLAY		-	89,682	15,000	-	-	-
Reserve							
22118-01-000-12-00-20	Reserve for Future Expend	-	-	15,000	-	-	-
TOTAL RESERVE		-	-	15,000	-	-	-
TOTAL SUB-FUND EXPENDITURE		1,479,366	2,048,995	2,369,929	2,554,869	2,554,869	2,554,869
NET SUB-FUND		156,501	(25,843)	-	-	-	-
Sub-fund: Transportation - Infrastructure Maintenance							
Resources							
22161-01-000-04-30-50	STBG Funds	599,923	-	960,349	473,458	473,458	473,458
22161-01-000-04-80-10	Interest - Investment	(4,499)	52,373	36,000	31,900	31,900	31,900
22161-01-000-04-86-10	Intrafund Trfrs-from Operations	1,080,000	1,270,000	1,075,000	1,450,000	1,450,000	1,450,000
22161-01-000-04-99-00	Beginning Fund Balance	1,335,921	1,188,613	1,451,000	890,370	890,370	890,370
TOTAL RESOURCES		3,011,345	2,510,986	3,522,349	2,845,728	2,845,728	2,845,728
Materials & Services							
22161-01-000-06-02-05	Asphalt Maintenance	795,842	442,925	923,630	810,000	810,000	810,000
22161-01-000-06-02-10	Bridge Maintenance	99	-	57,000	92,000	92,000	92,000
22161-01-000-06-02-15	Signage	56,157	73,001	70,000	70,000	70,000	70,000
22161-01-000-06-02-20	Surface Seals	879,721	263,874	1,274,370	810,000	810,000	810,000
22161-01-000-06-02-25	Sidewalk Maint	13,207	50,920	70,000	50,000	50,000	50,000
22161-01-000-06-02-30	Striping	10,905	56,965	57,750	85,000	85,000	85,000
22161-01-000-06-02-35	Legend Painting	44,810	13,361	45,000	50,000	50,000	50,000
22161-01-000-06-02-40	Vegetation Maintenance	1,840	36,229	45,000	45,000	45,000	45,000
22161-01-000-06-02-45	Street Sweeping	6,677	10,518	15,000	15,000	15,000	15,000
22161-01-000-06-02-50	Shoulder Maintenance	2,522	14,450	20,000	20,000	20,000	20,000
22161-01-000-06-02-55	Concrete Repair	4,063	3,109	65,000	65,000	65,000	65,000
22161-01-000-06-02-60	Snow & Ice Maintenance	6,889	22,518	26,000	26,000	26,000	26,000
TOTAL MATERIALS & SERVICES		1,822,732	987,871	2,668,750	2,138,000	2,138,000	2,138,000
Reserve							
22161-01-000-12-00-20	Reserve for Future Expend	-	-	853,599	707,728	707,728	707,728
TOTAL RESERVE		-	-	853,599	707,728	707,728	707,728
TOTAL SUB-FUND EXPENDITURE		1,822,732	987,871	3,522,349	2,845,728	2,845,728	2,845,728
NET SUB-FUND		1,188,613	1,523,115	-	-	-	-
Sub-fund: Transportation - Capital Vehicle & Equipment							



2025 STREET PRESERVATION PROJECTS (TR2429) TOTAL AMOUNT FOR TWO BID AWARDS: \$1,274,215

REDMOND CITY COUNCIL
MARCH 25, 2025



STREET PRESERVATION PROJECTS STRATEGY

- NEW 3-ZONE SYSTEM
- ENHANCED PUBLIC OUTREACH
- BULK CONTRACTING AND EARLY BIDDING





PROJECT SCOPE

PREVENTATIVE MAINTENANCE TREATMENTS

CHIP SEAL — 2 MILES



SLURRY SEAL — 16 MILES



CRACK SEAL — 12 MILES





BIDS FOR ALL THREE CONTRACTS

TREATMENT	BIDDER	AMOUNT	ESTIMATE
CHIP AND SLURRY SEAL	VSS INTERNATIONAL, INC.	\$1,048,325	\$1,058,266
CRACK SEAL	C.R. CONTRACTING LLC, DBA C.R CONTRACTING	\$225,890	\$248,395

- **TOTAL BIDS AMOUNT:** \$1,274,215
- **ENGINEER'S ESTIMATE:** \$1,306,661
- **FUNDING SOURCE: TRANSPORTATION INFRASTRUCTURE SUB-FUND:** \$1,620,000



QUESTIONS





CITY OF REDMOND

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411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: City Council
THROUGH: Keith Witcosky, City Manager
Jason Neff, Deputy City Manager/Chief Financial Officer
Jessica MacClanahan, Public Works Director/City Engineer
FROM: Ryan Kirchner, Public Works Operations Manager - Wastewater/Transportation/Fleet
SUBJECT: Slurry and Chip Seal Maintenance Project Bid Award to VSS International, Inc., Project #TR2429:
\$1,048,325

Report in Brief:

This item requests City Council award the Slurry and Chip Seal Maintenance Project to VSS International, Inc. in the not-to-exceed amount of \$1,048,325.

Background:

The City maintains approximately 183 miles of roadways and parking lots, valued at over \$350 million. Each year, the City invests significant resources in maintaining and improving this infrastructure through various surface treatments, including crack sealing, seal coats, slurry seals, chip seals, and overlays. This year, the City will allocate approximately \$1.6 million to street surface maintenance projects, treating about 16% of its streets.

To optimize preventative maintenance, the City uses a computerized pavement management program and collaborates with a third-party consultant. The goal is to maintain a Pavement Condition Index (PCI) rating in the low 80s (Good Condition). A proactive maintenance approach is crucial, as it extends pavement life at a fraction of the cost of full reconstruction.

For this year's program, approximately 16 miles of City streets are scheduled for slurry seal treatment and 2 miles for chip sealing, as shown on the attached maps. These treatments, along with other annual surface maintenance efforts, help preserve the City's streets and sustain a strong PCI rating.

Discussion:

The City competitively bid for construction services per Oregon Revised Statutes (ORS) Section 279C.335. Four bids were received and publicly read on March 4, 2025, from the following contractors:

CONTRACTOR	BID AMOUNT(\$)
VSS International, Inc.	\$1,048,325
Doolittle Construction LLC	\$1,150,000
One Way Trigger LLC	\$1,233,209
Blackline Inc.	\$2,076,878

VSS International, Inc. is the lowest responsive and responsible bidder. The bid was less than the engineer's estimate of \$1,058,266. A not-to-exceed amount of \$1,048,325 will be established for the contract. The Notice of Intent to Award was issued on March 7, 2025. This project has an estimated completion date of August 4, 2025.

Fiscal Impact:

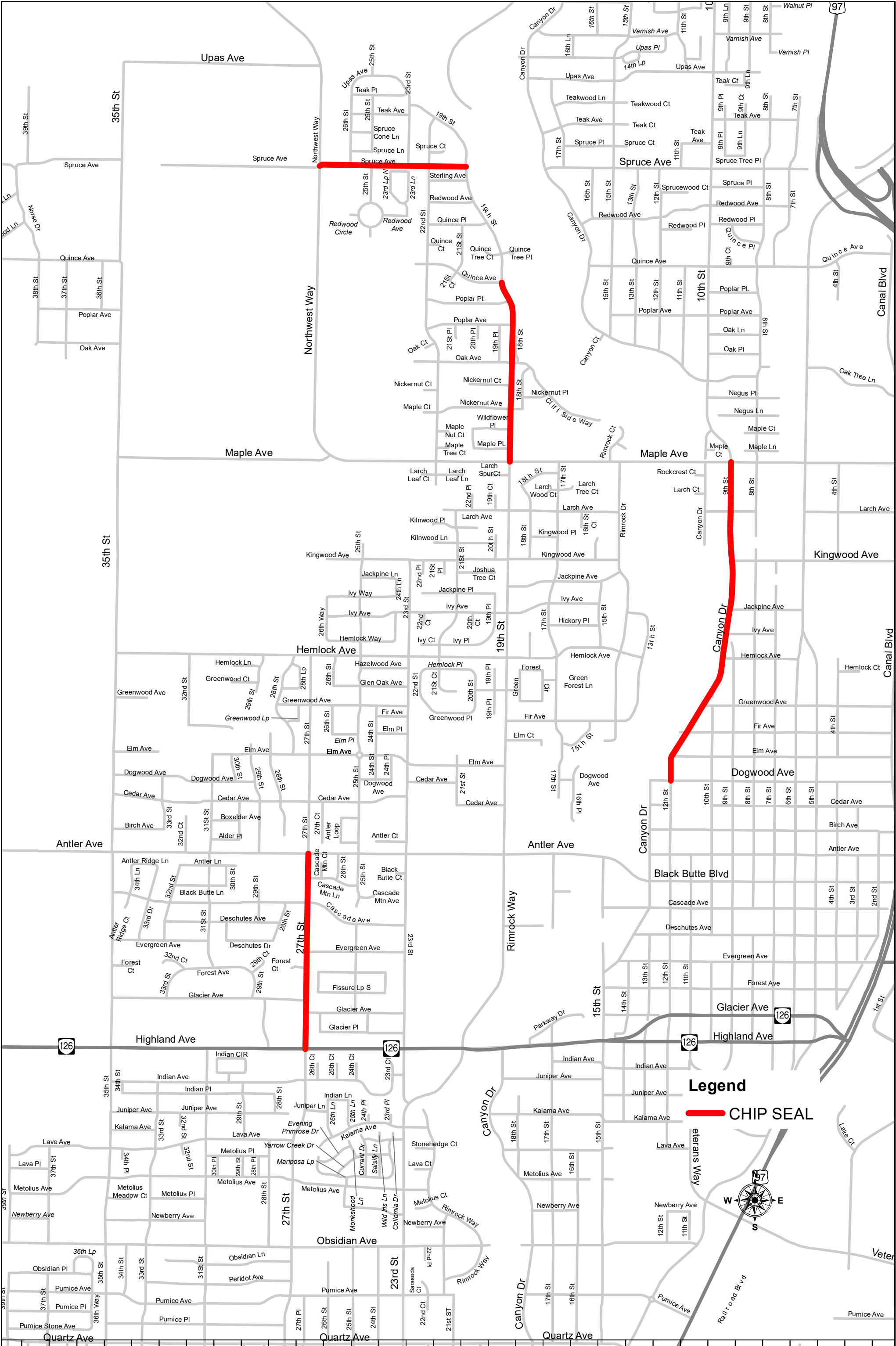
The Fiscal Year (FY) 2024/25 budget included \$1.6 million in the Transportation Infrastructure Maintenance Sub-Fund (22161). The City was awarded a Surface Transportation Block Grant for \$473,578 during FY 2024/25 that will be used to support the funding of this project. The procurement was made through Redmond City Code Section 2.406 & ORS 279C.335.

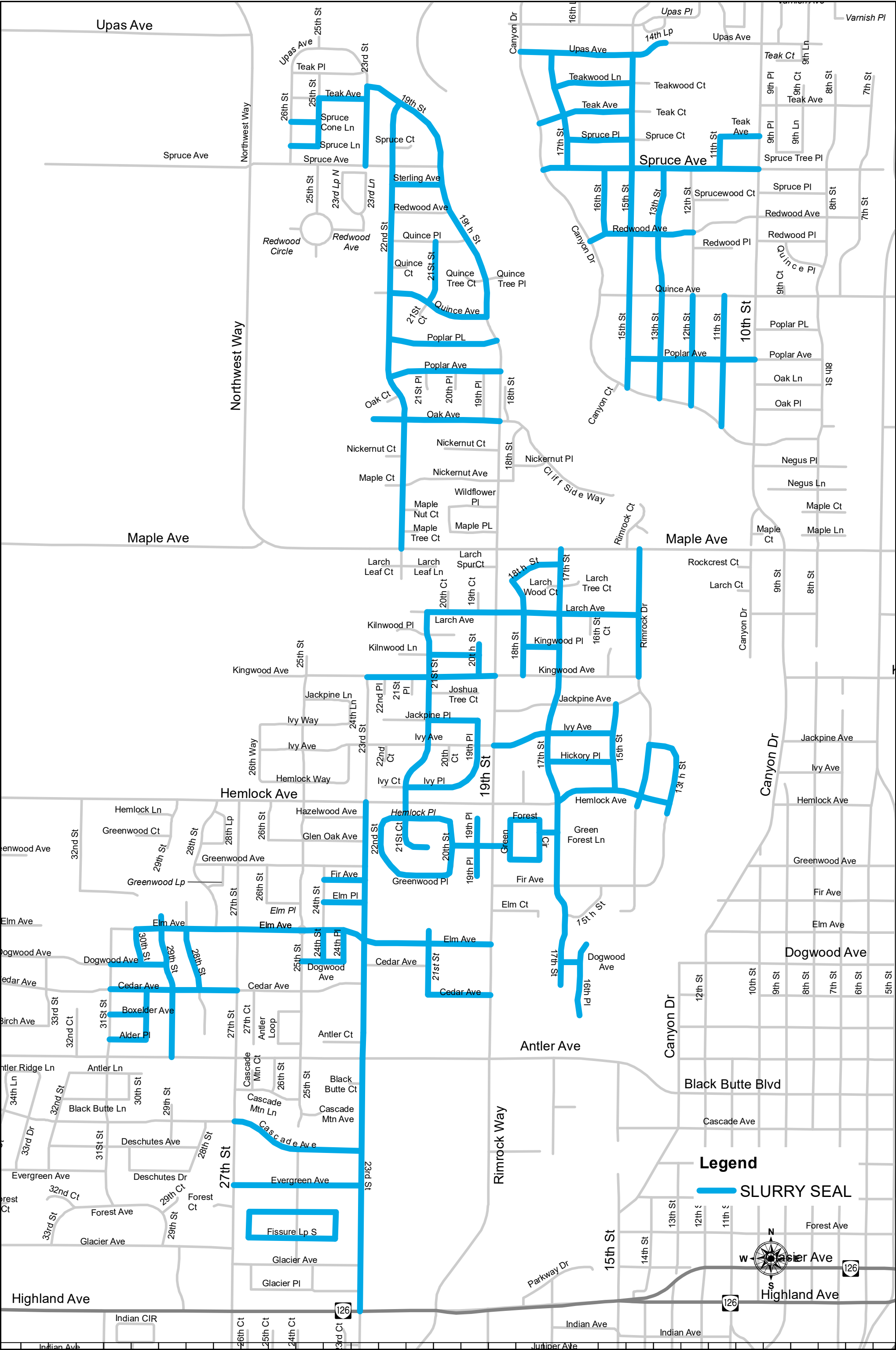
Alternative Courses of Action:

1. Award the project to VSS International, Inc.
2. Request additional information.
3. Reject all bids for the Slurry and Chip Seal Maintenance Project.

Recommendation / Suggested Motion:

"I move to award the slurry and chip seal maintenance project contract to VSS International, Inc. in the not to exceed amount of \$1,048,325 and authorize the City Manager to sign the contract."







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CITY HALL
411 SW 9th STREET
REDMOND, OR 97756
541.923.7710
FAX: 541.548.0706
info@redmondoregon.gov
redmondoregon.gov

STAFF REPORT

DATE: March 25, 2025
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Jason Neff, Deputy City Manager/Chief Financial Officer
Devin Lewis, Police Chief
SUBJECT: Public Safety Facility Supplemental Land Acquisition: Authorization of a Purchase and Sale Agreement for ODOT land adjacent to the Public Safety Facility: \$460,200

Report in Brief:

This item requests authorization to enter into a Purchase and Sale Agreement with the Oregon Department of Transportation (ODOT) for a 4.8-acre property located adjacent to 115 Teak Avenue (Deschutes County Assessor Map 151304AA, tax lots 400 and 500) for the purpose of new Public Safety Facility, in an amount of \$460,200 which does not include closing costs; and to pursue associated due diligence prior to closing.

Background:

N/A

Discussion:

In October 2024, the 4.8-acre property located adjacent to 115 Teak Avenue (Deschutes County Assessor Map 151304AA, tax lots 400 and 500) was listed as surplus by ODOT and appraised for \$460,200. Staff believes it is in the best long-term interest of the City to purchase the land given its adjacency to the new Public Safety Facility.

The City acquiring this land for a reasonable price will allow the Police Department and other City departments the potential to grow as the population and size of Redmond grow. This land gives the police department the option to move its vehicle storage building from the Public Works campus to this location, allowing the police department to have all their evidence stored in the same location. This will increase efficiency and reduce the costs of evidence management.

Additionally, there are several other options the rest of the property could be used for, including a Public Works or other department annex site, a future park, or other needs identified by the City.

Fiscal Impact:

The new Public Safety Facility project is running on schedule and under budget. As a result, the Contractor (Pence) is willing to reduce its contingency by \$460,000 (about 40% of the remaining contingency) to be utilized for land purchase. This contingency is included in the project Guaranteed Maximum Price (GMP) approved by City Council.

Alternative Courses of Action:

1. Authorize the City Manager to sign the sales agreement for property located adjacent to 115 Teak Avenue (Deschutes County Assessor Map 151304AA, tax lots 400 and 500).
2. Do not authorize the purchase.
3. Request additional information.

Recommendation / Suggested Motion:

"I move to authorize the City Manager to sign a Purchase and Sale Agreement and to execute all necessary subsequent actions to complete the conveyance of real property located adjacent to 115 Teak Avenue (Deschutes County Assessor Map 151304AA, tax lots 400 and 500), in the amount of \$460,200 plus closing costs; and pursue necessary due diligence."



PUBLIC SAFETY FACILITY ODOT LAND ACQUISITION: \$460,200

CITY COUNCIL

MARCH 25, 2025

**ODOT
4.8 ACRES**

**CURRENT
PUBLIC SAFETY
FACILITY SITE
8 ACRES**