CITY OF REDMOND

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

REVISED

CITY COUNCIL

August 25, 2020
Council Chambers • 411 SW 9th Street

COUNCIL MEMBERS

George Endicott
Mayor

Jay Patrick
Council President

Jon Bullock
Councilor

Albert Calderon
Councilor

Krisanna Clark-Endicott
Councilor

Camden King
Councilor

Ginny McPherson
Councilor

AUGUST 25, 2020 REGULAR MEETING AGENDA 6:00 PM

I. CALL TO ORDER / ESTABLISH A QUORUM

II. BLESSING- Pastor Barry Campbell, Highland Baptist Church

III. PLEDGE OF ALLEGIANCE

IV. COMMENTS FROM CITIZENS AT THE MEETING

V. PRESENTATIONS

A. Current Affairs

B. Redmond School District Update, Dr. Charan Cline, Superintendent

i. Res. #2020-17 - A resolution supporting the passage of the Redmond School District 2J General Obligation Bond.

C. Tourism Update - Redmond CVB

D. Statement Against Racism

i. Proclamation Condemning Racism

ii. Communications to Council (REVISED)

VI. CONSENT AGENDA

A. Investment Policy Re-Approval

B. Res. #2020-16 - A resolution of the City of Redmond declaring certain City property to be surplus.

C. Amendment #1 to Federal Aviation Administration Airport Improvement Program Grant 3-41-0052-045-2020 (AP4500)

D. Amendment #1 to the Oregon Department of Aviation Critical Oregon Airport Relief Grant No. COAR-2019-RDM-00010. (AP4400)

VII. BID AWARDS / BID REJECTIONS

A. Award Contract to Collins & Sons for the SW 43rd Street Waterline Project in the Amount of $639,225 (WA1902)

B. Airport Engineer Services RFP: Morrison-Maierle, Inc. (Contract No. 2020-59)

VIII. PUBLIC HEARINGS

A. Ord. #2020-13 - An ordinance renaming certain streets within the City of Redmond.

IX. ORDINANCES

In accordance with the City of Redmond Charter, an ordinance takes effect 30 days after its enactment except when a later effective date is specified in the ordinance; when the ordinance contains an emergency clause, it takes effective immediately.

A. Ord. #2020-04 – An ordinance amending the Redmond City Code Chapters 2, 5, 7, and 9, making technical changes, enabling an appeal of Code Enforcement decisions, creating short term rentals provisions, allowing the processing of hemp in the Light Industrial M-1 Zone, and making possible the enforcement and abatement of dangerous or abandoned buildings and structures.

X. ACTION ITEMS

A. Res. #2020-15 - A resolution of the City of Redmond approving a property tax exemption for Bridge Meadows Redmond Limited Partnership as authorized by Oregon Revised Statute 307.515 to 307.537 and City Code Section 2.800 to 2.805.

B. Authorize a Five-Year Service Agreement for Information Technology Services for Network Detection & Response - Darktrace: $210,000

XI. MAYOR'S COMMENTS

XII. COUNCIL COMMENTS

XIII. CITY MANAGER COMMENTS

XIV. ADDITIONAL COMMENTS FROM CITIZENS AT THE MEETING

XV. 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

CITY OF REDMOND
RESOLUTION NO. 2020-17

A RESOLUTION SUPPORTING THE PASSAGE OF THE REDMOND SCHOOL DISTRICT 2J GENERAL OBLIGATION BOND.

WHEREAS, the City of Redmond values and understands the importance of quality schools that provide excellent opportunities for Redmond's youngest citizens, preparing them for life beyond the classroom; and

WHEREAS, Redmond School District 2J (RSD) recently refinanced general debt obligation bonds, resulting in a $7.4 million savings to taxpayers; and

WHEREAS, RSD is able to leverage an additional $7.6 million matching grant through the State of Oregon if the proposed bond measure passes; and

WHEREAS, the City of Redmond data shows that over the next 20 years, Redmond will grow by 2.5 new residents per day and future growth will outgrow classroom capacity at RSD schools; and

WHEREAS, healthy, safe, and secure schools are a priority for RSD, passage of the bond will allow RSD to make improvements, including mitigating asbestos, air quality upgrades, creation of secure entryways, updates to communication systems, fire panels, and security systems in need of repair; and

WHEREAS, planning for future capacity is a priority for RSD, the passage of the bond will prepare for growth by adding additional classroom wings at Tom McCall Elementary and Vern Patrick Elementary; and

WHEREAS, RSD buildings are inefficient and in need of repair, and passage of the bond will provide funds to address outdated electrical, heating, lighting and cooling systems; and

WHEREAS, RSD is seeking voter approval of a $27.5 million dollar bond; and

WHEREAS, the passage of the bond is estimated to not increase the current 2019-20 tax rate of $2.31 per $1,000 tax assessed value.

THEREFORE, BE IT RESOLVED THAT the Redmond City Council acknowledge the need for additional resources for RSD to upgrade District schools and increase capacity for future growth. Council expresses its support for the passage of a $27.5 million dollar bond that is estimated to not increase the current 2019-20 tax rate of $2.31 per thousand dollars of tax assessed value.

ADOPTED by the City Council and **SIGNED** by the Mayor this 25th day of August 2020.

_____
George Endicott, Mayor

ATTEST:

_____
Kelly Morse, City Recorder

MARKETING REPORT

Q4 FY19-20: APRIL 1, 2020 - JUNE 30, 2020

DEAR CITY OF REDMOND, REDMOND CITY COUNCIL AND COMMUNITY STAKEHOLDERS,

What a wild and unpredictable year this has been. COVID-19 has changed every part of our strategy and planning, and we finally feel like we are starting to find our footing moving forward. In the next few pages, we want to lay out what we have been doing while tourism has been effectively suspended, what we plan to do as we move forward, and finally, the "wins" we've experienced even during this complicated, complex time.

ERIC SANDE
Executive Director

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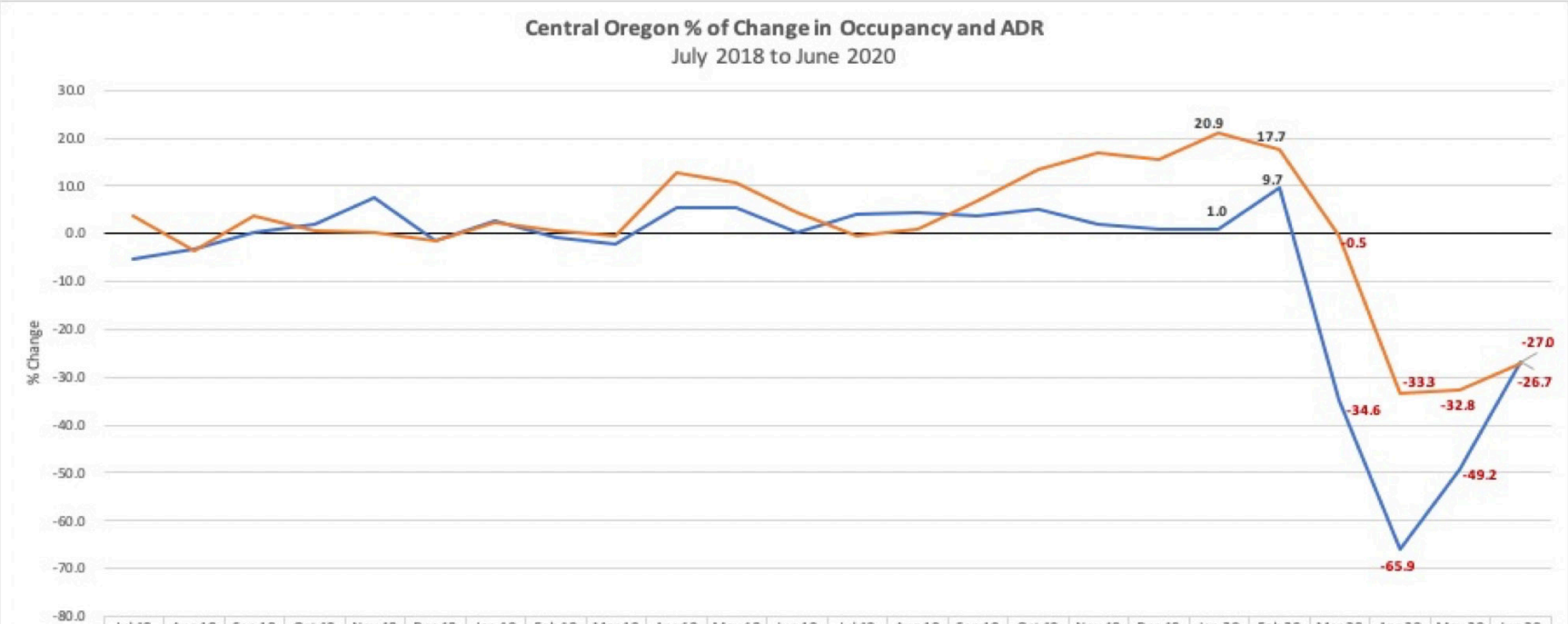
WELCOME BACK

WELCOME BACK CENTRAL OREGON

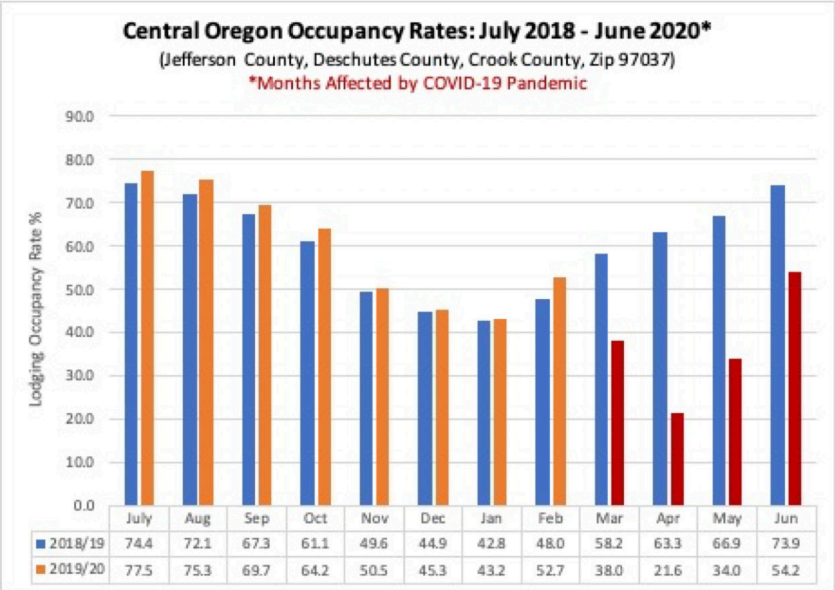
As a part of our efforts with the Redmond Rallies team, we have partnered with the Bend, LaPine, Sisters, Prineville, and Madras Chambers, as well as Deschutes County, the Cities of Bend and Redmond, and Central Oregon Daily News to develop our Welcome Back Central Oregon campaign, which features a reopening toolkit for small businesses, branded reusable masks, social media campaigns, and video campaigns featuring area chamber directors, county commissioners, and the Central Oregon Daily News team.

Resource Name	Display Location	File Type	Intended Audience	Download Link
Posters	Front Windows, Break Rooms	.PDF	General Public	CLICK HERE
Social Media Shareable Images	Facebook, Instagram, etc.	.PNG	General Public	CLICK HERE
Welcome Back Logo	Social Media, Windows, etc.	.PNG	General Public	CLICK HERE
Bienvenidos Nuevamente Carteles	Ventana frontal, Salas de descanso	.PDF	Público en General	HAGA CLIC AQUÍ
Bienvenidos Nuevamente Publicaciones en Redes Sociales	Redes Sociales	.PNG	Público en General	HAGA CLIC AQUÍ
Bienvenidos Nuevamente Logo	Redes Sociales, Ventanas	.PNG	Público en General	HAGA CLIC AQUÍ

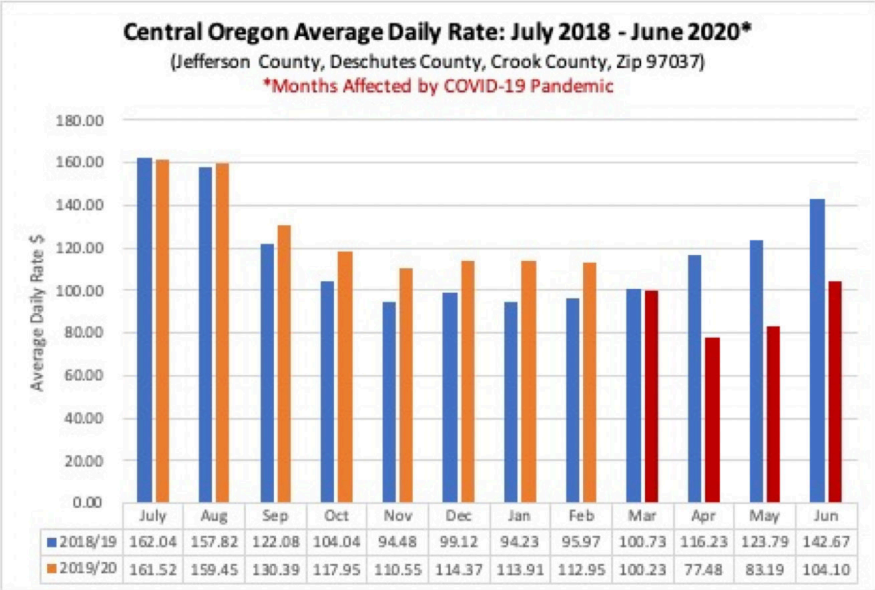
OCCUPANCY AND ROOM RATES – CENTRAL OREGON



	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20
Occ	-5.3	-3.1	0.4	1.9	7.4	-1.5	2.5	-0.6	-2.2	5.3	5.3	0.3	4.1	4.4	3.6	5.0	2.0	0.9	1.0	9.7	-34.6	-65.9	-49.2	-26.7
ADR	3.7	-3.6	3.7	0.6	0.2	-1.6	2.3	0.7	-0.5	12.7	10.7	4.6	-0.3	1.0	6.8	13.4	17.0	15.4	20.9	17.7	-0.5	-33.3	-32.8	-27.0

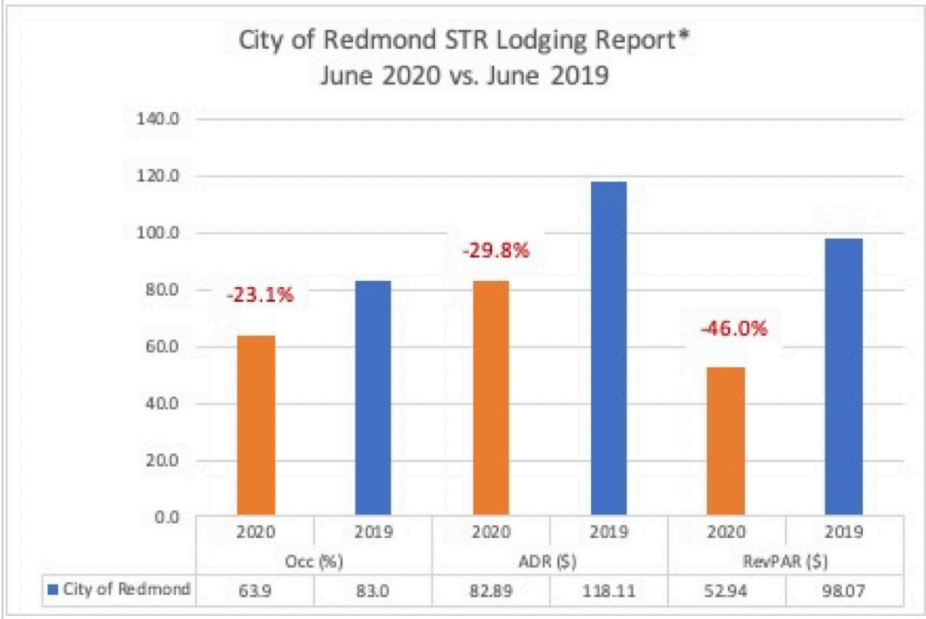


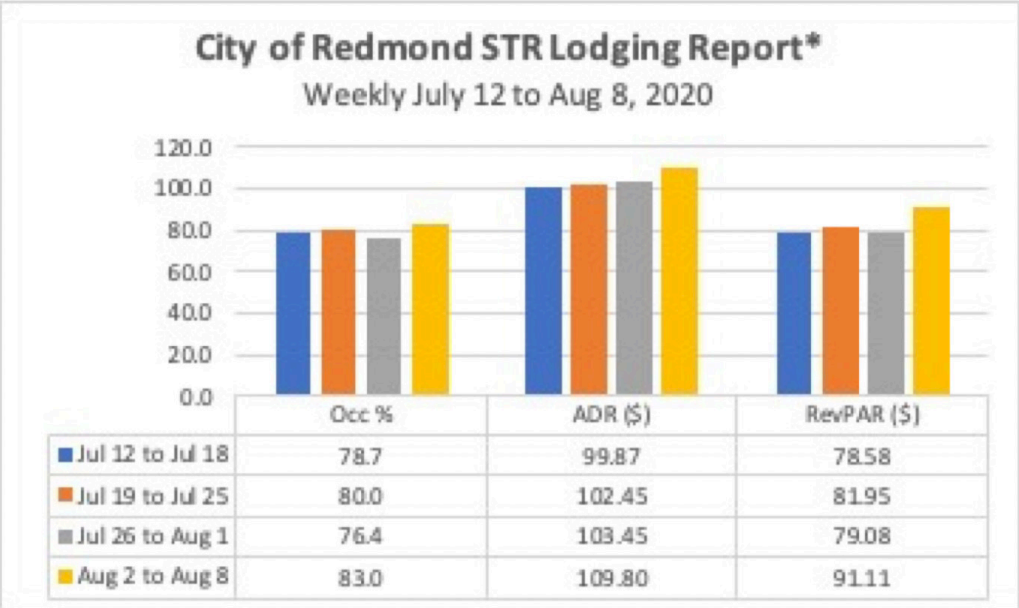
	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2018/19	74.4	72.1	67.3	61.1	49.6	44.9	42.8	48.0	58.2	63.3	66.9	73.9
2019/20	77.5	75.3	69.7	64.2	50.5	45.3	43.2	52.7	38.0	21.6	34.0	54.2



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2018/19	162.04	157.82	122.08	104.04	94.48	99.12	94.23	95.97	100.73	116.23	123.79	142.67
2019/20	161.52	159.45	130.39	117.95	110.55	114.37	113.91	112.95	100.23	77.48	83.19	104.10

OCCUPANCY AND ROOM RATES - REDMOND





EXPO CENTER LOSSES

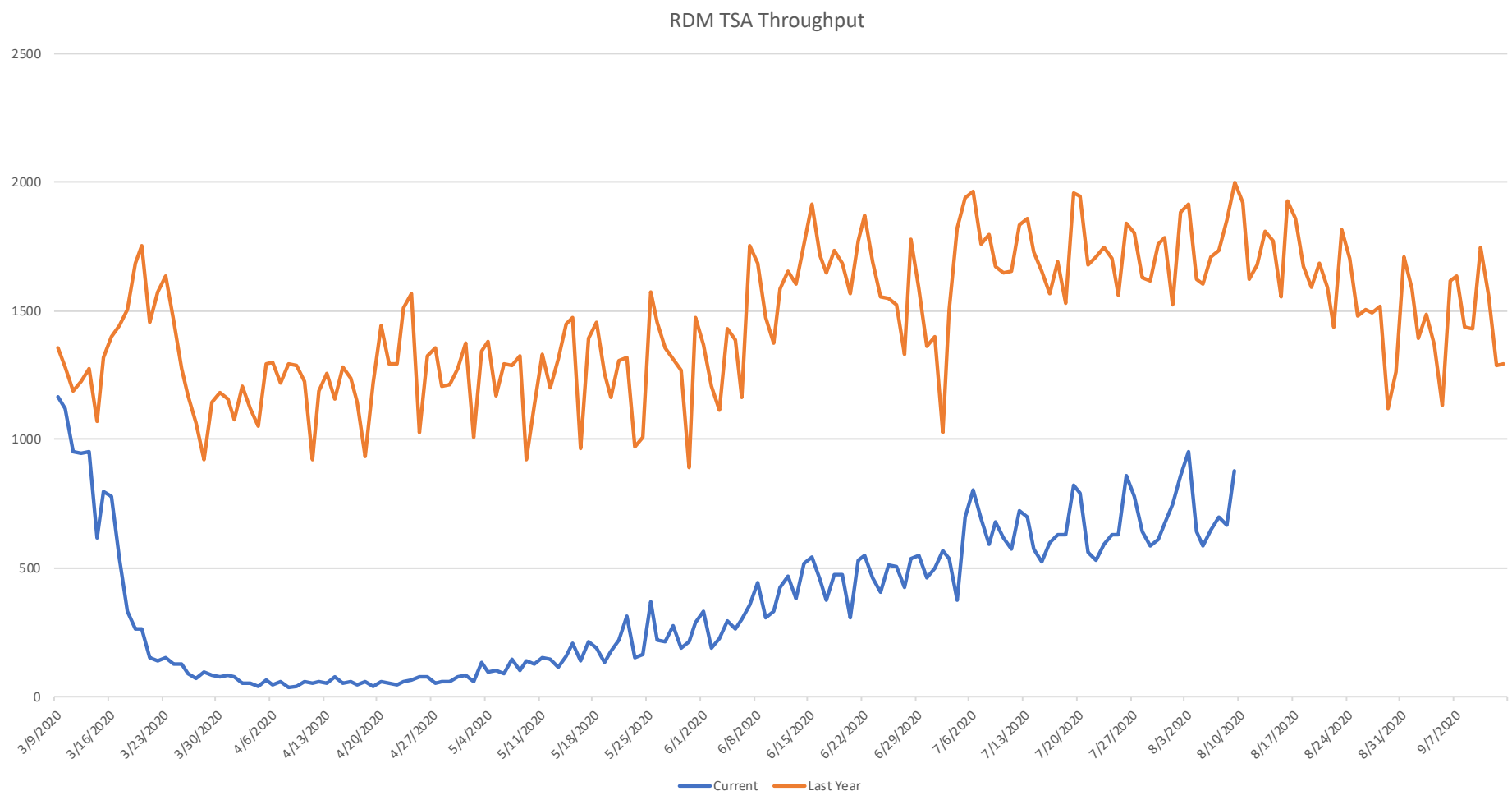
The Deschutes Fair and Expo has recorded the following losses thus far from COVID and the aftermath:

END OF FY 19-20: -$565K

BY AUGUST 1: -$1 MILLION

TOTAL INCLUDING FAIR LOSSES: -$3 MILLION

ROBERTS FIELD (RDM) TSA THROUGHPUT



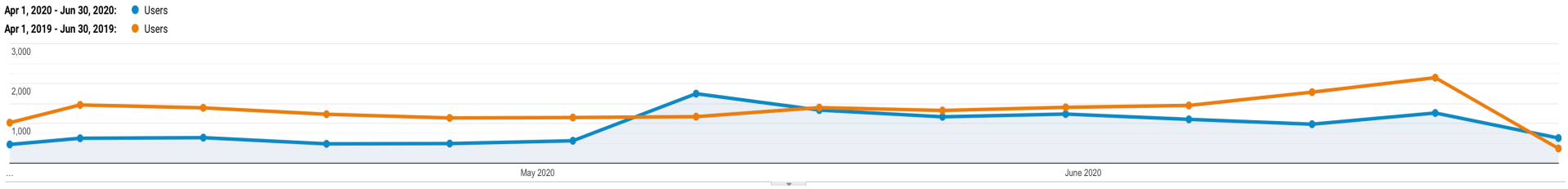
MARKETING HIGHLIGHTS

- PNW BACKSTORIES WITH RICK DANCER VIDEO SERIES.
- VISIT REDMOND REBRANDING, SITE DESIGN, AND CAMPAIGN RFP SENT OUT TO BID TO INDUSTRY AGENCIES AND VENDORS
- WEBSITE AND SOCIAL MEDIA TRAFFIC PICKING BACK UP

WEBSITE AT A GLANCE - Q4 FY 19-20

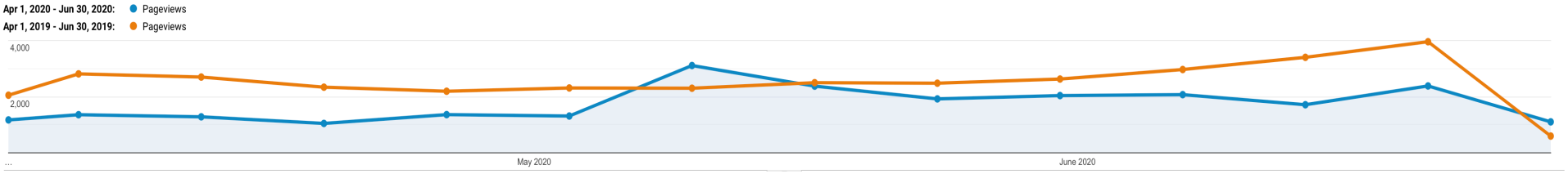
VISITREDMONDOREGON.COM

USERS



Users	New Users	Sessions	Number of Sessions per User	Pageviews	Pages / Session	Avg. Session Duration	Bounce Rate
-30.92%	-30.22%	-31.29%	-0.54%	-31.18%	0.16%	12.63%	-5.32%
11,607 vs 16,803	11,163 vs 15,997	14,504 vs 21,110	1.25 vs 1.26	24,246 vs 35,233	1.67 vs 1.67	00:01:17 vs 00:01:08	70.34% vs 74.29%

PAGEVIEWS

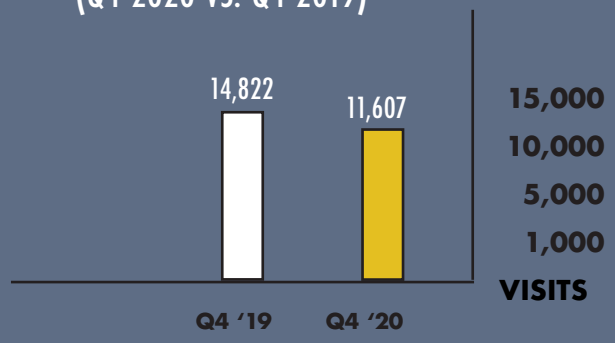


Pageviews	Unique Pageviews	Avg. Time on Page	Bounce Rate	% Exit
-31.18%	-36.43%	12.19%	-5.32%	-0.15%
24,246 vs 35,233	18,365 vs 28,888	00:01:54 vs 00:01:42	70.34% vs 74.29%	59.82% vs 59.91%

WEBSITE STATS

- TOTAL VISITS: 11,607
- TOTAL PAGEVIEWS: 24,246
- TIME ON SITE: 1 min 17 sec

WEBSITE TRAFFIC WAS DOWN -21%
(Q4 2020 VS. Q4 2019)



SOCIAL MEDIA ENGAGEMENT

INSTAGRAM (ORGANIC)
- TOTAL IMPRESSIONS: 20.98K
- TOTAL REACH: 19.76K
- TOTAL ENGAGEMENTS: 2.25K

FACEBOOK (ORGANIC)
- TOTAL IMPRESSIONS: 378,978
- TOTAL REACH: 377,061
- TOTAL ENGAGEMENT: 26,754

TWITTER
- FOLLOWERS: 535

YOUTUBE
- VIDEO VIEWS: 7,338 Video (157 Viewing Hours)

VISIT REDMOND REBRANDING RFP

A WHOLE NEW IDENTITY

We see this downtime from the pandemic as an opportunity to take a step back, analyze everything we're doing, and rebrand and rebuild our identity, differentiating it fully from the Chamber of Commerce part of our organization. To that end, we have gone out to proposal (leveraging our membership in the Oregon Destination Marketing Association) for a 3 phased rebranding campaign.

PHASE 1

Redesign of Redmond Chamber of Commerce Logo as well as Ground up Design and Brand Identity for "Visit Redmond Oregon" which while still part of the Redmond Chamber entity, will be a separate brand under the Chamber banner. Along with logo and brand identity work, we need a total design and branding guide, complete with Fonts, Graphics, Colors, etc.

PHASE 2

Ground up rebuilding of visitredmondoregon.com. Our website is currently built on a proprietary backend, and we would like to move it to a consumer backend, (i.e. Wordpress, Squarespece, etc.) We would also like to ensure that there are two distinct aims on the site, which will seek to serve both visitors coming to Redmond, as well as Members of the Redmond Chamber of Commerce. We will need a comprehensive SEO strategy, content development, etc. We have much of the imagery and verbiage, however, it needs to be updated and optimized with SEO in mind.

PHASE 3

With our new branding and collateral, we will need to design and implement a new digital marketing strategy and campaign, including, but not limited to, Google Ads, Social Media ads, Content writing, Editorial Calendar, etc.

PNW BACKSTORIES

PNW BACKSTORIES WITH RICK AND KATHY DANCER

Retired KEZI9 news anchor Rick Dancer and his wife Kathy host a show called PNW Backstories. We brought them in to cover Redmond, which yielded videos featuring SCP Hotel, the Dry Canyon Trail, Maple Bridge Arches, and many other Redmond landmarks and hot spots. His audience is mostly located in our drive markets and in our target demographics. The tone of the videos was to encourage but to be smart about timing and following restrictions when visiting Redmond.

AUDIENCE DEMOGRAPHICS:

Gender:
57% Women & 43% Male

Age Groups:
13-17 = 2% 18-24 = 22% 25-34 = 43% 35-44 = 19% 45-54 = 8%
55-64 = 5% 65+ = 1%

Impressions:
464,500+ over the span of 14 days

Accounts Reached:
410,800+ over the span of 14 days

Video Views:
127,528+

Emails Collected:
1400+

Likes:
3,533

Comments:
1,967+

BUDGET REVIEW

BUDGET SPENDING

VARIANCE

INCOME	Q4 FY19-20	Q3 FY19-20	%
TOTAL CITY FUNDING TO REDMOND CVB	$20,346.33 *	$51,813.35	-60%

EXPENSES BY CATEGORY**	Q4 FY19-20	Q3 FY19-20	
MARKETING	$2,045.85	$4,950.73	-58%
FULFILLMENT & POSTAGE	$369.60	$605.58	-39%
GROUP SALES DEVELOPMENT	$5,000.00	$X	100%
RESEARCH & PROFESSIONAL FEES	$5,156.25	$5,793.75	-12%
OVERHEAD & OFFICE	$4,486.87	$5,323.70	-15%
PAYROLL	$19,397.93	$19,854.23	-2%
TOTAL	**$36,456.50**	**$36,527.99**	-1%
NET INCOME (LOSS)	**$-16,110.17**	**$15,286.35**	

**TLT REVENUE PAYMENTS RECEIVED FOR APRIL-MAY. THERE IS A DELAY IN RECEIVING PAYMENTS.*

MARKETING

Percentage of marketing expense spent compared to the current fiscal year and projected fiscal year

POSTAGE

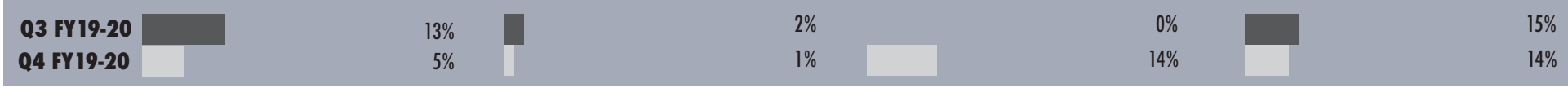
Percentage of postage expense spent compared to the current fiscal year and projected fiscal year

GROUP SALES

Percentage of group sales expense spent compared to the current fiscal year and projected fiscal year

PROFESSIONAL FEES

Percentage of prof. fees expense spent compared to the current fiscal year and projected fiscal year



BUDGET
END OF YEAR TOTAL

FY19-20
JULY 1, 2019 - JUNE 30, 2020

REVENUE	TOTAL $	TOTAL %
CITY FUNDING IN FY19-20	$237,344	100%
TOTAL REVENUE	**$237,344**	
Marketing	$34,215	14%
Fulfillment & Postage	$2,122	1%
Group Sales Development	$27,712	12%
Research & Professional Fees	$10,950	5 %
Overhead & Office	$19,396	8 %
Payroll	$78,504	33 %
TOTAL EXPENSES	**$172,804**	
Pending Expenditures / COVID Impacted Planned Expenditures	$35,798	15 %

OVERHEAD & OFFICE

Percentage of overhead expense spent compared to the current fiscal year and projected fiscal year

14%
12%

PAYROLL

Percentage of staff payroll expense spent compared to the current fiscal year and projected fiscal year

55%
53%

APPENDIX / ROOM TAX REPORT

PROVIDED BY VISIT CENTRAL OREGON

Deschutes County

	FY '12/13	Change	FY '13/14	Change	FY '14/15	Change	FY '15/16	Change	FY '16/17	Change	FY '17/18	VARIANCE	FY '18/19	Change	FY '19/20	MONTHLY VARIANCE
July	$ 818,812	7.39%	$ 915,363	11.79%	$ 1,188,765	29.87%	$ 1,271,350	6.95%	$ 1,430,995	12.56%	$ 1,514,978	5.87%	$ 1,667,996	10.10%	$ 1,748,181	4.81%
Aug	$ 735,633	14.83%	$ 906,575	23.24%	$ 1,115,119	23.00%	$ 1,169,306	4.86%	$ 1,216,868	4.07%	$ 1,468,425	20.67%	$ 1,413,522	-3.74%	$ 1,555,799	10.07%
Sept	$ 327,777	4.48%	$ 403,810	23.20%	$ 430,477	6.60%	$ 614,663	42.79%	$ 574,496	-6.53%	$ 529,022	-7.92%	$ 610,968	15.49%	$ 793,230	29.83%
Oct	$ 126,948	-1.83%	$ 139,234	9.68%	$ 175,403	25.98%	$ 240,295	37.00%	$ 282,936	17.75%	$ 394,256	39.34%	$ 364,516	-7.54%	$ 354,406	-2.77%
Nov	$ 105,795	3.94%	$ 131,451	24.25%	$ 195,905	49.03%	$ 213,017	8.73%	$ 228,833	7.42%	$ 266,930	16.65%	$ 286,147	7.20%	$ 297,571	3.99%
Dec	$ 252,250	14.06%	$ 319,538	26.68%	$ 360,655	12.87%	$ 396,621	9.97%	$ 453,353	14.30%	$ 421,618	-7.00%	$ 472,507	12.07%	$ 554,419	17.34%
Jan	$ 180,588	43.84%	$ 180,382	-0.11%	$ 230,003	27.51%	$ 278,939	21.28%	$ 272,394	-2.35%	$ 315,236	15.73%	$ 414,665	31.54%	$ 471,140	13.62%
Feb	$ 154,062	7.68%	$ 155,023	0.62%	$ 189,704	22.37%	$ 255,899	34.89%	$ 259,411	1.37%	$ 277,310	6.90%	$ 351,432	26.73%	$ 362,855	3.25%
Mar	$ 194,809	28.82%	$ 224,459	15.22%	$ 276,134	23.02%	$ 302,367	9.50%	$ 354,899	17.37%	$ 407,138	14.72%	$ 343,289	-15.68%	$ 159,828	-53.44%
April	$ 130,428	7.78%	$ 181,695	39.31%	$ 189,582	4.34%	$ 216,213	14.05%	$ 236,091	9.19%	$ 272,934	15.61%	$ 406,383	48.89%	$ 33,029	-91.87%
May	$ 219,254	8.21%	$ 258,725	18.00%	$ 292,303	12.98%	$ 354,123	21.15%	$ 390,661	10.32%	$ 406,280	4.00%	$ 524,883	29.19%	$ 224,100	-57.30%
June	$ 449,607	1.01%	$ 462,519	2.87%	$ 625,431	35.22%	$ 755,305	20.77%	$ 683,013	-9.57%	$ 761,871	11.55%	$ 973,186	27.74%	$ 1,006,259	3.40%
FYTD	$ 3,695,963	10.08%	$ 4,278,774	15.77%	$ 5,269,481	23.15%	$ 6,068,098	15.16%	$ 6,383,950	5.21%	$ 7,035,998	10.21%	$ 7,829,494	11.28%	$ 7,560,817	FYTD VAR
TOTAL	$ 3,695,963		$ 4,278,774		$ 5,269,481		$ 6,068,098		$ 6,383,950		$ 7,035,998		$ 7,829,494		$ 7,560,817	-3.43%

Deschutes unincorporated TRT rate: 5% Jul 76 | 6% Jul 80 | 7% Jan 89 | 8% Jul 14

City of Bend

	FY '12/13	Change	FY '13/14	Change	FY '14/15	Change	FY '15/16	Change	FY '16/17	Change	FY '17/18	Change	FY '18/19	Change	FY '19/20	MONTHLY VARIANCE
July	$ 543,438	-0.23%	$ 586,376	7.90%	$ 864,560	47.44%	$ 1,167,521	35.04%	$ 1,253,078	7.33%	$ 1,415,548	12.97%	$ 1,373,500	-2.97%	$ 1,769,320	28.82%
Aug	$ 534,186	11.20%	$ 610,702	14.32%	$ 853,644	39.78%	$ 1,021,591	19.67%	$ 1,109,525	8.61%	$ 1,347,492	21.45%	$ 1,523,285	13.05%	$ 1,401,817	-7.97%
Sept	$ 395,722	4.75%	$ 462,399	16.85%	$ 554,820	19.99%	$ 739,451	33.28%	$ 839,649	13.55%	$ 820,801	-2.24%	$ 993,215	21.01%	$ 1,023,740	3.07%
Oct	$ 280,250	21.91%	$ 338,624	20.83%	$ 432,117	27.61%	$ 530,072	22.67%	$ 664,825	25.42%	$ 650,738	-2.12%	$ 711,184	9.29%	$ 851,488	19.73%
Nov	$ 178,469	7.37%	$ 211,531	18.53%	$ 289,304	36.77%	$ 357,318	23.51%	$ 458,648	28.36%	$ 426,303	-7.05%	$ 466,548	9.44%	$ 526,308	12.81%
Dec	$ 228,195	10.99%	$ 283,238	24.12%	$ 373,418	31.84%	$ 433,896	16.20%	$ 541,672	24.84%	$ 506,919	-6.42%	$ 495,199	-2.31%	$ 580,516	17.23%
Jan	$ 183,934	16.08%	$ 224,078	21.83%	$ 322,539	43.94%	$ 399,270	23.79%	$ 467,385	17.06%	$ 475,959	1.83%	$ 629,086	32.17%	$ 620,169	-1.42%
Feb	$ 205,050	7.13%	$ 257,662	25.66%	$ 370,166	43.66%	$ 428,061	15.64%	$ 475,558	11.10%	$ 499,784	5.09%	$ 535,471	7.14%	$ 650,189	21.42%
Mar	$ 260,039	15.45%	$ 349,559	34.43%	$ 482,713	38.09%	$ 541,321	12.14%	$ 686,690	26.85%	$ 673,381	-1.94%	$ 753,220	11.86%	$ 305,278	-59.47%
April	$ 273,645	16.98%	$ 323,352	18.16%	$ 465,107	43.84%	$ 570,836	22.73%	$ 635,713	11.37%	$ 690,587	8.63%	$ 714,133	3.41%	$ 143,251	-79.94%
May	$ 358,299	17.70%	$ 423,454	18.18%	$ 575,753	35.97%	$ 612,986	6.47%	$ 766,845	25.10%	$ 793,600	3.49%	$ 955,152	20.36%	$ 297,111	-68.89%
June	$ 446,842	10.16%	$ 589,315	31.88%	$ 782,422	32.77%	$ 887,415	13.42%	$ 1,021,403	15.10%	$ 1,047,480	2.55%	$ 1,245,645	18.92%	$ 804,575	-35.41%
FYTD	$ 3,888,069	10.34%	$ 4,660,291	19.86%	$ 6,366,564	36.61%	$ 7,689,739	20.78%	$ 8,920,990	16.01%	$ 9,348,592	4.79%	$ 10,395,638	11.20%	$ 8,973,762	FYTD VAR
TOTAL	$ 3,888,069		$ 4,660,291		$ 6,366,564		$ 7,689,739		$ 8,920,990		$ 9,348,592		$ 10,395,638		$ 8,973,762	-13.68%

Note: The TRT rate in City of Bend is 30% higher than Deschutes unincorporated: 9% Jul 03 | 10% Jun 14 | 10.4% June '15

City of Redmond

	FY '12/13	Change	FY '13/14	Change	FY '14/15	Change	FY '15/16	Change	FY '16/17	Change	FY '17/18	Change	FY '18/19	Change	FY '19/20	MONTHLY VARIANCE
July	$ 64,888	-12.73%	$ 74,557	14.90%	$ 91,699	22.99%	$ 120,920	31.87%	$ 125,279	3.60%	$ 126,009	0.58%	$ 139,786	10.93%	$ 144,589	3.44%
Aug	$ 63,925	3.74%	$ 72,106	12.80%	$ 90,681	25.76%	$ 102,383	12.90%	$ 115,857	13.16%	$ 142,287	22.81%	$ 134,665	-5.36%	$ 138,707	3.00%
Sept	$ 52,807	6.49%	$ 56,245	6.51%	$ 59,554	5.88%	$ 92,980	56.13%	$ 81,264	-12.60%	$ 80,862	-0.49%	$ 95,416	18.00%	$ 91,371	-4.24%
Oct	$ 37,736	-8.87%	$ 39,371	4.33%	$ 52,191	32.56%	$ 55,453	6.25%	$ 59,195	6.75%	$ 67,638	14.26%	$ 78,556	16.14%	$ 80,961	3.06%
Nov	$ 30,759	3.65%	$ 34,086	10.82%	$ 37,563	10.20%	$ 41,066	9.33%	$ 43,669	6.34%	$ 49,587	13.55%	$ 59,236	19.46%	$ 58,230	-1.70%
Dec	$ 24,094	17.92%	$ 23,551	-2.25%	$ 27,562	17.03%	$ 33,980	23.29%	$ 34,297	0.93%	$ 43,548	26.97%	$ 47,786	9.73%	$ 51,072	6.88%
Jan	$ 20,915	-22.38%	$ 31,516	50.69%	$ 36,822	16.84%	$ 38,478	4.50%	$ 48,603	26.32%	$ 51,543	6.05%	$ 56,995	10.58%	$ 58,842	3.24%
Feb	$ 35,834	45.15%	$ 27,112	-24.34%	$ 38,192	40.87%	$ 38,827	1.66%	$ 41,196	6.10%	$ 48,577	17.92%	$ 57,269	17.89%	$ 64,180	12.07%
Mar	$ 37,547	44.33%	$ 37,943	1.05%	$ 50,981	34.36%	$ 60,611	18.89%	$ 67,075	10.67%	$ 85,321	27.20%	$ 83,214	-2.47%	$ 54,181	-34.89%
April	$ 47,503	12.04%	$ 57,023	20.04%	$ 52,385	-8.13%	$ 65,584	25.20%	$ 71,397	8.86%	$ 78,882	10.48%	$ 81,261	3.02%	$ 26,634	-67.22%
May	$ 53,934	13.78%	$ 59,986	11.22%	$ 64,775	7.98%	$ 79,778	23.16%	$ 86,537	8.47%	$ 91,608	5.86%	$ 101,325	10.61%	$ 42,951	-57.61%
June	$ 63,140	8.13%	$ 73,840	16.95%	$ 88,398	19.71%	$ 104,621	18.35%	$ 109,935	5.08%	$ 117,146	6.56%	$ 125,245	6.91%	$ 79,847	-36.25%
FYTD	$ 533,081	6.00%	$ 587,334	10.18%	$ 690,804	17.62%	$ 834,682	20.83%	$ 884,304	5.95%	$ 983,007	11.16%	$ 1,060,753	7.91%	$ 891,565	FYTD VAR
TOTAL	$ 533,081		$ 587,334		$ 690,804		$ 834,682		$ 884,304		$ 983,007		$ 1,060,753		$ 891,565	-15.95%

TRT rates: 7.5% '92 | 9% Jun '03

City of Sisters

	FY '12/13	Change	FY '13/14	Change	FY '14/15	Change	FY '15/16	Change	FY '16/17	Change	FY '17/18	Change	FY '18/19	Change	FY '19/20	MONTHLY VARIANCE
July	$ 53,870	2.93%	$ 56,729	5.31%	$ 59,729	5.29%	$ 65,674	9.95%	$ 78,244	19.14%	$ 93,825	19.91%	$ 95,096	1.35%	$ 109,713	15.37%
Aug	$ 51,796	10.18%	$ 54,311	4.86%	$ 60,302	11.03%	$ 60,817	0.85%	$ 71,420	17.43%	$ 88,994	24.61%	$ 89,193	0.22%	$ 99,733	11.82%
Sept	$ 39,593	2.09%	$ 44,217	11.68%	$ 47,119	6.56%	$ 50,567	7.32%	$ 64,236	27.03%	$ 52,690	-17.97%	$ 71,992	36.63%	$ 72,566	0.80%
Oct	$ 24,465	6.44%	$ 27,147	10.96%	$ 29,806	9.79%	$ 35,809	20.14%	$ 40,953	14.37%	$ 42,607	4.04%	$ 50,285	18.02%	$ 61,225	21.76%
Nov	$ 13,618	15.94%	$ 14,791	8.61%	$ 16,966	14.71%	$ 20,164	18.85%	$ 25,685	27.38%	$ 26,541	3.33%	$ 32,529	22.56%	$ 37,611	15.62%
Dec	$ 16,227	15.95%	$ 16,138	-0.55%	$ 20,541	27.29%	$ 21,680	5.55%	$ 28,796	32.82%	$ 30,862	7.18%	$ 35,386	14.66%	$ 38,178	7.89%
Jan	$ 13,118	10.37%	$ 14,628	11.51%	$ 20,319	38.91%	$ 19,745	-2.82%	$ 26,663	35.03%	$ 27,392	2.74%	$ 35,780	30.62%	$ 43,867	22.60%
Feb	$ 14,265	7.69%	$ 15,725	10.23%	$ 18,331	16.58%	$ 21,676	18.25%	$ 25,308	16.75%	$ 29,165	15.24%	$ 30,876	5.87%	$ 48,335	56.54%
Mar	$ 16,039	6.05%	$ 18,800	17.22%	$ 19,931	6.01%	$ 26,780	34.37%	$ 30,217	12.84%	$ 36,889	22.08%	$ 32,744	-11.24%	$ 17,882	-45.39%
April	$ 17,446	0.08%	$ 20,727	18.81%	$ 23,624	13.97%	$ 32,428	37.27%	$ 32,789	1.11%	$ 38,192	16.48%	$ 33,519	-12.23%	$ 5,292	-84.21%
May	$ 27,991	10.96%	$ 32,703	16.83%	$ 36,518	11.67%	$ 34,695	-4.99%	$ 45,427	30.93%	$ 53,340	17.42%	$ 51,453	-3.54%	$ 18,568	-63.91%
June	$ 42,457	12.32%	$ 46,175	8.76%	$ 49,104	6.34%	$ 57,452	17.00%	$ 65,578	14.14%	$ 78,606	19.87%	$ 79,576	1.23%	$ 64,744	-18.64%
FYTD	$ 330,884	7.58%	$ 362,090	9.43%	$ 402,289	11.10%	$ 447,486	11.24%	$ 535,316	19.63%	$ 599,104	11.92%	$ 638,430	6.56%	$ 617,713	FYTD VAR
TOTAL	$ 330,884		$ 362,090		$ 402,289		$ 447,486		$ 535,316		$ 599,104		$ 638,430		$ 617,713	-3.24%

TRT tax rate: 8% '07 | 8.9% Jul '16 (50% of tax goes to the Chamber of Commerce) | $250K annually Jul '17

ROOM TAX REPORT

City of La Pine

	FY '12/13	Change	FY '13/14	Change	FY '14/15	Change	FY '15/16	Change	FY '16/17	Change	FY '17/18	Change	FY '18/19	Change	FY '19/20	MONTHLY VARIANCE
July	$ 8,604	N/A	$ 10,690	24.24%	$ 11,040	3.27%	$ 14,455	30.93%	$ 17,172	18.80%	$ 21,050	22.58%	$ 19,622	-6.78%	$ 17,814	-9.21%
Aug	$ 14,299	N/A	$ 12,566	-12.12%	$ 14,163	12.71%	$ 17,772	25.48%	$ 19,806	11.44%	$ 21,315	7.62%	$ 22,959	7.71%	$ 23,253	1.28%
Sept	$ 11,419	N/A	$ 11,668	2.18%	$ 17,753	52.15%	$ 15,102	-14.93%	$ 19,585	29.68%	$ 24,365	24.41%	$ 23,009	-5.57%	$ 22,093	-3.98%
Oct	$ 9,519	N/A	$ 10,464	9.93%	$ 15,662	49.68%	$ 15,477	-1.18%	$ 17,412	12.50%	$ 16,994	-2.40%	$ 17,209	1.27%	$ 18,195	5.73%
Nov	$ 6,117	N/A	$ 7,340	19.99%	$ 9,927	35.25%	$ 11,801	18.88%	$ 15,934	35.02%	$ 12,199	-23.44%	$ 13,690	12.22%	$ 11,462	-16.27%
Dec	$ 4,247	N/A	$ 8,696	104.76%	$ 6,165	-29.11%	$ 7,672	24.44%	$ 7,637	-0.46%	$ 6,917	-9.43%	$ 8,771	26.80%	$ 12,234	39.48%
Jan	$ 3,842	N/A	$ 4,265	11.01%	$ 5,273	23.63%	$ 6,400	21.37%	$ 10,497	64.02%	$ 6,825	-34.98%	$ 6,990	2.42%	$ 7,398	5.84%
Feb	$ 2,734	N/A	$ 4,936	80.54%	$ 5,561	12.66%	$ 6,030	8.43%	$ 6,975	15.67%	$ 5,247	-24.77%	$ 4,928	-6.08%	$ 7,137	44.83%
Mar	$ 4,120	N/A	$ 5,205	26.33%	$ 4,729	-9.15%	$ 7,688	62.57%	$ 4,873	-36.62%	$ 8,054	65.28%	$ 5,509	-31.60%	$ 5,772	4.77%
April	$ 4,221	N/A	$ 5,601	32.69%	$ 6,821	21.78%	$ 6,737	-1.23%	$ 7,687	14.10%	$ 10,037	30.57%	$ 6,691	-33.34%	$ 5,550	-17.05%
May	$ 5,883	N/A	$ 7,483	27.20%	$ 7,807	4.33%	$ 7,758	-0.63%	$ 8,838	13.92%	$ 9,862	11.59%	$ 10,441	5.87%	$ 3,831	-63.31%
June	$ 8,548	N/A	$ 15,904	86.06%	$ 11,293	-28.99%	$ 10,541	-6.66%	$ 14,316	35.81%	$ 15,985	11.66%	$ 14,593	-8.71%	$ 8,733	-40.16%
FYTD	$ 83,553	-13.19%	$ 104,818	25.45%	$ 116,194	10.85%	$ 127,433	9.67%	$ 150,732	18.28%	$ 158,850	5.39%	$ 154,412	-2.79%	$ 143,472	FYTD VAR
TOTAL	$ 83,553		$ 104,818		$ 116,194		$ 127,433		$ 150,732		$ 158,850		$ 154,412		$ 143,472	-7.08%

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CITY OF REDMOND
City Council

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REDMOND CITY COUNCIL
STATEMENT AGAINST RACISM

The Redmond City Council publicly states that we, as leaders in our community, stand firmly against racism, hatred, and brutality in all its forms and will not tolerate nor condone acts of discrimination, injustice, and bigotry against members of our community regardless of the race, color, national origin, gender, sexual orientation, disability, age, or religion.

We take this opportunity to recognize and celebrate the diversity in our community and to celebrate the worth of each unique and beautiful member of our community. We believe in creating a welcoming, inclusive place for everyone, one in which all individuals can achieve their own vision of success.

As leaders, we believe it is our civic duty to ensure that people of color in our community feel safe and respected and know that their lives matter. It is also important, now more than ever, that individuals in our communities of color feel included, empowered, and embraced by those around them. We are committed to actively interrupting systemic racism and eliminating inequities in our community and are compelled to speak out against issues of racism and injustice.

Now, and into the future, our community needs to dismantle systemic bias and institutional racism and to promote equity. We must ensure that all members of our community, regardless of race, color, national origin, gender, sexual orientation, disability, age, or religion are progressively able to thrive in Redmond.

We acknowledge the cultural barriers to success that persons of color experience in our country, therefore we strongly need to educate ourselves to identify these barriers and find solutions to eliminate them. We deeply believe in our community's ability to create access and opportunities that benefit each one of its unique members.

The Redmond City Council and its members are committed to working with our community to examine our practices and to create a productive path forward that benefits every community member. A Diversity, Equity, and Inclusion Task Force would be a great way in which to work in partnership with community members, business owners, city officials, law enforcement, non-profit organizations, health care workers, and any interested members of the public to address the systemic barriers that limit Redmond from being the safe and successful community we all wish to see.

The future of our community needs to be one that welcomes and celebrates diversity, that promotes equity, and that seeks to include each one of its unique members. To accomplish this, our community needs to have a task force in place to take a stand against violence, hate crimes, and brutality and to erase any cause for a fearful and unstable community.

To guide this work, City Council will proceed with the adoption of a Diversity, Equity, and Inclusion Policy to anchor and guide our work moving forward.

It is widely agreed that the work ahead might not be easy, and we acknowledge there will be necessary, and sometimes uncomfortable, conversations required. We recognize despite any difficulties that lie ahead, we are in agreement that we are committed to working together to bring forth positive changes and promising future that our community needs and deserves.

Sincerely,

Members of the Redmond City Council

City of Redmond
PROCLAMATION

A proclamation condemning

RACISM

WHEREAS, recent events have again shone a light on systemic racism in our country; and

WHEREAS, the City of Redmond condemns all forms of racism and brutality, and supports and protects all its residents no matter their ethnicity, race, faith, sexual orientation, or gender; and

WHEREAS, we support and commit to calling out hate and discrimination when we see it and help promote our core American value that no one should be targeted because of their identity; and

WHEREAS, violence, hate crimes, and brutality create fearful and unstable communities; and

WHEREAS, as public servants we have an even greater responsibility to speak out against racism, discrimination, bias, and hatred because when the unacceptable becomes the norm in our society, human rights for all are threatened; and

WHEREAS, hate will not be tolerated, and we will stand together to fight any form of bigotry, discrimination, or hate, in speech or action, against any group, from whatever the source.

NOW, THEREFORE, BE IT RESOLVED THAT the Redmond City Council wholeheartedly condemns the actions and injustices that have again wrought division and crisis across our country; and

THEREFORE, BE IT FURTHER RESOLVED THAT the City of Redmond recommits to working on ways in which we can engage our communities to address and uproot institutionalized racism and implicit bias and offer spaces for dialogue, trainings, and understanding; and

THEREFORE, BE IT FURTHER RESOLVED THAT the City of Redmond commits to the establishment of a Diversity, Equity, and Inclusion Task Force; and

THEREFORE, BE IT FURTHER RESOLVED AND REAFFIRMED THAT the City Council of the City of Redmond, Oregon, will maintain constant vigilance with regard to its own policies and actions and do everything in its power to make certain that Redmond is and will remain a welcoming city opposed to acts of racism and bigotry.

APPROVED by the City Council and **SIGNED** by the Mayor this 25th day of August 2020.

The City of Redmond, Oregon

_____
George Endicott, Mayor

ATTEST:

_____
Kelly Morse, City Recorder

Kelly Morse

From: [redacted]@bendbroadband.com
Sent: Wednesday, August 19, 2020 11:55 AM
To: Public Testimony
Subject: Fw: DEI Task Force

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From: [redacted]@bendbroadband.com
Sent: Wednesday, August 19, 2020 11:54 AM
To: Redmond City Council
Subject: DEI Task Force

Good Morning,

For the council meeting written record:

I want to request that a task force be formed as soon as possible for Diversity, Equity, Inclusion (DEI). My suggestion is to make this a volunteer task force as diverse & inclusive as possible...with members from the Latino, Black, Asian, Disabled, LGBTQ community. As a member of the Redmond community, it is important to me to see our city growing in ways that include & welcome everyone regardless or race, ability or sexual orientation.
It's good for the city, the county & the state to begin overcoming our past prejudices & history of discrimination as well as welcoming all.

Thank you ... Evelyn Doherty

Kelly Morse

From: Andrea Utz <[redacted]@gmail.com>
Sent: Monday, August 24, 2020 11:12 AM
To: Public Testimony
Subject: 8/25 Public Testimony

Follow Up Flag: Follow up
Flag Status: Flagged

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Council,
I would like to encourage you to form a task force on Diversity, Equity and Inclusion separate from the work that the Redmond School District is doing.

We have citizens in Redmond that are targeted because of the color of their skin. We have people who do not always feel safe here. We have citizens of Redmond who feel emboldened to intimidate and harass community members of color. This issue is so incredibly important that it needs to be addressed both inside and outside of our schools.

Citizens of Redmond deserve to feel safe and included in their community and this is your opportunity to show them that this is a priority.

I fear that combining with the school board could leave out many impacted members of our city that have no ties to schools. The schools will likely focus on their students and families, as they should, but we have many residents that could be unspoken for if that is the focus of the task force.

In the last council meeting it was mentioned that it would likely be the same people participating in both task forces, but it doesn't have to be. When forming your task force please consider expanding participation to include marginalized groups, BIPOC, LGBTQIA, people with disabilities, etc. and those that are directly impacted.

Thank you for taking the time to read my letter, Andrea

Kelly Morse

From: Leanne Latterell <[redacted]@bendbroadband.com>
Sent: Monday, August 24, 2020 11:18 AM
To: Mayor-Council
Subject: DEI /Statement against Racism

Follow Up Flag: Follow up
Flag Status: Flagged

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Mayor Endicott and City Council Persons:
Thank you for the statement against racism. It is an encouraging beginning to change the narrative in our Redmond Community around diversity and inclusion.
It is certainly time to make explicit, the inclusion of all peoples who live here, will move here, and work here.

Jim Wallis in his book, "America's Original Sin" says, "It will be up to communities of color to decide on the strategies of overcoming racism...it is up to white allies to form a partnership in promoting the process. The process begins with us examining our own attitudes and our institutions." Clearly, the task before us is large and asks for those of us who are white, to let go of our need to control and retain power. We need to actively listen to those excluded and include them as stakeholders at the table.

Task forces do not need to cost money. I have served on task forces during my career and the ones most effective, were broadly inclusive. How will the establishment of said task force, be advertised? How will the public be informed? Where will the applicants make their interest known? How long will the process be open for application? What criteria will be used for selection? It is imperative the council have an open discussion/process or this will be an exercise in futility...

How are diversity and inclusion defined? Here might be a "starter" list: school students: particularly middle and high school, people of Jewish/Buddhist/Muslim faith backgrounds, differently abled people, African-American, Latino, Asian, Anglo, etc., homeless, seniors, newcomers as well as long term residents, etc. Seek out a broad cross section of the community in a very proactive community: these groups listed have been typically non-represented or under-represented... a true task force would not look like a "blue ribbon panel" although it might include a person from such. People who have experienced exclusion, racism, people with a lived experienced have much to contribute and it is past time to hear them and their stories.

This is a remarkable opportunity to learn, listen, consider and act. The truly change the narrative of our community to one of everyone mattering rather than a chosen few.

Thank you for reading this, considering my perspective.

Leanne K. Latterell,
Facilitator of BLM/ALM Redmond, OR.

Kelly Morse

From: Anne Polak <[redacted]@yahoo.com>
Sent: Tuesday, August 25, 2020 11:55 AM
To: Public Testimony
Subject: Diversity Equity & Inclusion Task Force

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Dear Members of the Redmond City Council,

I have read the agenda for August 25th's city council meeting, including the Statement Against Racism, and I would like to publicly voice my support in favor of establishing a Diversity Equity and Inclusion Task Force in Redmond.

As a growing and increasingly diverse community, it's important that we find concrete and meaningful ways to support historically marginalized and underrepresented groups of people within our community. I am happy to call this beautiful city my home and I hope that everyone who lives here feels safe, supported and seen as a valued member of our community.

I would very much like to see Redmond take a proactive approach to battling discrimination and stamping out systemic racism where it exists.

Thank you for your time.

Sincerely,

Anne Polak

CITY OF REDMOND

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STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Jason Neff, Chief Financial Officer
SUBJECT: Investment Policy Re-Approval

Addresses Council Goal:
Sustain Operations: 1C - Explore opportunities to augment revenue to support existing operations. 1D – Establish and adhere to best practice and sound financial policies.

Report in Brief:
The City of Redmond's Investment Policy was originally approved by City Council in 2011. It must be re-adopted (approved) annually. No substantial changes are proposed for the policy, only clarifying changes.

Background:
In 2011, the City of Redmond developed an Investment Policy (the Policy) to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of City resources.

The Policy was reviewed by the Oregon Short Term Fund (OSTF) Board in 2011 and allows for maturities longer than 18 months.

Oregon Revised Statutes (ORS) 294.135 states "The custodial officer may make investments having a maturity longer than 18 months when the governing body of the county, municipality, school district or other political subdivision to which the funds belong has adopted a written investment policy that, prior to adoption, was submitted to the Oregon Short Term Fund Board for review and comment to the governing body, that includes guidelines concerning maximum investment maturity dates and that provides by its terms for re-adoption not less than annually."

Discussion:
The Policy complies with sections of the ORS that govern the investment of public funds.

While no changes are required at this time, several changes are being proposed to the Policy that help clarify the Policy's purpose, credit quality requirements, and the City's current practices.

The recommendations are summarized below by Policy Section. A red-lined version of the Policy that includes the proposed changes is attached.

Policy Change Recommendations:

Purpose:
Add: (not including instances of bond proceeds). This helps to recognize that when the City receives bond proceeds investable balances may be significantly higher than the investable balance indicated in the policy.

Scope:
Add: Language is added to state that regardless of whether the City's funds are covered under this Policy or not, the funds will be invested in accordance with Oregon law.

Delegation of Authority:

Change: The title of Custodial Officer has been changed to Investment Officer throughout the document to better reflect the role and responsibilities of the City Manager's designee for investment of the City's public funds.

Authorized Financial Institutions, Broker/Dealers, Investment Advisers, and Depositories:
Add: Qualifications and requirements when using an external investment advisor. This language provides specificity around requirements and due diligence related to firms the City will partner with for these services.

Add: If an advisor is used, the firm may use their own list of approved brokers/dealers to execute transactions on the City's behalf. This is reflective of best practices and the City's current practice.

Authorized Securities and Transactions:
Replace Federal Instrumentality Securities definition: The language is revised to be more consistent with language in ORS 294.035 as Statutes do not specifically list allowable agencies or government-sponsored enterprises.
Add (Corporate Bond): Language consistent with Statutes and the credit quality requirements table on page 8 of the Policy.

Remove TLGP Bond Section: TLGP bonds are no longer in existence – the last maturity was December 31, 2012. These notes were created during the Great Recession (2008/09) and helped to stabilize the credit markets by providing an FDIC guarantee on certain newly issued senior unsecured corporate bonds.

Credit Quality Requirements:
Add: Individual securities shall be rated no less than AA- or the equivalent. This clarifies the allowable investment grades for individual securities which is included in the Credit Quality Requirements table.

Performance Evaluation:
Add: This section has been revised to better reflect the performance metrics the City is currently using and to provide flexibility to change benchmarks as cash needs or investment strategies change over time.

Fiscal Impact:
There is no fiscal impact as a result of the suggested changes, rather the changes bolster the City's Policy and better align the document with State Statutes and best practices. Approval of the policy allows for the continuation of the City's investment strategy.

Alternative Courses of Action:

1. Approve the policy as presented
2. Do not accept / approve the policy
3. Take no Action and Request more information

Recommendation / Suggested Motion:
"I move to approve the City of Redmond investment policy FIN 111 - Investments."

CITY OF REDMOND	
INVESTMENTS	NUMBER: FIN 111
EFFECTIVE DATE: ~~JUNE 11, 2019~~AUGUST 25, 2020	APPROVAL: CITY COUNCIL

PURPOSE

Incorporated on July 6, 1910, the City of Redmond, Oregon (the City) is located on the eastern side of Oregon's Cascade Mountain Range. It is considered the geographical heart of Central Oregon as it offers easy access to a multitude of recreational opportunities. The City operates under a Council/Manager form of government which consists of six City Council members, a Mayor, and the City Manager who serves the Council. The City's Department Directors then report to and are supervised by the City Manager. The average investable balance (not including instances of bond proceeds) of the City's portfolio ranges from $~~55~~ 56 million - $~~67~~69 million.

The purpose of this Investment Policy (the Policy) is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the funds of the City.

This Policy has been adopted by the City Council of Redmond, Oregon on ~~June~~August 25, 2020~~11, 2019~~.

SCOPE

The provisions of this Policy shall apply to all investable funds of the City as accounted for in the Comprehensive Annual Financial Report and which includes the City's short-term operating funds and capital funds including bond proceeds and bond reserve funds. Investments of employees' retirement funds, deferred compensation plans, and other funds held by trustees are not covered by this Policy; however, all funds are subject to Oregon law.

Except for restricted and excluded funds (which includes sufficient operating cash), all excess cash shall be pooled into one account for investment purposes. The net investment income derived from the pooled investment account shall be allocated to the contributing funds in accordance with generally accepted accounting principles.

For purposes of this Policy the terms investment program and portfolio shall be inter-changeable and shall refer to all of the City's investable balances as defined in the Authorized Securities and Transactions section of this policy.

OBJECTIVES

The City's funds shall be invested in accordance with all cited City, State, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

- Preservation of capital and protection of investment principal.
- Maintenance of sufficient liquidity to meet operating requirements that are reasonably anticipated.
- Diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions.
- Attainment of a market value rate of return throughout budgetary and economic cycles.

DELEGATION OF AUTHORITY

The ultimate responsibility and authority for the investment of City funds resides with the City Council. The City Council hereby designates the City Manager or his/her designee as the ~~Custodial~~ Investment Officer vested with responsibility for managing the City's investment program and for implementing this Policy. The ~~Custodial~~ Investment Officer shall invest City funds in accordance with ORS Chapter 294, Public Financial Administration, and with Policy. This Policy shall constitute a "written order" from City Council per ORS 294.035. The ~~Custodial~~Investment Officer may further delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

The ~~Custodial~~Investment Officer shall establish procedures and internal controls for the operation of the City's investment program, designed to prevent loss of public funds due to fraud, error, misrepresentation, and imprudent actions.

The City may engage the non-discretionary support services of outside investment advisors with respect to its investment program, so long as it can be demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources. External investment advisors shall be licensed with the State of Oregon Division of Finance and Corporate Securities (OFCS) and are subject to Oregon Revised Statutes and the provisions of this Policy.

STANDARDS OF PRUDENCE

The standard of prudence to be used for managing the City's assets is the prudent person rule which states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that within a diversified portfolio, losses sometimes occur, and such losses shall be considered within the context of the overall portfolio's return, provided that

adequate diversification has been implemented and that the sale of a security before maturity is in the best long-term interest of the City.

The City's ~~Custodial~~Investment Officer and staff acting in accordance with this Policy, written procedures, and ORS 294 and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change or other loss in accordance with ORS 294.047, provided that these losses are reported as soon as practical to the ~~Custodial~~Investment Officer and action is taken to control adverse developments. Losses that are sustained in the City's portfolio shall be charged against current investment earnings.

ETHICS AND CONFLICTS OF INTEREST

City investment staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or create the appearance of an impairment of their ability to make impartial investment decisions. City investment staff involved in the investment process and investment officials shall disclose in writing to the ~~Custodial~~Investment Officer any financial interests they have in financial institutions that conduct business with the City and they shall subordinate their personal investment transactions to those of the City.

Employees shall comply with ORS 244.040 (Code of Ethics), ORS 244.120 (Methods of Handling Conflicts), GARS Article 3.15 (Standards of Conduct), any amendments to these provisions, and any Code of Ethics applicable to employees that the City may adopt in the future.

INTERNAL CONTROLS AND COMPLIANCE

The ~~Custodial~~Investment Officer shall establish and maintain a system of written internal controls consistent with this Policy designed to prevent the loss of public funds due to fraud, error, misrepresentation or imprudent actions by third parties or by employees of the City. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. Written internal controls shall be reviewed and tested at least annually by an independent auditor or upon any extraordinary event such as turnover of key personnel or the discovery of inappropriate activity.

The policies set forth in this document shall be adhered to and monitored on a monthly basis. Any instance which is deemed to be out of compliance with this Policy shall be brought back into compliance as soon as prudently feasible.

ACCOUNTING METHOD

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting. The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

SAFEKEEPING AND CUSTODY

Custodian banks shall be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services. The City shall execute a written Safekeeping Agreement with each custodian bank prior to utilizing that bank's safekeeping services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis in accordance with ORS 294.145 (4) and (5). It is the intent of the City that all purchased securities be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All securities purchased by the City and all securities purchased under the terms of a City approved Master Repurchase Agreement shall be delivered by either book entry or physical delivery and shall be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or the Depository Trust Company (DTC).

All fed-wireable book entry securities shall be held in the Federal Reserve System in a customer account or trust account at the custodian bank which names the City as the customer. All physical delivery securities shall be held by the custodian bank's correspondent bank. DTC eligible securities shall be held in the custodian bank's participant account at the DTC.

COLLATERALIZATION

All bank deposits, time deposits, certificates of deposit, and savings accounts held in bank depositories which exceed the amounts insured by one or more agencies of the United States Government shall be collateralized in accordance with the provisions of Oregon Revised Statutes Chapter 295.

Per ORS Chapter 295, it is the responsibility to the State Treasurer to ensure that public funds are collateralized appropriately by the public depositories holding the deposits.

Collateral for repurchase agreements shall be limited in maturity and priced in compliance with ORS 294.035 (D)(j). See item 8 of the Authorized Securities and Transactions section of this Policy.

AUTHORIZED FINANCIAL INSTITUTIONS, BROKER/DEALERS, INVESTMENT ADVISERS, AND DEPOSITORIES
~~SELECTION OF BROKER/DEALERS~~

1. **Broker/dealers** and other authorized financial institutions shall be selected by the ~~Custodial~~Investment Officer on the basis of their expertise in public cash management and their ability to provide service for the City's account. It shall be the policy of the City to purchase securities only from approved institutions and firms. Additions or deletions to the list shall be made at the ~~Custodial~~Investment Officer's discretion.

To be eligible, a firm must meet at least one of the following criteria:

- Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a Primary Dealer within its holding company structure; or

- Report voluntarily to the Federal Reserve Bank of New York; or
- Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule.)

Approved broker/dealers and the firms they represent shall be licensed to do business in the State of Oregon and, as such, are subject to the provisions of the Oregon Revised Statutes. Approved broker/dealers shall submit proof of registration in the State of Oregon, both for the firm and for the designated representative. Further, the broker/dealer representative shall submit evidence of holding the Financial Industry Regulatory Authority (FINRA) Series 6 or 7 license and either the Series 63 or Series 66 license. License requirements are per the Oregon Division of Finance and Corporate Securities.

Approved broker/dealers and banks shall be required to submit and annually update a City approved Broker/Dealer Information Request form, including the firm's most recent audited financial statements, and which the ~~Custodial~~Investment Officer shall maintain on file. In the event that an external investment advisor is not used in the process of recommending a particular transaction for the City's portfolio, authorized broker/dealers shall attest in writing that they have received a copy of this Policy.

If the City utilizes an external investment adviser, the adviser is authorized to transact with its own approved Broker-Dealer list on behalf of the City. The adviser will perform all due diligence for the Brokers-Dealers on its approved list.

2. **Investment Advisers.** The City may engage the services of an external investment adviser to assist in the management of the City's investment portfolio. All investment transactions executed by the external investment adviser on behalf of the City must be consistent with this Policy and be pre-approved by the Investment Officer.

A list will be maintained of approved external investment advisers selected by the Investment Officer using a fair selection process. An annual review of all external investment advisers shall be conducted by the Investment Officer to determine their continued eligibility with the requirements below. All investment advisers shall:

a. Be registered with the Securities and Exchange Commission (SEC) or licensed by the State of Oregon; (Note: Investment adviser firms with assets under management > $100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon).
b. Have certified that all of the representatives of the investment adviser who conduct investment transactions on behalf of this entity have read, understood and agreed to comply with this Policy.

3. Direct Issuers. The City may purchase Commercial Paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in item 4 of the Authorized Securities and Transactions section of this Policy.

AUTHORIZED SECURITIES AND TRANSACTIONS

All investments of the City shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS

294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for Custodial Officer), ORS 294.805 to 294.895 (Local Government Investment Pool), and ORS 294.052 (Investment by municipality of proceeds of bonds). Any revisions or extensions of these sections of the ORS Chapter shall be assumed to be part of this Policy immediately upon being enacted.

The City will diversify investments across maturities, security types and institutions to avoid incurring unreasonable risks. The City has further defined the eligible types of securities and transactions as follows:

1. U.S. Treasury Obligations: Treasury Bills, Treasury Notes, Treasury Bonds, and Treasury Strips with maturities not exceeding five years from the date of trade settlement.

2. Federal Instrumentality Securities: Lawfully issued agencies and instrumentalities of the United States or enterprises sponsored by the United States Government and obligations whose payment is guaranteed by the United States, the agencies and instrumentalities of the United States, or enterprises sponsored by the United States Government. ~~Debentures, discount notes, step-up securities, callable securities, and stripped principal or coupons with final maturities not exceeding five years from the date of trade settlement issued by the following only: Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Resolution Funding Corporation (REFCORP), Financing Corporation (FICO), and Tennessee Valley Authority (TVA). Subordinated debt may not be purchased.~~ The maximum ownership of Federal Instrumentality Securities is 75% with no more than 25% of the portfolio held in any one issuer.

3. Corporate Bonds subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. The bonds must be issued by a commercial, industrial or utility business or issued by or on behalf of a financial institution with final maturities not exceeding three years from the date of trade settlement. Authorized corporate bonds shall be limited to obligations of United States dollar denominated corporations organized and operating within the United States. At the time of purchase, the debt must be rated at least AA- or the equivalent by a NRSRO. Ownership of corporate bonds (including FDIC guaranteed corporate bonds) and commercial paper shall be limited to a combined total of 35% of the portfolio, with no more than 5% of the portfolio held in any one issuer or its affiliates or subsidiaries.

~~Corporate Bonds guaranteed by the Federal Deposit Insurance Corporation (FDIC) under the Temporary Liquidity Guarantee Program (TLGP) are herein authorized. For reporting purposes TLGP corporate bonds will be treated as US Agencies. For the purposes of calculating maximum corporate exposure they will be combined with the corporates listed in items #3 and #5 and will be subject to the aforementioned diversification and maturity requirements.~~

4. Commercial Paper issued by a commercial, industrial or utility business or issued by or on behalf of a financial institution with maturities not exceeding 270 days from the date of trade settlement. Commercial paper must be rated at least A-1 or the equivalent, at the time of purchase by each NRSRO which rates the commercial paper. If the commercial paper issuer has senior debt outstanding, the senior debt must be rated at least A- or the equivalent by a NRSRO. Ownership of commercial paper and corporate bonds shall be

limited to a combined total of 35% of the portfolio, with no more than 5% of the portfolio held in any one issuer or its affiliates or subsidiaries.

5. Bankers Acceptances which are (a) guaranteed by and carried on the books of a financial institution located and licensed to do banking business in the State of Oregon; or a financial institution located in the States of California, Idaho or Washington that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon; (b) Bankers acceptances shall be eligible for discount by the Federal Reserve System; and (c) the institution issuing a letter of credit shall have a short-term rating of A-1 or the equivalent by one or by a NRSROs at the time of purchase. Maturities shall be limited to 180 days from the date of trade settlement and ownership of bankers acceptances shall not exceed 25% of the portfolio, with no more than 10% of the portfolio held in any one issuer.

6. State of Oregon Local Government Investment Pool organized pursuant to ORS 294.805 through 294.895. Participation in the Pool shall not exceed the maximum limit annually set by ORS 294.810. This amount is indexed semi-annually to inflation (the Portland All-urban consumer CPI) pursuant to statute. The limit may temporarily be exceeded by local governments for 10 business days due to pass-through funds.

7. Time Deposit Open Accounts, Certificates of Deposit, Checking and Savings Accounts as defined in ORS 706.008 and in insured institutions that maintain an office in Oregon. Certificates of Deposit that are purchased by the City shall be FDIC insured or collateralized in accordance with ORS 295.015 and ORS 295.018. Ownership of time certificates of deposit shall be limited to 35% of the portfolio, with no more than 10% with any one financial institution at the time of purchase, and maturities shall not exceed one year.

8. Repurchase Agreements with maturities of 90 days or less collateralized by U.S. Treasury securities with the maturity of the collateral not exceeding three years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City approved Master Repurchase Agreement. The purchased securities shall have an original minimum market value including accrued interest of 102% of the dollar value of the transaction, as prescribed by written policy of the Oregon Short Term Fund Board. Collateral shall be held delivery versus payment in the City's custodian bank as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily. Broker/dealers and Financial Institutions must have an executed Master Repurchase Agreement with the City. Ownership of repurchase agreements shall be limited to 50% of the portfolio and 10% per issuer.

   Repurchase Agreements shall be entered into only with City approved Primary Dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York or firms that have a Primary Dealer within their holding company structure.

9. Obligations of the States of Oregon, California, Idaho, and Washington: Lawfully issued debt obligations of these states and their political subdivisions that have a long-term rating of AA or an equivalent rating or better by at NRSRO or are rated in the highest category for short-term municipal debt by a NRSRO. Such obligations are authorized only if there has been no default in payment of either the principal or the interest of obligations of the issuing entity within five years preceding investment, ORS 294.040. Ownership of such obligations shall be limited to 25% of the portfolio, with no more than 10% of the portfolio held in any one issuer. Maturities for these obligations shall not exceed three years.

Any amendments to ORS 294.046 or the State Treasurer's statement of permitted investments for governmental entities shall be assumed to be a part of this Policy immediately upon being enacted. It is the intent of the City that the foregoing list of authorized securities is strictly interpreted. Any deviation from this list must be preapproved in writing by City Council.

CREDIT QUALITY REQUIREMENTS

The minimum weighted average credit quality ~~requirements~~ of the portfolio's rated securities shall be AA or the equivalent. The target weighted average credit quality of the portfolio shall not be greater than a value of three (3) using the table below. Individual securities shall be rated no less than AA- or the equivalent. Commercial Paper shall be rated no less than A-1 or the equivalent by a NRSRO. ~~The target weighted average credit quality of the portfolio shall not be greater than a value of three (3) using the table below.~~

Value	Moody's Rating		S&P Ratings		Fitch Ratings	
	Long-Term	Short-Term	Long-Term	Short-Term	Long-Term	Short-Term
1	U.S. Treasury		U.S. Treasury		U.S. Treasury	
1	Federal Instrumentality		Federal Instrumentality		Federal Instrumentality	
1	Aaa	P-1	AAA	A-1	AAA	F1
2	Aa1		AA+		AA+	
3	Aa2		AA		AA	
4	Aa3		AA-		AA-	

Securities that have been downgraded to below the minimum ratings will be sold or held at the ~~Custodial~~Investment Officer's discretion. The ~~Custodial~~Investment Officer is responsible for bringing the portfolio back into compliance as soon as practicable.

PORTFOLIO DIVERSIFICATION STANDARDS

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets and the City's anticipated cash flow needs. All diversification requirements shall be calculated based on the cost value of the holdings at the time of purchase. Specific diversification requirements shall be applied to the aggregate holdings of an institution as of the date of trade settlement.

Instruments:	Maximum % of Portfolio	Maximum % Per Issuer

U.S. Treasury Obligations	100%	N/A
Federal Instrumentality Securities	75%	25%
Corporate Indebtedness/Commercial Paper	35%	5%
Banker's Acceptances	25%	10%
Local Government Investment Pool	Up to statutory limit	N/A
Time Certificates of Deposit	35%	10%
Repurchase Agreements	50%	10%
Obligations of the States of Oregon, California, Idaho, and Washington	25%	10%

MATURITY LIMITS AND LIQUIDITY REQUIREMENTS

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, the City shall not invest in securities maturing more than five years from the date of settlement. The weighted average final maturity of the City's portfolio shall at no time exceed 18 months.

At all times, the City shall maintain the following investment amounts with regard to final maturities in the portfolio.

Length of Maturity	Investment Amounts
Under 30 days	10% minimum
Under 1 year	25% minimum
Over three years	25% maximum

COMPETITIVE TRANSACTIONS

Each investment transaction shall be competitively transacted with broker/dealers who have been authorized by the City. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded. A record shall be maintained by the City of all bids and offerings for security transactions in order to ensure that the City receives competitive pricing.

If the City is offered a security for which there is no other readily available competitive offering, then the ~~Custodial~~Investment Officer shall document quotations for comparable or alternative securities.

PROHIBITED CONDUCT

Oregon State Statutes have addressed several areas of prohibited conduct for the ~~Custodial~~Investment Officer when making investments, ORS 294.145. Specifically, the ~~custodial~~Investment officer shall not:

- Make a commitment to invest funds or sell securities more than 14 business days prior to the anticipated date of trade settlement of the purchase or sale transaction; or

- Enter into any agreement to invest funds or sell securities for future delivery for a fee other than interest; or

- Lend securities to any person or institution, except on a fully collateralized basis, and except when such lending is specifically permitted under an investment policy adopted pursuant to ORS 294.135 (1)(a); or

- Pay for any securities purchased by the ~~custodial~~Investment officer until the officer has received sufficient evidence of title thereof. Evidence of title shall be consistent with modern investment, banking and commercial practices and may include physical possession, book entry and automated recordation of such title. However, the ~~Custodial~~Investment Officer may instruct one or more custodian banks, as defined in ORS 295.001, to accept or release securities as the ~~Custodial~~Investment Officer considers advisable to be held in safekeeping for collection of principal and interest or other income; or

- Deliver securities to the purchaser upon sale prior to receiving payment in full. However, the ~~Custodial~~Investment Officer may deliver the securities to any custodian bank, defined in ORS 295.001 upon instructions to hold the same pending receipt by the institution of full payment thereof.

INVESTING BOND PROCEEDS

The City may invest bond proceeds in compliance with ORS 294.052 (investment by municipality of proceeds of bonds), notwithstanding ORS 294.135 or 294.145 or any other law or charter provision. The City recognizes that bond proceeds may be subject to the provisions of the Internal Revenue Code, Federal Arbitrage Regulations, as amended. Due to the legal complexities of arbitrage law and the necessary immunization of yield levels to correspond to anticipated cash flow schedules, the reinvestment of such debt issuance may, upon the advice of Bond Counsel or financial advisors, deviate from the maturity limitation provisions of this Policy with written approval of the ~~Custodial~~Investment Officer.

REPORTING REQUIREMENTS

On a quarterly basis, the ~~Custodial~~Investment Officer shall provide an investment report listing the cost, current fair value, credit ratings and duration of investments held by the City, average interest rate and the interest rate earned by the Local Government Investment Pool, all in accordance with GASB Statements 31 and 40. The report shall include a summary of investment earnings and performance results for the period and will be used to ensure adequate

portfolio diversification, both by type and maturity dates, and certify that the portfolio is currently structured according to the terms of this Policy.

PERFORMANCE EVALUATION

The ~~Custodial~~Investment Officer shall establish an appropriate benchmark or benchmarks that reflect the types and maturities ~~yield for of~~ the City's investments, including ~~. Considerations for establishing the benchmark yield shall include~~ the current yield on the State of Oregon Local Government Investment Pool~~, and the average yield on the constant maturity 1-year U. S. Treasury note~~. It is anticipated the portfolio should attain a benchmark average rate of return over time. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return. Portfolio performance shall be reviewed at least quarterly.

POLICY REVISIONS

This Investment Policy shall be reviewed by the ~~Custodial~~Investment Officer prior to being submitted to the City Council for adoption on an annual basis in accordance with ORS 294.135(a).

CITY OF REDMOND

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

STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Zachary Bass, Airport Director
SUBJECT: Res. #2020-16 - A resolution of the City of Redmond declaring certain City property to be surplus.

Addresses Council Goal:
5. Establish Redmond Municipal Airport as the best Airport of its size in the country.

Report in Brief:
This item requests City Council declare the following equipment as surplus and authorize the Redmond Municipal Airport (Airport) to donate the equipment to the Prineville Airport:

Item	City Asset #
1984 Massey Ferguson Tractor	2431
1998 Schulte Mower 3020	2030
1999 Schulte Snow Blower 9600F	N/A

Background:
Over the years, the Airport acquired the three pieces of equipment identified in this staff report to serve the needs of the facility. At this time, the Airport is looking to surplus these items since they are no longer needed and/or have been replaced by more modern equipment.

Discussion:
The equipment has reached its useful service life, maintenance costs have increased, and many replacement parts have been discontinued. The Airport will donate this equipment to the Prineville Airport.

Fiscal Impact:
There will be no additional cost associated with the disposal of the equipment.

Alternative Courses of Action:
1. Declare the equipment surplus.
2. Do not declare the equipment surplus.
3. Request additional information.

Recommendation / Suggested Motion:
"I move to adopt Res. #2020-16."

1984 Massey Ferguson Tractor

1998 Schulte Mower 3020

1999 Schulte Snow Blower 9600F

CITY OF REDMOND
RESOLUTION NO. 2020-16

A RESOLUTION OF THE CITY OF REDMOND DECLARING CERTAIN CITY PROPERTY TO BE SURPLUS.

WHEREAS, certain property of the City of Redmond is beyond its service life, and

WHEREAS, certain City of Redmond property needs to be disposed of accordingly.

THEREFORE, be it resolved that such City of Redmond Property listed below shall be declared surplus and disposed of in the most judicious manner.

- 1984 Massey Ferguson Tractor, City Asset #2431
- 1998 Schulte Mower 3020, City Asset #2030
- 1999 Schulte Snow Blower 9600F, City Asset N/A

SECTION ONE. The City Council finds that it is in the best interest of the City to enact this resolution immediately upon passage of this resolution; and therefore, this resolution shall be effective upon the date of passage.

ADOPTED by the City Council and **SIGNED** by the Mayor this 25th day of August 2020.

_____
George Endicott, Mayor

ATTEST:

_____
Kelly Morse, City Recorder

CITY OF REDMOND

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STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Zachary Bass, Airport Director
SUBJECT: Amendment #1 to Federal Aviation Administration Airport Improvement Program Grant 3-41-0052-045-2020 (AP4500)

Addresses Council Goal:
5.B.4. Pursue State, FAA, and other funding for development, expansion and preservation of the airport's physical facilities.

Report in Brief:
This action requests City Council authorization for Redmond Municipal Airport (Airport) to change by amendment Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant 3-41-0052-045-2020 from the amount of $3,018,922 to $3,220,183. The resources from this grant are going towards the construction of the Operations/Snow Removal Equipment (SRE) building.

Background:
The original grant for $3,018,922 was approved by City Council on March 20, 2020. The newly implemented Coronavirus Aid, Relief, and Economic Security (CARES) Act revised the amount of local match requirements on 2020 AIP grants to 0 percent. The Airport typically provides 6.25 percent local match. With this match not being required, the amount of the grant is increased by $201,261 for a total of $3,220,183.

Discussion:
This grant amount will be applied to the overall cost of the SRE building. The FAA will pay for approximately 40% of the project with the two grants discussed above.

Fiscal Impact:
The total project cost for the SRE building is an estimated $14,300,000. The cost will be funded by:

• FAA AIP Grant 3-41-0052-045-2020 (this request)	$ 3,220,183
• FAA AIP Grant 3-41-0052-044-2019	$ 2,684,385
• ODA COAR 2019-RDM-00010	$ 89,479
• City Bond Proceeds	$ 8,318,090
Total:	$14,312,137 (est.)

Alternative Courses of Action:
1. Approve the Amendment.
2. Do not approve the Amendment.
3. Request additional information

Recommendation / Suggested Motion:
"I move to approve Amendment #1 to Federal Aviation Administration's Airport Improvement Grant #3-41-0052-045-2020 and authorize the City Manager to execute the amendment."

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: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Zachary Bass, Airport Director
SUBJECT: Amendment #1 to the Oregon Department of Aviation Critical Oregon Airport Relief Grant No. COAR-2019-RDM-00010. (AP4400)

Addresses Council Goal:
5.B.4. Pursue State, FAA, and other funding for development, expansion and preservation of the airport's physical facilities.

Report in Brief:
This action authorizes an amendment to the Oregon Department of Aviation (ODA) Critical Oregon Airport Relief Grant (COAR) which reduces the grant request from the Redmond Airport from $150,000 to $89,479. This grant provides resources for the construction of the Airport Operations/Snow Removal Equipment (SRE) building.

Background:
The ODA grant program's mission is to provide funds to cover up to half of the local match on an eligible Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant.

ODA required the initial grant application be submitted by November 30, 2018. At the time the Airport submitted the application, the FAA grant had not been offered yet, and the amount of the future grant was unknown. An estimate was put into the application.

The FAA AIP grant 3-41-0052-044-2019 was subsequently offered on August 29, 2019, for an amount that was lower than the estimate in the original application. Therefore, the percentage of the ODA grant was recalculated based on the actual amount of the FAA AIP grant. This Amendment #1 revises the ODA grant amount to reflect what was actually made available.

Discussion:
The revised grant amount of $89,479 reduces the amount of local match dollars needed from Airport funds to match the Federal Aviation Administration (FAA) grant for the project.

Fiscal Impact:
The total project cost for the SRE building is an estimated $14,300,000. The cost will be funded by:

• FAA AIP Grant 3-41-0052-045-2020	$ 3,220,183
• FAA AIP Grant 3-41-0052-044-2019	$ 2,684,385
• ODA COAR-2019-RDM-00010 (this request)	$ 89,479
• City Bond Proceeds	$ 8,318,090
Total:	$14,312,137

Alternative Courses of Action:
1. Approve the Amendment.
2. Do not approve the Amendment.
3. Request additional information

Recommendation / Suggested Motion:

“I move to approve Amendment #1 for Oregon Department of Aviation's Critical Oregon Airport Relief Grant No. COAR-2019-RDM-00010 and authorize the City Manager to execute the amendment.”

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STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: John Roberts, Deputy City Manager
Keith Witcosky, City Manager
FROM: Mike Caccavano, City Engineer
SUBJECT: Award Contract to Collins & Sons for the SW 43rd Street Waterline Project in the Amount of $639,225 (WA1902)

Addresses Council Goal:
3. City Infrastructure: Preserve and enhance the City's infrastructure to position the City to accommodate growth.

Report in Brief:
This item requests City Council approval of a $639,225 contract with Collins and Sons for construction of waterline improvements in SW 43rd Street between SW Reservoir Drive and SW Badger Avenue. These improvements are component of the larger South Redmond Water Facility (SRWF) project.

Background:
The SW 43rd Street waterline is one component of the SRWF project currently under construction at SW Volcano Avenue and SW 43rd Street. The SRWF will establish a more reliable water supply for south Redmond including: residential areas on and around Forked Horn Butte, commercial areas near the Yew Avenue interchange, industrial areas in southwest Redmond, and the proposed Large Lot Industrial property south of the Fairgrounds.

The proposed waterline will convey water from the SRWF down SW 43rd Street. It will connect to existing waterlines in SW Badger Avenue and SW Yew Avenue, and the recently constructed SW Canal Boulevard waterline (see map). When completed it would ensure better delivery of domestic water to residential areas and needed pressure for required fire flows to commercial and industrial areas.

City Council previously approved cost sharing agreements with Palmer Homes to construct two sections of the 24-inch line through phases of the Redtail Ridge subdivision to avoid redundant impacts and to recently paved streets.

Discussion:
The project includes installation of 2,350 feet of 24-inch ductile iron waterline. It will complete the waterline in two sections: 1) SW Reservoir Drive to SW Yew Avenue, and 2) SW Antelope Avenue to SW Badger Avenue.

The City formally advertised and procured construction services per ORS Section 279C for bids over $100,000. The bid package was advertised on June 28, 2020.

The following 11 bids were received on July 22, 2020:

Collins & Sons	$639,225.00
Emery & Sons	$660,903.10
Jaron McKernan Enterprises	$677,968.00
Bar Seven A	$708,996.00
Robinson & Owen	$723,895.50
Knife River	$734,927.00
McKenzie Cascade	$736,379.00
York Bros.	$749,896.00

K&E Excavating	$754,450.00
JAL Construction	$766,930.00
Jack Robinson & Sons	$906,865.50

Fiscal Impact:

Construction cost to date for Redtail Ridge cost sharing	$ 380,225
Current project to complete remaining sections	$ 639,225
TOTAL:	**$1,019,450**

The total project cost (for this segment of the SRWF) is $1,019,450, which is about 2% higher than the $999,120 master plan estimate.

$599,120 is included in the FY 2020/21 budget within the following account:

Fund Name	Fund Number	Amount
Water Capital Projects 3 SRWF Sub-fund	53183-01-000-07-01-02	$599,120

The $40,105 increase relative to budget can be absorbed by $100,000 budgeted for future projects in the Water Fund, thus not requiring a formal budget adjustment.

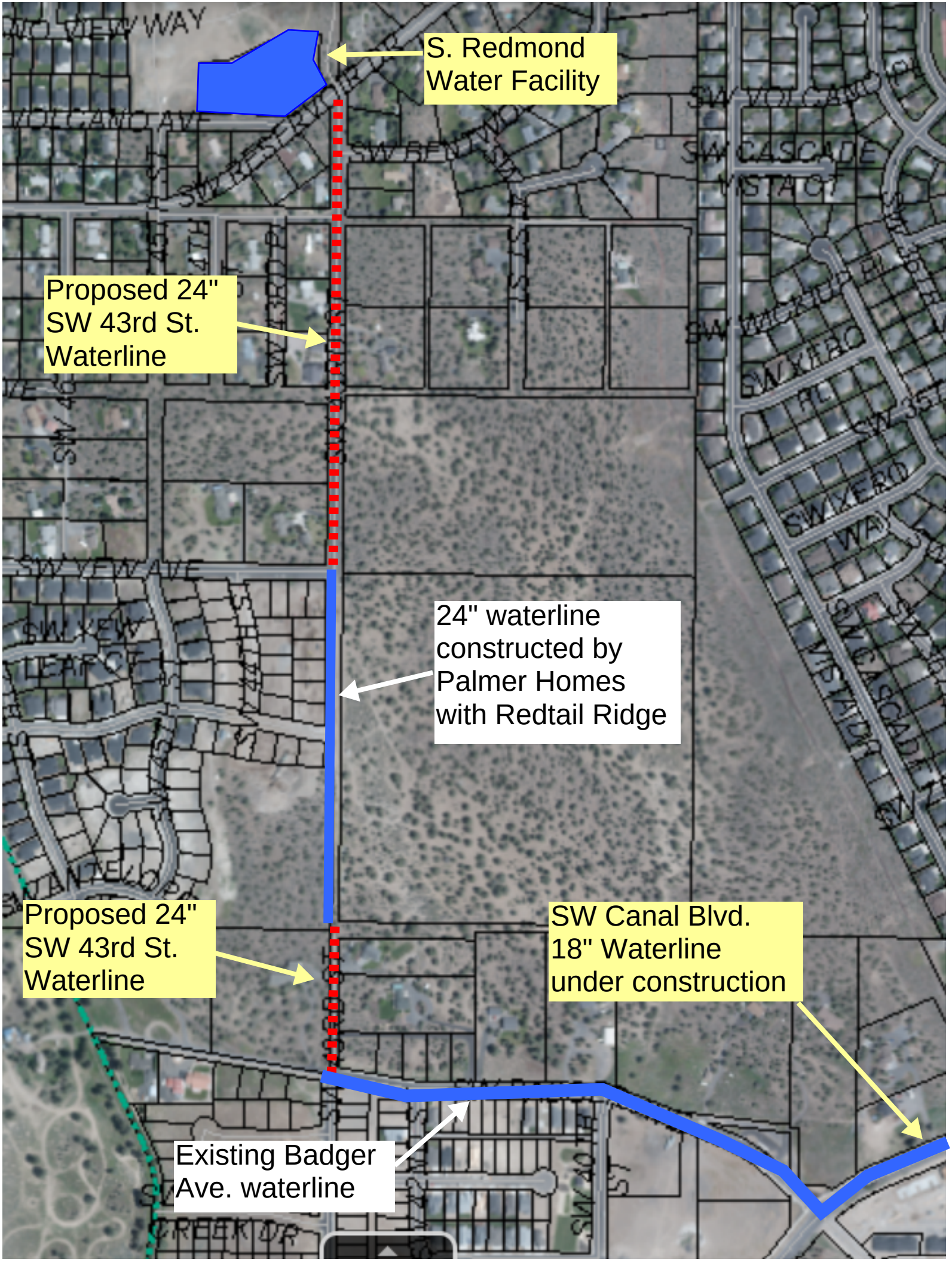
The overall SRWF project is at approximately the 60% design and engineering. An overall project update will occur at the Council meeting on August 25, 2020.

Alternative Courses of Action:

1. Award the bid to Collins and Sons in the amount of $639,225 and authorize the City Manager to sign the contract.
2. Request additional information.
3. Reject all bids.

Recommendation / Suggested Motion:

Option #1: “I move to award the SW 43rd Street Waterline Project to Collins & Sons in the amount of $639,225.00 and authorize the City Manager to sign the contract.”


S. Redmond Water Facility
Proposed 24" SW 43rd St. Waterline
24" waterline constructed by Palmer Homes with Redtail Ridge
Proposed 24" SW 43rd St. Waterline
SW Canal Blvd. 18" Waterline under construction
Existing Badger Ave. waterline
VOLCANO AVE
SW VOLCANO
SW CASCADE
SW YEW AVE
SW YEW
SW CASCADE
CREEK DR

SOUTH REDMOND WATER FACILITY

SW 43RD ST. WATERLINE COMPONENT

August 25, 2020

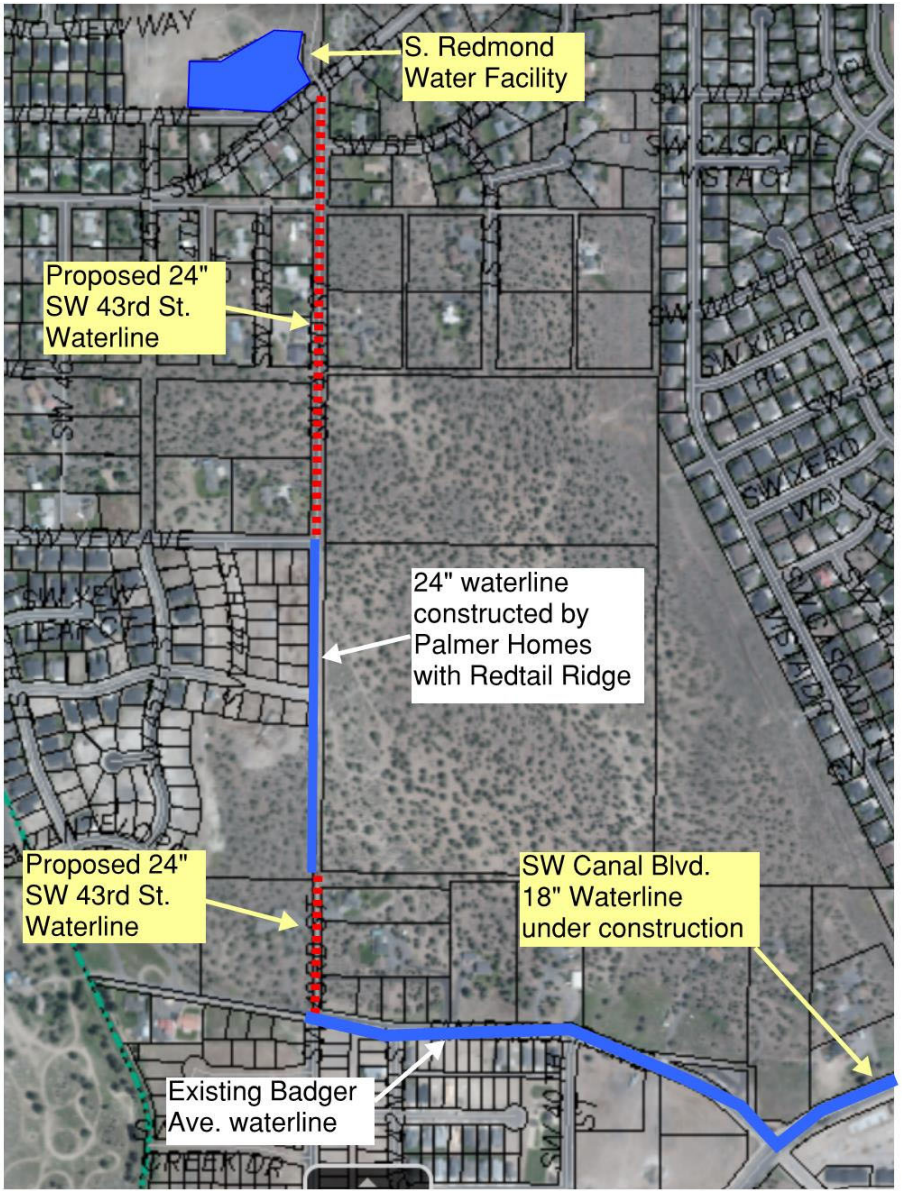
SRWF PROJECT COMPONENTS:

FACILITY

- 4.0 MILLION GALLON CONCRETE RESERVOIR
- 3,000 GALLON/MINUTE WELL
- 7,000 GALLON/MINUTE BOOSTER PUMP STATION

SW 43RD ST. 24" WATER TRANSMISSION MAIN

SW CANAL BLVD. 18" WATER MAIN



TIMING/PROGRESS:

S. REDMOND WATER FACILITY

- STARTED: 7/20
- ANTICIPATED COMPLETION: FALL 2021

SW CANAL BLVD WATERLINE

- STARTED: 6/20
- COMPLETE: 8/20

SW 43RD WATER TRANSMISSION MAIN

- 1ST TWO PHASES COMPLETED BY DEVELOPER: 6/20
- CONSTRUCTION START: 9/20
- COMPLETE: 4/21

SW 43RD ST. WATERLINE BIDDING:

- COMPETITIVE-11 BIDS RECEIVED
- LOW BID – COLLINS & SONS: $639,225
- BUDGET: $599,120
- OVERAGE AVAILABLE IN FUTURE PROJECTS BUDGET LINE

CONSTRUCTION CONFIDENCE INDEX

FALL 2021

COMPLETE

- Final payment made.
- Post project assessment completed comparing project estimate, amount of contract award and total amount of change orders issued during project.
- Total project costs reported.

DEC. 2020

OPTIMAL

- Project scope and specifications clearly understood and well defined.
- Clear understanding of materials, size and quantities needed to execute job.
- Schedule and special site conditions understood.
- Project estimate unlikely to change (generally at 90% or greater design and engineering phase).
- Total Project contingencies (including project management, design, engineering, plus construction) range between 10%-15%.

SEPT. 2020

HIGH

- Project scope and specifications nearly complete but still subject to change (70%–90% design and engineering phase)
- Materials, size and quantities needed to execute job have been defined but subject to minor changes.
- Schedule understood.
- Total Project contingencies (including project management, design, engineering, plus construction) may range between 20%-30%.

AUG. 2020

MODERATE

- Project scope defined but lacks details.
- Project specifications incomplete (60%-70% design and engineering phase).
- Total Project contingencies (including project management, design, engineering, plus construction) may range between 30%-40%.

LOW

- Project scope is a conceptual "vision" with limited detail.
- Project cost is an educated guesstimate. Limited technical information available and/or limited analysis performed.
- Specifications still in infancy stage. (Less than 50% design and engineering phase).
- Total Project contingencies (including project management, design, engineering, plus construction) may range up to or exceed 50%.

PROJECT EVOLUTION:

Timing	Activity	Cost Estimate	Confidence Index
Spring 2019	Bond Issuance	$12M*	Low (Master Plan Estimate)
Spring 2020	FY 20/21 Budget	$15.7M	Low (30% Design)
August 2020	60% Design Estimate	$19M	Moderate (60% Design)

Components	Cost Estimate	Confidence Index
S. Redmond Water Facility	$16M	Moderate
SW 43rd St. 24” Waterline	$1.02M	Optimal
SW Canal Blvd. 18” Waterline	$0.38M	Optimal
Analysis/Design/Construction Admin	$1.6M	Moderate

*NOTE: SW 43RD AND SW CANAL WATERLINES WERE NOT INCLUDED IN THE ORIGINAL ESTIMATE FOR THE 2019 BOND

NEXT STEPS:

1 VALUE ENGINEERING AUG 2020

2 COMPLETE 90% DESIGN MID-SEPT 2020

3 DETERMINE GUARANTEED MAXIMUM PRICE OCT 2020

4 COUNCIL APPROVAL OCT 2020

5 CONSTRUCTION COMPLETE FALL 2021

QUESTIONS?

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STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: Zachary Bass, Airport Director
SUBJECT: Airport Engineer Services RFP: Morrison-Maierle, Inc. (Contract No. 2020-59)

Addresses Council Goal:
5. Establish Redmond Municipal Airport as the best Airport of its size in the country.

5.B.iv. Pursue State, FAA, and other funding for development, expansion and preservation of the airport's physical facilities.

Report in Brief:
This item requests City Council authorize Morrison-Maierle as the Engineer of Record for Redmond Municipal Airport (Airport). This contract, which takes effect September 1, 2020, is for two years, with the option of three, one-year extensions.

Background:
The Federal Aviation Administration (FAA) provides the Airport entitlement and discretionary funds to accomplish eligible project planning and construction work. This work requires the services of an engineering team actively involved on the Airport's behalf. The Airport also has the need for this service for projects that are not FAA funded, such as infrastructure and utilities, hangars, office buildings, and revenue generating projects.

On July 1, 2020 the Airport issued a Request For Proposals (RFP) for Engineering Services. The purpose of the RFP was to select a qualified firm to provide engineering services for FAA, Airport Improvement Program (AIP), and other Airport projects for a period not to exceed five years beginning September 2020. Airport staff recommends the selection of Morrison-Maierle, Inc.

The RFP criteria included: General Firm Information, Professional Qualifications of Project Team, Experience, Project Understanding and Approach, Approach to Project Management, and Other Misc. factors.

Morrison-Maierle, Inc. received an average score of 84.25 points. Century West Engineering, Inc. received an average score of 79.00.

Discussion:
Three proposals were received and were reviewed by an evaluation committee comprised of the City Engineer, Airport staff and a member the Airport's Advisory Committee.

Two firms were selected for interviews: Century West Engineering and Morrison-Maierle, Inc. The third firm, Sazan Group, Inc., was not selected for an interview.

After the RFP scoring and interview processes concluded, the evaluation committee selected Morrison-Maierle, Inc. as the recommended Engineer of Record for a term which expires September 2025.

Morrison-Maierle, Inc. is the current (beginning in 2015) Engineer of Record for the Airport and previously provided this service from 1987 to 2002.

Since 2015, the City has paid Morrison-Maierle $6,500,000 to provide engineering services on more than 20 projects worth $70,000,000 in construction costs.

Morrison-Maierle, Inc has extensive experience in the Northwest Region in providing excellent engineering services for large scale Airport Capital Improvement Projects (CIP), FAA/ODOT grant procurement and administration, and implementing revenue generating projects.

Contract No. 2020-59 will include, but is not limited to, the following projects: Aircraft Rescue and Fire Fighting (ARFF) Truck Acquisition and Taxiway B East – Pavement Rehabilitation.

Fiscal Impact:
No direct fiscal impact.

The fiscal impact will apply when the Engineer of Record receives project directives and scopes of work from the Airport. These will come before Council when/if they exceed $50,000 (in accordance with signing authority limitations).

Alternative Courses of Action:

1. Designate Morrison-Maierle, Inc as the Airport Engineer of Record for Redmond Municipal Airport.
2. Do not designate Morrison-Maierle, Inc as the Airport Engineer of Record.
3. Request more information.

Recommendation / Suggested Motion:
"I move to award the Airport Engineer Services RFP to Morrison-Maierle, Inc."

Airport Engineer of Record Award:

Morrison-maierle (M&M)

August 25, 2020

Airport engineer of record

Contract specifics:

- 5 years: 2 years with 3 optional (1 year) extensions

- each project and the cost is a contract amendment

- known projects include: new ARFF truck
  taxiway b rehab

Services required:

- Project planning, design, construction,
  financial, and grant management

- strong understanding of federal (faa), state,
  and local requirements

- constant communication; “member of the team”

RFP process

Jul. - Request for proposals

received 3 bids; Morrison-Maierle, century west, sazan group

Au - Selection committee scored RFP

nitte

m&m and century west interviewed

m&m scored: 84.25 / century west scored: 79.00

- Aug. 25: Council Approval
- Sept. 1: contract begins

Morrison-maierle
(suggested firm)

background:

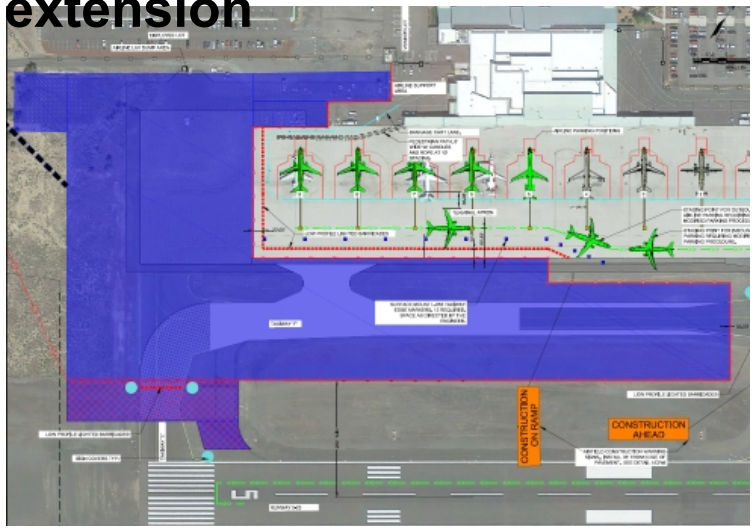
- engineer of record since 2015
- 24 projects totaling $6.5M in payment
- helped manage $70M worth of projects
- 30+ years overall experience at Redmond airport

Why selected:

- large full-service engineering firm (300 employees)
- engineer of record for multiple airports (Bozeman)
- outstanding customer service
- strong f.a.a. relationships

Operations Building

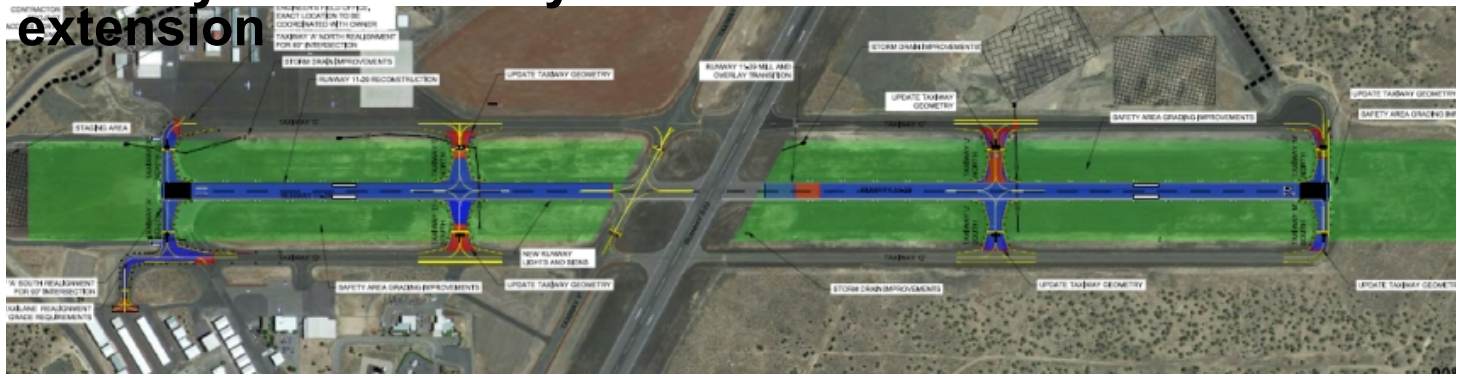
Ramp extension



Tsa 3rd lane

Cent. Oregon dispatch center

Runway 11-29 runway extension



Questions?

CITY OF REDMOND

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STAFF REPORT

DATE: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
John Roberts, Deputy City Manager
FROM: Mike Caccavano, City Engineer
SUBJECT: Ord. #2020-13 - An ordinance renaming certain streets within the City of Redmond.

Addresses Council Goal:
1.B. Increase the efficiency and/or effectiveness with which the City provides public services.

Report in Brief:
This item requests City Council conduct a public hearing and approve Ordinance #2020-13 to change the name of a section of SW Badger Avenue to SW 34th Street to allow for improved recognition for emergency response.

Background:
The Village at Ridgeview (The Village) is a new neighborhood located on the southeast side of SW Canal Boulevard across from Ridgeview High School (see Exhibit A). The plat for The Village was recently recorded with a street name discrepancy that will potentially cause confusion for first responders.

Although street names are typically reviewed on the tentative plat, Redmond Fire and Rescue (Fire) identified an important transition point in the street names after the final plat was recorded.

Therefore, the Fire needs the name transition from SW Badger Avenue to occur where the street positional direction changes from east-west to north-south.

Discussion:
The Village was laid out with the street name change at the intersection of SW Badger Avenue and SW Antelope Court (see Exhibit A). However, SW Badger Avenue runs east-west and turns north at a Bonneville Power Administration (BPA) right-of-way before SW Antelope Court.

Emergency response is improved when there is a clear distinction in street names between north-south streets and east-west avenues. Although the plat was designed with the street name change at the intersection with SW Antelope Court, the change in direction north where the BPA right-of-way is located is more appropriate for emergency response purposes.

The Village is currently under construction and changing the street name at this time will not impact residents.

Oregon Revised Statute (ORS) 227.120 establishes the authority which allows City Council to rename existing streets other than a county road or state highway. Redmond City Code section 3.770 sets the procedure for changing street name. Said ORS and City Code have been followed.

Fiscal Impact:
There will be no fiscal impact to the City.

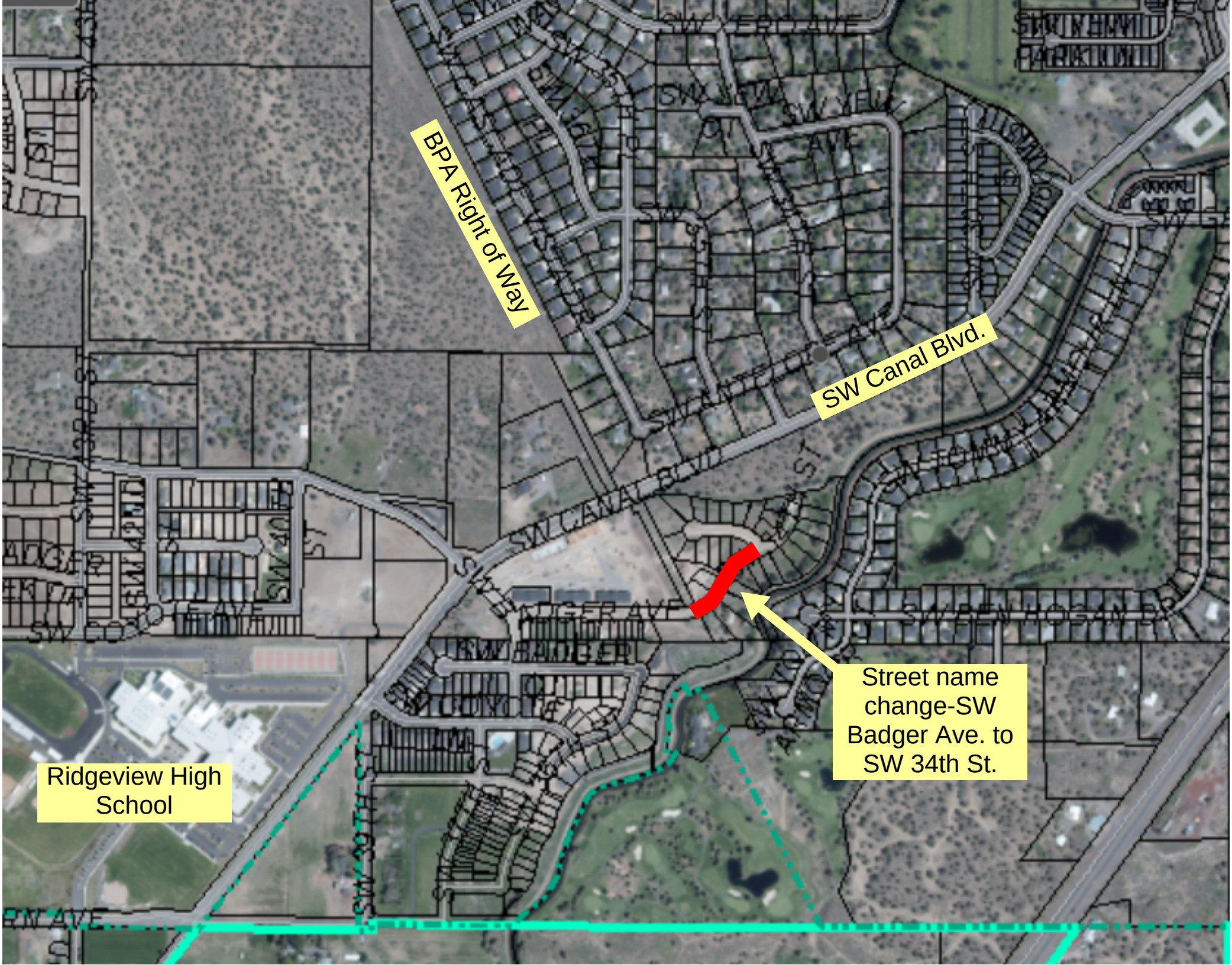
Alternative Courses of Action:
1. Conduct the public hearing and approve Ordinance 2020-13 changing the name of SW Badger Avenue to SW 34th Street.
2. Request more information.
3. Do not approve the name change.

Recommendation / Suggested Motion:

“I move to have a first and second reading of Ord. #2020-13 by title only.” (Voice Vote)

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

“I move to approve Ord. #2020-13.” (Roll Call vote)


BPA Right of Way
SW Canal Blvd.
Street name change-SW Badger Ave. to SW 34th St.
Ridgeview High School

CITY OF REDMOND
ORDINANCE NO. 2020-13

AN ORDINANCE RENAMING CERTAIN STREETS WITHIN THE CITY OF REDMOND.

WHEREAS, Oregon Revised Statute (ORS) 227.120 establishes the authority which allows the City Council to rename existing streets other than a county road or state highway; and Redmond City Code section 3.770 sets the procedure for changing street names; and

WHEREAS, Redmond Fire and Rescue recommends that a portion of SW Badger Avenue should be renamed to SW 34th Street to optimize emergency response; and

WHEREAS, the City Council conducted a public hearing on this request on August 25, 2020; and

WHEREAS, the City Council finds that the adoption of this Ordinance is in the best interest of the City.

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

Section 1: ADOPTION. Adoption of Ordinance No. 2020-13 renaming SW Badger Avenue as SW 34th Street from the Bonneville Power Administration right-of-way to SW Antelope Court as shown in Exhibit A.

Section 2: SEVERABLILITY. 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 effect without such invalid part or parts.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of August 2020.

_____
George Endicott, Mayor

ATTEST

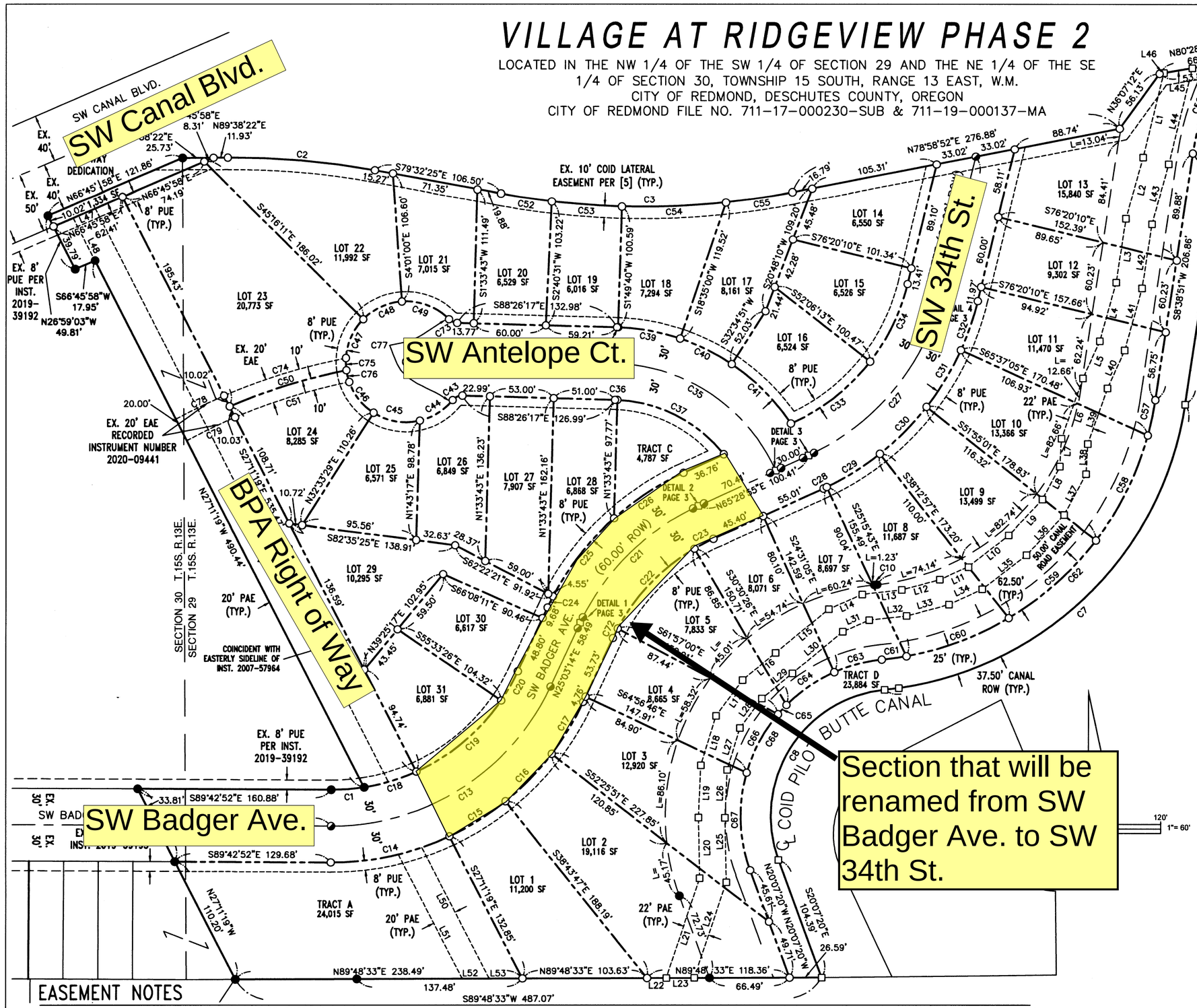
_____
Kelly Morse, City Recorder

Exhibit A

I-881

VILLAGE AT RIDGEVIEW PHASE 2

LOCATED IN THE NW 1/4 OF THE SW 1/4 OF SECTION 29 AND THE NE 1/4 OF THE SE 1/4 OF SECTION 30, TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.
CITY OF REDMOND, DESCHUTES COUNTY, OREGON
CITY OF REDMOND FILE NO. 711-17-000230-SUB & 711-19-000137-MA



PLAT NOTES

THIS PLAT IS SUBJECT TO THE CONDITIONS OF APPROVAL SET FORTH IN CITY OF REDMOND FILE NO. 711-17-000230-SUB AND 711-19-00137-MA.

CENTRAL OREGON IRRIGATION DISTRICT NOTE:
THIS ACKNOWLEDGES THAT EMPIRE CONSTRUCTION AND DEVELOPMENT, LLC, ITS HEIRS, SUCCESSORS, AND ASSIGNS, RECOGNIZE AND ACCEPT THE HAZARDS ASSOCIATED WITH THE CLOSE PROXIMITY OF THE OPEN CANAL ADJACENT TO THE SUBJECT PROPERTY WITHIN THIS PLAT. EMPIRE CONSTRUCTION AND DEVELOPMENT LLC, ITS HEIRS, SUCCESSORS, AND ASSIGNS HEREBY INDEMNIFIES CENTRAL OREGON IRRIGATION DISTRICT (COID), ITS AGENTS, SUCCESSORS, OR ASSIGNS, FOR ANY CLAIM, SUIT OR ACTION MADE AGAINST COID TO RECOVER FOR HARM OR INJURY WHICH MAY OCCUR TO PERSONS, PERSONAL PROPERTY, OR REAL PROPERTY IN THE FUTURE ON OR INVOLVING SUBJECT PROPERTY WITHIN THIS PLAT AS A DIRECT OR INDIRECT RESULT OF THE OPERATIONS, MAINTENANCE, OR IMPROVEMENTS TO THE COID IRRIGATION SYSTEM.

PUBLIC UTILITY EASEMENT NOTE

THE PUBLIC UTILITY EASEMENT (PUE) SHALL BE USED TO CONSTRUCT AND MAINTAIN PUBLIC UTILITIES (UTILITIES) INCLUDING BUT NOT LIMITED TO CITY WATER, SEWER AND STORM DRAINAGE UTILITIES AND GAS, ELECTRICAL, PHONE AND COMMUNICATIONS SERVICES AND FOR UNRESTRICTED INGRESS AND EGRESS TO AFFECTED PROPERTIES FOR THE PURPOSE OF INSTALLING, REPAIRING, TESTING, MAINTAINING, AND REPLACING THE UTILITIES AND RELATED FACILITIES. THE PUE SHALL BE NON-EXCLUSIVE EXCEPT THAT THE CITY AND UTILITIES SHALL HAVE THE EXCLUSIVE RIGHT TO CONSTRUCT, INSTALL, MAINTAIN AND OPERATE THE UTILITIES, THEIR EQUIPMENT AND ALL RELATED FACILITIES ABOVE AND BELOW GROUND WITHIN THE PUE INCLUDING THE RIGHT OF ACCESS TO SUCH FACILITIES AND THE RIGHT TO REQUIRE THE REMOVAL OF ANY OBSTRUCTIONS INCLUDING TREES AND VEGETATION THAT MAY BE PLACED WITHIN THE PUE AT THE AFFECTED PROPERTY OWNER'S EXPENSE. PROPERTY OWNERS MAY USE THE SURFACE OF THE PUE PROVIDED SUCH USE DOES NOT INTERFERE WITH THE CITY'S AND UTILITIES RIGHTS CONTAINED IN THIS EASEMENT. PROPERTY OWNERS SHALL NOT PERMIT ANY OTHER USE OR UTILITIES TO BE LOCATED IN THE PUE WITHOUT THE WRITTEN CONSENT OF THE CITY. APPROVED USES WITHIN THE PUE SHALL CONSIST OF, BUT ARE NOT LIMITED TO, LANDSCAPING, PAVED DRIVEWAY OR PARKING AREAS, TRAILS, PATHS, SIDEWALKS OR OTHER USES THAT WILL NOT AFFECT THE ABILITY OF THE CITY OR UTILITIES TO ACCESS THE PUE. PROHIBITED USES SHALL CONSIST OF, BUT ARE NOT LIMITED TO, PERMANENT STRUCTURES, BUILDINGS, OR ANY OTHER OBSTRUCTION, EXCAVATION OR ALTERATION OF THE PUE. THE PUE SHALL PERPETUALLY ENCUMBER ALL AFFECTED PROPERTIES. CITY AND UTILITIES SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE UTILITIES AND RELATED FACILITIES LOCATED WITHIN THE PUE. ALL AFFECTED PROPERTIES AND PROPERTY OWNERS SHALL BE RESPONSIBLE FOR LANDSCAPE AND SURFACE MAINTENANCE WITHIN THE PUE. CITY AND UTILITIES USE OF THE PUE SHALL NOT UNREASONABLY INTERFERE WITH OWNER'S USE OF ITS PROPERTY. THE CITY AND UTILITIES DO HEREBY AGREE TO DEFEND, HOLD HARMLESS, AND INDEMNIFY AFFECTED PROPERTIES AND OWNERS, THEIR SUCCESSORS AND ASSIGNS, FROM ANY CLAIM OF LIABILITY OR ANY OTHER CLAIM INVOLVING THE UTILITIES, OR ARISING OUT OF THE UTILITIES USE OF THE PUE, UNLESS CAUSED BY PROPERTY OWNER'S NEGLIGENT OR WILLFUL CONDUCT OR PROPERTY OWNER'S FAILURE TO FULFILL ITS MAINTENANCE OBLIGATIONS.

PUBLIC ACCESS EASEMENT NOTE

THE PUBLIC ACCESS EASEMENT (PAE) SHALL BE USED TO CONSTRUCT AND INSTALL SIDEWALK OR PAVED PUBLIC PATH (SIDEWALK/PATH) AND FOR UNRESTRICTED INGRESS AND EGRESS TO AFFECTED PROPERTY AND PUBLIC USE OF THE SIDEWALK/PATH. THE EASEMENT SHALL BE NON-EXCLUSIVE EXCEPT THAT THE CITY SHALL HAVE THE EXCLUSIVE RIGHT TO ACCESS THE SIDEWALK/PATH AND EARTH CUT/FILL SLOPE, AND ALL RELATED FACILITIES WITHIN THE EASEMENT. PROPERTY OWNER MAY USE THE SURFACE OF THE EASEMENT PROVIDED SUCH USE DOES NOT INTERFERE WITH CITY'S RIGHTS CONTAINED IN THIS EASEMENT. PROHIBITED USES SHALL CONSIST OF, BUT ARE NOT LIMITED TO, PERMANENT STRUCTURES, BUILDINGS, FENCES, OR ANY EXCAVATION OR ALTERATION OF THE SIDEWALK/PATH AND EARTH SLOPE. PROPERTY OWNER SHALL NOT PERMIT ANY OTHER UTILITIES TO BE LOCATED IN THE EASEMENT WITHOUT THE WRITTEN CONSENT OF THE CITY. THE EASEMENT SHALL PERPETUALLY ENCUMBER THE PROPERTY. PROPERTY OWNER SHALL BE RESPONSIBLE FOR MAINTENANCE OF THE SIDEWALK/PAVED PATH AND RELATED FACILITIES LOCATED WITHIN THE EASEMENT AS REQUIRED BY REDMOND CODE FOR SIDEWALKS AND A SEPARATELY RECORDED MAINTENANCE AGREEMENT BETWEEN THE CITY AND PROPERTY OWNER. PROPERTY OWNER SHALL ALSO BE RESPONSIBLE FOR LANDSCAPE AND SURFACE MAINTENANCE WITHIN THE EASEMENT.

EASEMENT NOTES

THIS PROPERTY IS SUBJECT TO THE FOLLOWING EASEMENTS, AS DISCLOSED IN A PUBLIC RECORD REPORT FOR NEW SUBDIVISION OR LAND PARTITION, PREPARED BY WESTERN TITLE & ESCROW COMPANY, UNDER ORDER NO. WT0183973:

9. RESERVATIONS, INCLUDING THE TERMS AND PROVISIONS THEREOF, AS DISCLOSED BY INSTRUMENT, *(FOR IRRIGATION PURPOSES)*
RECORDING DATE: JANUARY 12, 1911
RECORDING NO.: 8-610 *(COID CANAL AND LATERAL SHOWN HEREON)*

10. EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL THERETO, AS GRANTED IN A DOCUMENT:
GRANTED TO: THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY
RECORDING DATE: MARCH 5, 1923 *(FOR POLES AND WIRES PURPOSES)*
RECORDING NO: 35-34 *(POLES LOCATED IN CANAL BLVD ROW, NOT SHOWN)*

11. EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL THERETO, AS GRANTED IN A DOCUMENT:
GRANTED TO: THE UNITED STATES OF AMERICA *(FOR POWER TRANSMISSION LINE PURPOSES)*
RECORDING DATE: FEBRUARY 13, 1952
RECORDING NO: 100-48 *(EASEMENT SHOWN HEREON)*

12. EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL THERETO, AS GRANTED IN A DOCUMENT:
GRANTED TO: UNITED STATES OF AMERICA *(FOR POWER TRANSMISSION LINE PURPOSES)*
RECORDING DATE: NOVEMBER 4, 1960
RECORDING NO: 126-301 *(EASEMENT SHOWN HEREON)*

13. DOMESTIC WATER SUPPLY AGREEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF, *(FOR WELL AND DOMESTIC WATER PURPOSES)*
RECORDING DATE: NOVEMBER 21, 1986
RECORDING NO.: 137-121 *(EXACT LOCATION UNKNOWN, NOT SHOWN HEREON)*

14. EASEMENTS, CONDITIONS, RESTRICTIONS AND NOTES AS DELINEATED ON THE RECORDED PLAT. *(CS01377 EASEMENTS SHOWN HEREON)* *(FOR IRRIGATION, POWER TRANSMISSION, AND ACCESS PURPOSES)*

15. RESERVATION OF AN EASEMENT AS DISCLOSED IN THAT BARGAIN AND SALE DEED *(FOR ACCESS PURPOSES)*,
RECORDING DATE: JUNE 7, 1991 *(PLOTTED HEREON)*
RECORDING NO.: 236-2398

16. INTENTIONALLY DELETED FROM TITLE REPORT.

17. INTENTIONALLY DELETED FROM TITLE REPORT.

JOB #: 13851
CLIENT: EMPIRE CONST.
DATE: 02/26/2020
DRAWN BY: EJH

BECON
CIVIL ENGINEERING & LAND SURVEYING
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REGISTERED PROFESSIONAL LAND SURVEYOR
OREGON
DEC. 16, 2009
ERIK J. HUFFMAN
70814
RENEWS: JUNE 30, 2021

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: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: John Roberts, Deputy City Manager
SUBJECT: Ord. #2020-04 – An ordinance amending the Redmond City Code Chapters 2, 5, 7, and 9, making technical changes, enabling an appeal of Code Enforcement decisions, creating short term rentals provisions, allowing the processing of hemp in the Light Industrial M-1 Zone, and making possible the enforcement and abatement of dangerous or abandoned buildings and structures.

Addresses Council Goal:
6. Community Enhancement and Participation: Create an image and identity that generates a sense of community pride, ensures a high quality of life and safety for our citizens, attracts new residents and businesses and facilitates opportunities for success.

7. Comprehensive Planning: Enhance the quality of life through adoption of programs, policies, and standards that balance growth while maintaining our unique character.

Report in Brief:
This item requests City Council approve Ordinance 2020-04 adopting amendments to four chapters of the Redmond City Code.

Background:
The purpose of the proposed Code amendments include:

1. Technical changes to create consistency: The City Code needs to be updated to address inconsistencies and reflect existing protocols. The proposed amendments clarify terminology and create procedures for efficiency and improved customer service.
2. Modifications to enable an appeal of a decision or action by the Code Enforcement Officer through establishing a process to appeal an interpretation of City Code: The existing City Code does not contain language or a due process regarding how interpretation of the City Code by the Code Enforcement program can be appealed. There have been instances recently where neighbors or property owners have expressed that actions by the Code Enforcement program are flawed and would like to challenge them - these amendments clarify that process.
3. New standards and a process to issue business licenses for short term rentals: Since the COVID-19 started, there has been a modest increase in people exploring the use of their residence as a short term rental (i.e., renting 30 days of less). Although the impacts and number of short term rentals in Redmond is not significant, there is currently no clear path or standards regarding how to permit or monitor them.
4. Allow the processing of hemp in the light industrial M-1 zone: On September 10, 2019, the Council adopted standards for the processing of industrial hemp in the Heavy Industrial M-2 zone. Since then there has been a request to allow for the processing of hemp in the Light Industrial M-1 zone.
5. Make possible the enforcement and abatement of dangerous or abandoned buildings and structures: There are instances in which residences in Redmond become inhabitable or abandoned, whether through a fire or negligence in the upkeep. Such properties pose a threat to the health, safety and welfare of the community and neighborhood. The City currently has no ability to take action to enforce the abatement of these significantly impaired properties.

All of the above proposed amendments to the City Code would provide staff the ability to be more equitable and proactive with enforcement.

Discussion:
Changes are proposed to the following four chapters of City Code:

- Chapter 2 – Government and Administration
- Chapter 5 – Public Protection
- Chapter 7 – Business
- Chapter 9 – Building and Fire Codes

The proposed changes to Chapter 2 (Government and Administration) specifically address:

Hearings - Section 2.796 outlines conduct of a hearing by a Hearings Officer. The proposed changes modify issuance of decision by the Hearings Officer from 5 days to 10 days to create consistency in the City Code.

The proposed changes to Chapter 5 (Public Protection) specifically address:

Definitions – Section 5.325 contains the definitions that are relied on by the code enforcement program. A definition of "preponderance of the evidence" is proposed to provide a metric and basis to appeal a staff interpretation of code.

Public Nuisances – Section 5.335 identifies what is a public nuisance. The description of 'fences' and 'discarded vehicles' were modified to provide more clarity and remove redundancy. Moreover, a reference to 'dangerous buildings or structures' was included to clarify they too are designated as a public nuisance.

Appeal of Code Enforcement Interpretation – Section 5.359 was created to outline the process, procedures and requirements to appeal a decision by the Code Enforcement Officer. The process, procedures and requirements enable an interpretation of City Code to go to the Nuisance Appeals Board, who would then serve in a quasi-judicial capacity. The due process is intended to be fair and allow for evidence to be presented. The decision of the Nuisance Appeals Board would be final.

The proposed changes to Chapter 7 (Business) specifically address:

Short Term Rentals (STRs) – Section 7.132 develops the framework to review, permit and enforce a STR. A STR means a dwelling unit, or any portion, thereof that is available or advertised, or listed by an agent, for use, rent, or occupancy for a period of less than 30 consecutive days. A STR is not a home occupation and would be allowed in a residential zone after approval through issuance of a business license. Issuance would hinge on applicable standards and requirements being complied with and determination the STR does not unreasonable interfere with other uses permitted in the zone in which the property is located.

Standards and requirements evaluated to permit a STR include: Transient Room Tax, parking, nuisances, signage, occupants, local contact, and transferability. The STR shall also meet all applicable local building and health codes, and state and federal laws. If the Community Development Director or designee determine that a STR is in violation of above requires or laws the permit may be revoked.

Industrial Hemp – Section 7.194 through 7.198 is proposed to be amended to allow the processing of hemp in the Light Industrial M-1 zone. Processing of hemp is currently permitted in the Heavy Industrial M-2 zone. The City has issued two business licenses to allow for the processing of hemp since adoption of industrial hemp provisions in September 2019.

There is currently one business located in the M-1 zone that processes hemp to make and market CBD products (cannabidiol extracted from hemp for health reasons). The business is non-complaint with Oregon Department of Agricultural hemp program and permits due to our current zoning (i.e., unable to obtain a 'handlers permit'). This change will allow the company to come into compliance.

The City has not received any complaints regarding the hemp processors but continue to receive frequent inquiries regarding the sale and distribution of CBD.

The standards and approval criteria to address conditions associated with industrial hemp in the M-1 zone would be the same as the M-2 zone. Specifically, processing be conducted in a permanent and enclosed structure requiring a building permit; odor is not detectable from the property line; no outdoor storage is allowed; and limited retail sales are allowed as an ancillary use.

Oregon continues to operate under the 2018 Farm Bill and current state law to grow, process and handle hemp; at least through October 2020. Processing hemp does not violate Oregon State Law as long as it is done in accordance with

Oregon Statute, OARs, and all applicable applications have been submitted and approved by the ODA. The City's regulations ensure that businesses stay compliant with existing and changing laws.

The proposed changes to Chapter 9 (Building and Fire Codes) specifically address:

Dangerous Building Code – Sections 9.200 through 9.235 are proposed to provide guidance and tools to enforce and abate dangerous or abandoned buildings. Such buildings or structures can pose significant public safety and health concerns to neighbors and the community. The City Code currently does not contain enabling provisions to effectively address these situations.

The proposed regulations limit inspection of the dangerous buildings or structures to the exterior as seen from the right-of-way. When the building official or designee has inspected any building or structure and has found and determined that such building or structure is a dangerous building, the building official or designee shall commence proceedings to cause the repair, vacation or demolition of the building.

The proposed notice and hearing process to enforce or abate a dangerous building or structure would be similar to the existing code enforcement program process and procedures. Property owners would be noticed and given an opportunity to appeal the citation or violation through the Hearings Officer.

Notice - As required by City Charter, on August 18, 2020, notices regarding this Council action were posted in three public places (the library, Police Department, and Redmond Chamber of Commerce) in addition to City Hall. Copies of the ordinance were also available for review at City Hall.

Fiscal Impact:
There is no fiscal impact for this City Code amendment.

Alternative Courses of Action:

1. Adopt Ordinance No. 2020-04.
2. Request more information.
3. Do not adopt Ordinance No. 2020-04.

Recommendation / Suggested Motion:
"I move to have a first and second reading of Ord. #2020-04 by title only." (Voice Vote)

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

"I move to approve Ord. #2020-04." (Roll Call vote)

CITY OF REDMOND
ORDINANCE NO. 2020-04

AN ORDINANCE AMENDING THE REDMOND CITY CODE CHAPTERS 2, 5, 7, and 9, MAKING TECHNICAL CHANGES, ENABLING AN APPEAL OF CODE ENFORCEMENT DECISIONS, CREATING SHORT TERM RENTALS PROVISIONS, ALLOWING THE PROCESSING OF HEMP IN THE LIGHT INDUSTRIAL M-1 ZONE, AND MAKING POSSIBLE THE ENFORCEMENT AND ABATEMENT OF DANGEROUS OR ABANDONDED BUILDINGS AND STRUCTURES.

WHEREAS, the City desires to address inconsistencies in the City Code; and

WHEREAS, the City is interested in clarifying terminology and streamlining procedures for efficiency and improved customer service; and

WHEREAS, the City recognizes technical changes are needed to the City Code to create consistency and improve the administration the Code Enforcement program and issuance of Business Licenses; and

WHEREAS, the City acknowledges there is an opportunity to a process to those wanting to challenge the interpretation and application of the City Code by the Code Enforcement program; and

WHEREAS, the City needs a process to permit, monitor and enforce short term rentals through issuance of a business license and evaluation of accompanying standards and regulations; and

WHEREAS, the City has the ability to allow industrial hemp to be processed in the Light Industrial M-1 zone in addition to the Heaving Industrial M-2 zone; and

WHEREAS, the City finds that there is a need to protect and enhance public health and safety through establishing a means to effectively enforce or abate dangerous buildings or structures; and

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

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

SECTION ONE: The City of Redmond hereby amends the Redmond City Code Chapter 2 – Government and Administration, Chapter 5 – Public Protection, Chapter 7 – Business, and Chapter 9 – Building and Fire Codes. A copy of the code amendments is 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.

PASSED by the City Council and **APPROVED** by the Mayor this 25th day of August 2020.

_____
George Endicott, Mayor

ATTEST:

_____
Kelly Morse, City Recorder

Exhibit A:

Proposed Redmond City Code Amendments

Chapter 2 – Government and Administration
Chapter 5 – Public Protection
Chapter 7 – Business
Chapter 9 – Building and Fire Codes

New proposed text identified in **red**; deleted text ~~strikethrough~~.

Chapter 2- Government and Administration

(***)

GOVERNMENT AND ADMINISTRATION

Council.....2.100 to 2.118
Elections.....2.120
Initiative and Referendum.....2.180 to 2.181
Personal Property Disposition.....2.200 to 2.215
Commissions, Committees and Contract Review Board.....2.300 to 2.497
Nuisance Appeals Board.....2.500 to 2.505
Airport (portions repealed).....2.550 to 2.588
Historic Landmarks Commission.....2.590 to 2.596
Officers and Departments.....2.600 to 2.708
Code Enforcement.....2.750 to ~~2.786~~ 2.799
Property Taxes Exemption for Low Income Housing of
Charitable Non-Profit Organizations.....2.800 to 2.805
Ballot Measure 37 Claim Process.....2.900 to 2.950

2.796 Hearings.

1. Every hearing pursuant to section 2.792 will determine whether the City ~~is municipal C~~code was violated and shall be held before a Hearings Officer. The Hearings Officer may prescribe procedures for the conduct of such hearings.
2. Evidence, including rebuttal evidence, may be presented at the hearing and shall be limited to that which is relevant to the violation alleged.
3. The Hearings Officer has the authority to administer oaths and take the testimony of witnesses. The Hearings Officer or Enforcement Officer may direct that subpoenas issued on behalf of the City in accordance with Oregon Rules of Civil Procedure 55. If the person who receives a citation or violation desires that witnesses be ordered to appear by subpoena, they must arrange for their subpoenas to issue in accordance with the Oregon Rules of Civil Procedure. Witnesses appearing by subpoena shall be allowed the same fees and mileage as allowed in civil cases in circuit court.
4. The parties shall have the right to cross-examine witnesses who testify.

5. After due consideration of the evidence and arguments, the Hearings Officer shall issue a decision at the hearing or within ~~five~~ ten business days of the conclusion thereof as to whether the violation as alleged in the complaint has been established.
   A. If the violation has been established, the Hearings Officer decision shall include a brief statement of the findings of facts necessary to establish a violation, order the person to pay the administrative penalty total as recorded on the citation and witness costs. The administrative penalty shall be paid into the Code Compliance administrative citation fund.
   B. The decision shall include a statement identifying the amount of daily penalty that will continue to accrue until the failure to comply is rectified.
   C. The violator may also be required to pay all of the City's costs associated with collection of the administrative penalty, including its administrative costs and attorney fees.
   D. If the violation is not established, the Hearings Officer shall order that any appeal bond which has been posted be refunded. The appeal bond shall be refunded by regular first-class mail.

(***)

Chapter 5 – Public Protection

(***)

5.325 Definitions. For the purposes of the Redmond Nuisance Code (Sections 5.237 to 5.390 ~~5.380~~), the following definitions mean:

(***)

Place or Property. Any premises, room, house, building or structure, or any separate part or portion thereof, whether permanent or not, or the ground itself.
Preponderance of the Evidence. Under the preponderance standard, the burden of proof is met when the party with the burden convinces those acting in a quasi-judicial capacity that there is a greater than 50% chance that the claim is true.
Property. Any real property including land and that which is affixed, incidental or appurtenant to land, including but not limited to any premises, room, house, building or structure or any separate part or portion thereof, whether permanent or not.

(***)

5.335 Public Nuisances. The following shall be deemed Public Nuisances within the City ~~of Redmond:~~

(***)

9. **Fences.**
   ~~A. No owner or person in charge of property shall construct a barbed wire fence thereon without design review by the City, except such wire may be placed above the top of other fencing not less than six feet high.~~
   ~~B~~A. No owner or person in charge of property shall construct, maintain or operate an electric fence along a sidewalk or public way or along the adjoining property line of another person.

~~C~~B. No owner or person in charge of property shall have a fence that is structurally unstable.

(***)

13. **Discarded Vehicles.** Discarded vehicles include major parts thereof, including but not limited to bodies, engines, transmissions and rear ends. For the purpose of this section, "discarded" means any vehicle that is in one or more of the following conditions:
    A. Visibly appears to be inoperative
    B. Wrecked
    C. Dismantled
    D. Partially dismantled
    E. Abandoned
    F. Junked

    No person shall store or permit the storing of a discarded vehicle on any private property for more than two (2) weeks unless it is enclosed within a building or in a rear yard and behind a site obscuring fence from adjacent properties or streets or, unless it is in connection with a business dealing in junked vehicles lawfully conducted within the City.

(***)

22. **Dangerous Buildings or Structures.** Dangerous buildings and structures, as defined by Section 9.025 of City Code, are designated as a public nuisance.

(***)

5.351 Abatement Cost, Notice, and Collection.

1. The property owner and all persons in charge of the property shall be jointly and severally liable for all costs associated with the abatement of a nuisance or violation, including administrative costs, warrant costs, and attorney fees.
2. The City Manager or designee shall keep an accurate record of the expense incurred by the City for abatements. After the violations have been determined by the City to be corrected, the City Manager or designee shall mail to the owner and persons in charge of the property an Abatement Costs Notice which includes:
    A. The total costs of abatement;
    B. Notification that the costs of abatement shall become a lien against the property; and
    C. Notification that if the owner objects to the Abatement Cost Notice:
        1. The owner may request a quasi-judicial hearing with ~~a~~ the Hearings Officer by delivering to the City a written protest and request for a hearing within thirty (30) calendar days from the date of the notification to the owner was mailed.
        2. If a written protest and request for a hearing was not submitted for a quasi-judicial hearing with ~~a~~ the Hearings Officer within thirty (30) calendar days from the date the notification to the owner was mailed, then a written protest and request for a hearing before the Nuisance Appeals Board may be submitted up to ~~one year~~ six months from the date the notification was mailed to the owner ~~was mailed~~. The decision of the Nuisance Appeals Board is final.

(***)

5.359 Appeal of Code Enforcement Interpretation.

1. Any reporting party who disagrees with a Code Enforcement Officer decision may appeal this decision to the Nuisance Appeal Board by making application on forms provided by the City and paying the required fees. The appeal application shall include:
   - A. The name and address of the person(s) submitting the appeal.
   - B. The street address or a description sufficient for identification of the property upon which the alleged violation has occurred or is occurring.
   - C. A detailed description of the alleged violation and a reference to the specific laws, regulations, City Code, or permit conditions that has allegedly been misinterpreted or applied.
   - D. Additional burden of proof as to why the Code Enforcement Officer's decision is incorrect demonstrating why the decision should be reversed or modified.
2. Upon receiving an appeal application, the City shall schedule a hearing with the Nuisance Appeals Board within thirty (30) days. Notification of the hearing shall be made to both the person(s) appealing the decision and person(s) or property owner directly impacted by the decision not less than twenty (20) days prior to the hearing by certified mail, return receipt requested.
3. The following hearing procedures shall apply to the Nuisance Appeal Board:
   - A. Subject to requirements of City Code, the Board may adopt additional procedures to conduct of the hearing.
   - B. Evidence, including rebuttal evidence, may be presented at the hearing and shall be limited to that which is relevant to the alleged interpretation.
   - C. If the appellant fails to appear at the scheduled hearing, the Board will enter an order finding that the Code Enforcement Officer's decision was valid and assessing the cost of the hearing against the appellant.
   - D. The Board has the authority to administer oaths and take the testimony of witnesses.
   - E. The parties shall have the right to cross-examine witnesses who testify.
   - F. The Board shall determine whether the appellant has established by a preponderance of the evidence that the Code Enforcement Officer's decisions should be reversed or modified.
   - G. The Board shall hear the appeal de novo. The decision of the Board is final.
   - H. The Board shall mail a copy of the decision to the appellant, applicable department director, Code Enforcement Officer and all parties of record within ten-working days of the hearing.
   - I. If the Board determines there the appellant is correct, the City shall pursue correction or abatement as provided in City Code.

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Chapter 7 - Business

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Transient Room Tax

Definitions 7.100
Imposition of Tax.....7.102
Distribution and Notice Requirements [deleted by Ord. #97-42 on

November 11, 1997] 7.103
Collection by Collector; Rules for Collection 7.104
Collector's Duties 7.106
Exemptions 7.108
Registration of Collector; Certification of Authority 7.110
Due Date, Returns, and Payments 7.112
Delinquency Penalties 7.114
Deficiency Determinations, Fraud, Evasion, Delay 7.116
Redetermination 7.118
Security for Collection of Tax 7.120
Enforcement 7.121
Liens 7.122
Refunds 7.124
Administration 7.125
Appeals of Council 7.126
Violations 7.128
Penalty 7.130

Short Term Rentals (STRs)
Purpose 7.132
Definitions 7.134
Zones 7.136
Requirements 7.138
Revocation of License 7.140

Amusement Device Tax
Short Title 7.150
Purpose of Amusement Device Tax Act 7.152

(***)

7.026 License Renewal and Late Penalty. The application for renewal of a business license shall be made prior to December 31, the expiration date. A penalty of ~~10~~ 20 percent of the fee for each month or part of a month during which the fee remains unpaid, up to 100 percent, shall be added to the license fee accompanying a later renewal application. The effective date of a renewed license shall be January 1 if the application for renewal is made prior to the current license expiration date. Renewal licenses applied to after January 1 shall be effective on the date of issuance.

(***)

Short Term Rental (STR)

7.132 Purpose. The Short-Term Rental Permit is in recognition of people choosing to rent their property on a short-term basis (i.e., 30 days or less). The following standards and procedures are in addition to federal and state laws, and City ordinances and regulations.

7.134 Definition. For the purpose of this Section, at Short Term Rental (STR) shall mean a dwelling unit, or any portion, thereof that is available or advertised, or listed by an agent, for use, rent, or occupancy for a period of less than 30 consecutive days. A STR is not

permissible in a multi-family dwelling or multi-family complex and is not a home occupation.

7.136 Zones: STRs are permitted in residential zones granted applicable standards and requirements are complied with. STRs shall not unreasonably interfere with other uses permitted in the zone in which the property is located. On properties containing both a residential dwelling and an accessory residential dwelling, only one residential structure may be rented out as a STR, but not both.

7.138 STR Standards and Requirements. A permit for a STR shall be issued when the following standards and requirements are met:

1. Business License. A City business license is issued and all Transient Room Tax (TRT) provisions applied. The business license shall be obtained prior to any rental of the property. Renewals must be made in January of the permit year. If the business license fee or the TRT payments are thirty (30) days past due, the STR Permit may be revoked.
2. Parking. In addition to onsite parking requirements, one off-street space will be provided for each STR.
3. Nuisances. STRs must comply with City ordinances regarding noise, smoke, dust, litter, odor, and solid waste collection. Weekly solid waste pick-up is required during all months.
4. Signage. No on or off-premise signage.
4. Number of Occupants. The maximum number of occupants cannot exceed three persons (over the age of three) per bedroom. The maximum occupancy, along with the "Good Neighbor Guidelines', shall remain posted inside in STR. It is the owner's responsibility to ensure the renters are aware of these limitations.
5. Local Responsible Party. A local responsible party that permanently resides within the vicinity of Redmond must be identified by the owner. The responsible party will serve as an initial contact person if there are questions regarding the operation of the STR. The owner shall provide the telephone number of the local contact person to the City and post in the unit in conjunction with the "Good Neighbor Guidelines" provided by the City.
6. Non-Transferable. STR permits are personal in nature and are not transferable.
7. Other Conditions. Other conditions may be imposed, such as additional parking, improved access, fencing, landscaping, or minimum screening to ensure the proposed use is compatible with the surrounding residential character.
8. Federal, State and Local Laws. The STR rental shall meet all applicable local building and health codes, and state and federal laws.

7.140 Revocation of License. If the Community Development Director or designee determine that a STR is in violation of above standards and requirements, city ordinances, or state or federal law, the licensee will be notified in writing that the license is to be revoked. A notice of revocation shall state the reason for the revocation and inform the licensee of the provisions Section of City Code 7.036 for appeal.

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Industrial Hemp

7.194 Purpose. The purpose of this Section is to establish regulations and standards for the processing of industrial hemp in the Light Industrial M-1 zone and Heavy Industrial M-2 zone.

[Section 7.194 added by Ord. #2019-10 passed September 10, 2019]

7.196 Definitions. For the purpose of this Section, the words and phrases below shall have the following meanings:

1. **Industrial Hemp.** All non-seed parts and varieties of the Cannabis plant, whether growing or not, that contain an average tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry weight basis. Any Cannabis seed: (a) that is part of a crop; (b) that is retained by a grower for future planting; (c) that is agricultural hemp seed; (d) that is for processing into or for use as agricultural hemp seed; or (e) that has been processed in a manner or to an extent that the Cannabis seed is incapable of germination.

[Section 7.196 added by Ord. #2019-10 passed September 10, 2019]

7.198 Requirements for Processing Facilities

1. Must meet applicable requirements of the Light Industrial M-1 zone and Heavy Industrial M-2 zone.
2. Standards and Approval Criteria:
   a. Industrial Hemp processing operations shall only occur in permanent, fully enclosed, rigid, non-translucent structures requiring a building permit.
   b. Odors from Industrial Hemp processing shall not be detectable at the property line.
   c. No outdoor storage or display of Industrial Hemp or Industrial Hemp products is allowed.
   d. Retail sales of Industrial Hemp products may occur at the same location as an Industrial Hemp processing facility as an ancillary use provided, and notwithstanding anything herein to the contrary, such retail sales occupy less than 10% of the total square footage of the structures in which Industrial Hemp processing occurs.
3. Compliance with State Law
   a. The applicant must obtain all required state licenses and registrations and operate the Industrial Hemp use in accordance with state law.
   b. The applicant for an Industrial Hemp use shall obtain and present documentation of applicable state approvals, registrations, licensing, and permitting to the City when applying for a business license.
   c. Industrial Hemp processing activities, sales and uses shall remain compliant with applicable provisions of state law governing Industrial Hemp, as they may be amended from time to time.

[Section 7.198 added by Ord. #2019-10 passed September 10, 2019]

Chapter 9 – Building and Fire Codes

BUILDING CODE

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FIRE CODE

General Provisions

Title 9.100
Adoption 9.105
Definitions 9.110
State Codes Adopted 9.115
Fees 9.120
Right of Entry 9.125
Violations and Penalties 9.130

DANGEROUS BUILDING CODE

Title 9.200
Dangerous Buildings and Structures Defined 9.205
Dangerous Building and Structure Identification 9.210
Notice of Public Nuisance and Abatement Procedure 9.215
Posting 9.220
Appeals Scheduling and Conduct 9.225
Hearings Procedures 9.230
Violations and Penalties 9.235

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DANGEROUS BUILDING CODE

Dangerous Building Provisions

9.200 Title. Sections 9.200 to 9.260 is referred to as the "City of Redmond Dangerous Buildings Ordinance" and may be referred to as “this Chapter” or the “Dangerous Building Code.”

9.205 Dangerous Buildings and Structures Defined.

1. All buildings and structures, or portions thereof, which are determined after inspection by the Building Official or designee to be dangerous as defined in this chapter are hereby declared to be public nuisances and shall be abated by repair, rehabilitation, demolition or removal in accordance with the procedure specified in this section of code.
2. For the purpose of this chapter, any building or structure which has one or more of the conditions or defects on the exterior of the structure as observed from the right-of-way hereinafter described shall be deemed to be a dangerous building; provided that such conditions or defects exist to the extent that the life, health, property or safety of the public or its occupants are endangered:
   - A. Whenever any portion of a building or structure has been damaged by fire, earthquake, wind, flood or by any other cause, to such an extent that the structural strength or stability thereof is materially less than it was before such catastrophe and is less than the minimum requirements of the Building Code for new buildings of similar structure, purpose or location.
   - B. Whenever any portion or member or appurtenance thereof is likely to fail, or to become detached or dislodged, or to collapse and thereby injure persons or damage property.
   - C. Whenever any portion of a building, or any member, appurtenance or ornamentation on the exterior thereof is not of sufficient strength or stability, or is

not so anchored, attached or fastened in place so as to be capable of resisting a wind pressure of one half of that specified in the Building Code for new buildings of similar structure, purpose or location without exceeding the work stresses permitted in the Building Code for such buildings.

D. Whenever any portion thereof has wracked, warped, buckled or settled to such an extent that walls or other structural portions have materially less resistance to winds or earthquakes than is required in the case of similar new construction.

E. Whenever the building or structure, or any exterior portion thereof, because of (i) dilapidation, deterioration or decay; (ii) faulty construction; (iii) the removal, movement or instability of any portion of the ground necessary for the purpose of supporting such building; (iv) the deterioration, decay or inadequacy of its foundation; or (v) any other cause, is likely to partially or completely collapse.

F. Whenever, for any reason, the building or structure, or any portion thereof, is manifestly unsafe for the purpose for which it is being used.

G. Whenever the building or structure, exclusive of the foundation, shows 33 percent or more damage or deterioration of its supporting member or members, or 50 percent damage or deterioration of its non-supporting members, enclosing or outside walls or coverings.

H. Whenever the building or structure has been so damaged by fire, wind, earthquake or flood, or has become so dilapidated or deteriorated as to become an attractive nuisance to children; a harbor for vagrants, or criminals; or as to (iii) enable persons to resort thereto for the purpose of committing unlawful acts.

I. Whenever a building or structure, used or intended to be used for dwelling purposes, because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate sanitation facilities, or otherwise, is determined to be unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.

J. Whenever any building or structure, because of obsolescence, dilapidated condition, deterioration, damage, inadequate exits, lack of sufficient fire-resistant construction, faulty electric wiring, gas connections or heating apparatus, or other cause, is determined by the fire marshal to be a fire hazard.

K. Whenever any portion of a building or structure remains on a site after the demolition or destruction of the building or structure or whenever any building or structure is abandoned for a period in excess of six-months so as to constitute such building or portion thereof an attractive nuisance or hazard to the public.

9.210 Dangerous Building and Structure Identification. When the Building Official or designee has inspected any building or structure and has found and determined that such building or structure is a dangerous building, the Building Official or designee shall be able to commence proceedings to cause the repair, vacation or demolition of the building.

9.215 Notice of Public Nuisance and Abatement Procedure. The Building Official or designee shall forward the notice and order by registered or certified mail, postage prepaid, to the person(s) in charge of the property at the last known address of such person(s) as shown on tax rolls of Deschutes County. A copy of the notice shall be posted on the premises. The notice and order shall contain:

1. The street address and a legal description sufficient for identification of the premises upon which the building is located.
2. A statement that the building official or designee has found the building to be dangerous with a brief and concise description of the conditions found to render the building dangerous under the provisions of Section 9.205 of this chapter.
3. A statement of the action required to be taken as determined by the building official or designee.
   A. If the building official or designee has determined that the building or structure must be repaired, the order shall require that all required permits be secured therefor, and the work be completed within 60 days.
   B. If the Building Official or designee has determined that the building or structure must be vacated, the order shall require that the building or structure shall be vacated within 10-days.
   C. If the building official or designee has determined that the building or structure must be demolished, the order shall require that the building be vacated within 10-days; that all required permits be secured therefor, and that the demolition be completed within 60-days.
4. A statement that unless the nuisance is removed, remedied, or abated, the City may abate the nuisance and the full cost of abatement, including administrative charges, will be charged to the person responsible and shall become a lien on the property.
5. A statement that failure to repair or demolish the dangerous building may warrant imposition of a fine or administrative penalty upon the person responsible for the nuisance. The fine or administrative penalty may be issued at any time there is a violation of this chapter.
6. If the registered/certified Notice of Abatement is returned as undeliverable or is unclaimed by the property owner, nothing shall preclude the City from exercising its option to abate the nuisance.
7. On completion of the posting and mailing, the persons posting and mailing shall execute and file with the City Recorder certificates stating the date and place of the mailing and posting.

9.220 Posting.

1. Any building that is required to be vacated under 9.215(3)(B) and or 9.215(3)(C) above, in addition to being mailed the notice and order, shall post at each exit of the building the following a form containing the following information at a minimum:

DO NOT ENTER
UNSAFE TO OCCUPY

It is a misdemeanor to occupy this building, or to remove or deface this notice.

_____
Community Development Department
City of Redmond, Oregon

2. No person shall remove or deface any such notice after it is posted until the required repairs, demolition or removal have been completed and a certificate of occupancy issued pursuant to the provisions of the Building Code.

3. No person shall remain or enter any building which has been posted in section 9.215(3)(B) and or 9.215(3)(C), except entry may be made to repair, demolish, or remove such building under permit.
4. A violation of this section is punishable as a Class B misdemeanor.

9.225 Appeals.

1. Any person who has received notice pursuant to section 9.210 above may appeal to the Hearings Officer by submitting a written notice to the City containing:
   A. A caption reading: "Appeal of … ," giving the names of all appellants participating in the appeal.
   B. A statement setting forth the legal interest of each of the appellants in the building or the land involved in the notice and order.
   C. A statement of the specific order or action protested, together with any material facts claimed to support the contentions of the appellant.
   D. A statement of the relief sought and the reasons why it is claimed the protested order or action should be reversed or modified.
   E. The signatures of all parties named as appellants and their official mailing addresses.
2. The appeal shall be filed within 20 days from the date of the service of such order or action of the building official or designee.
3. At the time of filing, the appellant shall pay all appeal fees as established in the City's Fee Schedule.

9.230 Appeals Scheduling and Conduct.

A. Scheduling. Upon receipt of an appeal, the Hearings Officer shall schedule a hearing per Section 2.793 of the City Code.
C. Effect of Failure to Appeal. Failure of any person to file an appeal in accordance with the provisions of Section 9.225 shall constitute a waiver of the right to an administrative hearing and adjudication of the notice and order or any portion thereof.
D. Staying of Order Under Appeal. Except for vacation orders made pursuant to 9.215(3)(B), enforcement of any notice and order of the building official or designee issued under this chapter shall be stayed during the pendency of an appeal which is properly and timely filed.
E. Appeal of Hearings Officer Decisions. An appeal of a decision made by the Hearing Officer shall be to the Nuisance Appeals Board. This appeal shall be filed within 20 days of the date the decision or action became final. The Nuisance Appeals Board decision is final.

9.235 Hearings Procedures.

1. Every hearing pursuant to this chapter will determine whether a building or structures is dangerous and shall be held before a Hearing Officer per Section 2.796 of City Code.
2. After due consideration of the evidence and arguments, the Hearings Officer shall issue a decision at the hearing or within ten business days of the conclusion thereof as to whether the violation as alleged in the complaint has been established and how the violation shall be abated.

3. The guidelines below shall be followed by the Hearings Officer, or Nuisance Appeals Board, when ordering the repair, vacation or demolition of any dangerous building or structure:
   A. Any building or structure declared a dangerous building under this chapter shall be made to comply with one of the following:
      1. The building or structure shall be repaired in accordance with the current building code or other current code applicable to the type of substandard conditions requiring repair; or
      2. The building or structure shall be demolished at the option of the building owner; or
      3. If the building or structure does not constitute an immediate danger to the life, limb, property or safety of the public it may be vacated, secured and maintained against entry.
   B. If the building or structure is in such condition as to make it immediately dangerous to the life, limb, property or safety of the public or its occupants, it shall be ordered to be vacated.

9.240 Violation and Penalties.

1. Violations of this chapter are hereby declared a nuisance and are subject to abatement provided in Sections 5.350 of the City Code.
2. A violation of any provision of these standards shall be a Class A Civil Infraction or a Class A Administrative Infraction. Violations will be enforced through the Redmond Civil Infraction Procedure.
3. Each day that a violation of a provision of this chapter exists constitutes a separate violation.
4. The penalties and remedies provided in this section are not exclusive and are in addition to other penalties and remedies available under City ordinance or state statute.

(***)

CODE COMPLIANCE
PROPOSED CODE AMENDMENTS

PREPARED FOR CITY COUNCIL
AUGUST 25, 2020

CODE CHANGES

SLIDE / 2

01 PROCESS TO APPEAL INTERPRETATION OF CITY CODE

02 BUSINESS LICENSE FOR SHORT-TERM RENTALS

03 PROCESSING HEMP IN LIGHT INDUSTRIAL (M-1) ZONE

04 ABATEMENT OF DANGEROUS OR ABANDONED BUILDINGS OR STRUCTURES

SHORT TERM RENTALS (STRS)

SLIDE / 3

STRs – STANDARDS & REQUIREMENTS

Permitted in residential zones; not permissible in multi-family

BUSINESS LICENSE

Parking

Nuisances

Signage

Occupants

Local Responsible Party/Good Neighbor Guidelines

Non-Transferable

Federal, State and Local Laws

REVOCABLE

PROCESSING HEMP IN THE M-1 ZONE

- **Intersection of State and Federal Hemp Regulations**

7.198 Requirements for Processing Facilities

1. Must meet applicable requirements of the **Light Industrial M-1 zone** and Heavy Industrial M-2 zone.
2. Standards and Approval Criteria:

DANGEROUS / ABANDONED BUILDINGS OR STRUCTURES

SLIDE / 5

Q & A

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: August 25, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
FROM: John Roberts, Deputy City Manager
SUBJECT: Res. #2020-15 - A resolution of the City of Redmond approving a property tax exemption for Bridge Meadows Redmond Limited Partnership as authorized by Oregon Revised Statute 307.515 to 307.537 and City Code Section 2.800 to 2.805.

Addresses Council Goal:
7.E. Identify housing objectives, policies, and implementation strategies to diversify the range of housing choices.

Report in Brief:
This item requests City Council approve Resolution 2020-15 granting Bridge Meadows Redmond LP a 20-year property tax exemption from the City for the development of qualified affordable rental housing.

Background:
Bridge Meadows is an inter-generational community where children currently and formerly in foster care, their forever families (those that adopt children in foster care) and elders (older adults/seniors) live intentionally with separate living units but share communal space. The project would add a desired and needed mix to the City's inventory and portfolio of affordable housing units and types. Their model has demonstrated that providing these kinds of supportive communities and environments yield positive results for both the children and the elders. Bridge Meadows has two successful developments in the Portland area.

Bridge Meadows has proposed 36-unit rental complex located within Maple Meadows (corner of NW Kingwood Avenue and NW 25th St.) for families and seniors earning no more than 60% Area Median Income (AMI). The project received land use approval on March 10, 2020 (711-19-000229-SP).

The City of Redmond has an existing property tax abatement program that was established February 14, 1995, when City Council adopted Ordinance No. 95-05, allowing property tax exemptions for qualified rental housing development for low-income persons, pursuant to ORS 307.515 to ORS 307.523. Property tax abatement programs are authorized by the State of Oregon and available to local taxing jurisdictions. They are typically used to incent the development of specific kinds of housing that are needed in a community.

The City Ordinance implemented sections 2.800 - 2.805 of City Code. The provisions have never been utilized and Bridge Meadows Redmond LP is the first request to be processed.

The property tax exemption will result in lower rents for eligible/income qualified residents of Bridge Meadows. As required under ORS 307.517, the full value of property tax exemption will be passed through directly to the residents.

Discussion:
Bridge Meadows Redmond LP has completed an application for Tax Exemption with the City and meets all of the following criteria established in ORS 307.517 and the Ordinance:

- Offered for rent, or held for the purpose of developing qualified low-income rental housing;
- The required rent payments reflect the full value of the tax exemption;
- Submitted sufficient evidence of enforcement mechanisms to assure that the housing to benefit from the exemption will be maintained in decent, safe and sanitary conditions for the occupant;
- Submitted sufficient evidence that the use of the rentals received from low income persons meet the goals and

objective of the low income rental housing exemption under ORS Chapter 307.

Fiscal Impact:
The City's share of County taxes to be exempted is 22.5%. Bridge Meadows Redmond LP estimates the full value of the City's exemption to be $9,414 for the first year of operation post-completion (FY 2022/23). The exemption translates to $21.80 per unit per month.

The City's tax exemption is a key piece of the full tax exemption being requested by Bridge Meadows. Bridge Meadows is requesting a similar exemption from the Redmond School District. The School District share of the property taxes is 38.5%. Agreements from both the City and School District will exceed more than 51% of the taxing districts, thereby allowing the tax exemption for the entire tax bill for the 20 year exemption period (as allowed under ORS 307.519(2)).

With the full tax exemption in place, Bridge Meadows will be able to provide affordable and deeply affordable rent to its tenants. The benefit of the tax exemption will ensure to the tenants reduced rents. Of the units at the project, 8 of the units will be restricted to tenants at no more than 30% of AMI, 11 of the units will be restricted to tenants at no more than 50% AMI, and the remaining 17 units will be restricted to tenants at no more than 60% AMI. This translates into an average rent reduction of $190 per unit per month, or $2,280 per household per year.

The restricted rents will be documented in various affordability covenants affecting the property, including a 9% Low-Income Housing Tax Credits (LIHTC) Reservation and Extended Use Agreement ("REUA") in favor of Oregon Housing and Community Services, which will require that all units in the project maintain affordability for tenants at no more than 60% AMI for a period of 60 years.

There will be no impact to the FY 2020/21 budget. Upon completion of construction, the City's General Fund share of property taxes on an estimated $2,333,250 assessed valuation is approximately $9,414 in the first year. Total abated tax revenue to the City over the 20-year abatement period (assuming 3% increase to assessed value each year) would be approximately $252,963, or $7,026 per unit.

Alternative Courses of Action:
1. Approve Resolution #2020-15
2. Request additional information.
3. Deny the request.

Recommendation / Suggested Motion:
"I move to approve Resolution #2020-15 granting an exemption from City property taxes for qualified rental housing to Bridge Meadows Redmond LP."

We interrupt the cycle of instability and isolation.

Bridge Meadows builds **intentional intergenerational living communities** that bring youth formerly in foster care, their adoptive families, and elders together.

Kids enjoy stable homes. Parents receive support and guidance. Elders find the opportunity to make a meaningful difference in the lives of families and children. And we help create strength and self-reliance with family and community services that address each generation's unique needs.

A **youth in foster care** finds a permanent home and finally begins to trust the adults in her life. She goes to school every day and her grades improve.

Adoptive parents gain knowledge & skills to parent youth with confidence who have experienced trauma, along with support and camaraderie to manage stress, and achieve a level of security to provide stability for their children.

Elders gain new friends and family, and feel more alive than they have in years. And it's all possible because real, meaningful relationships are built and nurtured with intention and purpose.

Bridge Meadows works because an untapped resource—older adults who seek purpose in their lives, find an unmet need: support for youth formerly in foster care and their adoptive families. Since our community opened in 2011, we have seen transformations nothing short of amazing. And we couldn't have done it without our with our partners and donors. In the past year alone:

97% of residents have maintained stable housing.

100% of youth have attended school regularly.

85% of youth are doing better academically.

90% of adoptive parents have accessed supportive services.

88% of parents are confident parenting youth formerly in foster care.

85% of elders have found greater purpose through interaction with children, parents and other elders.

REDMOND RESOLUTION
RESOLUTION NO. 2020-15

A RESOLUTION OF THE CITY OF REDMOND APPROVING A PROPERTY TAX EXEMPTION FOR BRIDGE MEADOWS REDMOND LIMITED PARTNERSHIP AS AUTHORIZED BY OREGON REVISED STATUTE 307.515 TO 307.537 AND CITY CODE SECTION 2.800 TO 2.805.

WHEREAS, tax exemptions for qualified rental housing projects are allowed consistent with ORS 307.515 to 307.537 and City Code 2.800 to 2.805; and

WHEREAS, Bridge Meadows Redmond Limited Partnership submitted an application for a tax exemption; and

WHEREAS, the property meets the requirements of ORS 307.515 to 307.537 and City Code 2.800 to 2.805. The property is located within the limits of the City of Redmond and is a multi-unit project containing 36 units that will be occupied by low income families and seniors, offered for rent or held for the purpose of developing qualified rental housing, and the required rent payments reflect the full value of the tax exemption; and

WHEREAS, the Redmond School District is evaluating a similar tax exemption, provided the City grants approval for this tax exemption. The combined exempted taxes of the School District and the City exceed 51% of all property taxes imposed on the Bridge Meadows Redmond property; and

WHEREAS, Bridge Meadows Redmond Limited Partnership qualifies for a property tax exemption under ORS 307.515 to 307.537 and City Code 2.800 to 2.805;

NOW, THEREFORE, THE REDMOND CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The property tax exemption for Bridge Meadows Redmond Limited Partnership is approved. The exemption is for a period of 20 years, commencing July 1, 2021, under the City's tax exemption program for qualified rental housing, as allowed under Oregon Revised Statutes 307.515 to 307.537 and City Code 2.800 to 2.805. City staff is directed to take such further steps as are necessary to verify and implement the tax exemption.

Section 2. The project for which the tax exemption is approved is described as follows:

Project name and address: Bridge Meadows Redmond
2580, 2582, 2584 AND 2586 NW Kingwood Ave, Redmond, OR 97756

Description of property: The property is identified as 151308AC00399 on the Deschutes County Tax Assessor's Map. Development Tract A of Maple Meadows, Phases 4 and 5, recorded October 28, 2019, in Cabinet I, page 801, Deschutes County, Oregon.

The property is located at the corner of NW Kingwood Avenue and NW 25th Street in Redmond, Oregon.

Applicant name and address: Bridge Meadow Redmond Limited Partnership
8502 N Wayland Avenue
Portland, OR 97203

Owner's name and address: Suntrust Land Company, LLC, which is in contract to sell the property to Bridge Meadows, which will execute an assignment of its interest in the contract to Bridge Meadows Redmond Limited Partnership
963 SW Simpson Ave., Suite 110
Bend, Oregon 97702

Description of housing: 36 units of housing for families and seniors.

Description of the portion of project that is approved: 100% of the project is approved for tax exemption

Section 3. Termination of Exemption. The property tax exemption for the Bridge Meadows Redmond Limited Partnership project is subject to the provisions of ORS 307.529 to 307.531 regarding termination of the exemption. If, after an application for exemption under has been approved, the City finds that:

a) construction or development of Bridge Meadows differs from the construction or development described in the application for exemption; and

b) the units are not reserved exclusively for families and seniors earning equal to or less than 60% of area median income; and

c) the Reservation and Extend Use Agreement (REUA) entered into with the State's Housing and Community Services Department has not been executed; and

d) any provision of ORS 307.515 to 307.523 is not being complied with, or any provision required by the City pursuant to ORS 307.515 to 307.523 is not being complied with, the City shall follow the procedures outlined in ORS 307.529 to 307.531 to terminate the exemption; and

e) Per ORS 307.533, the tax rolls shall be corrected and taxes shall become due beginning January 1 of the first assessment year following the date on which the noncompliance first occurred.

PASSED by the Redmond City Council and APPROVED by the Mayor this 25th day of August 2020.

_____
George Endicott, Mayor

ATTEST:

_____
Kelly Morse, City Recorder

State of Oregon
County of Deschutes

This instrument was acknowledged before me this 25th day of August 2020, by George Endicott, Mayor.

_____
Kelly Morse, City Recorder

My commission expires_____

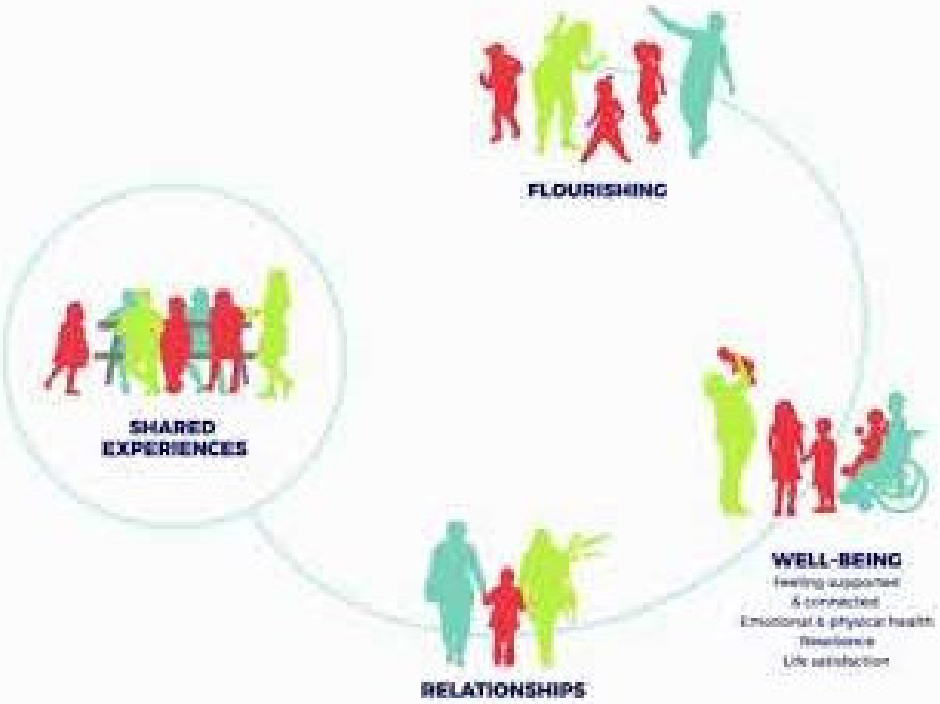
BRIDGE MEADOWS

Bridge Meadows Overview

Redmond City Council
August 25, 2020

BRIDGE MEADOWS

The Bridge Meadows Model



Find out more at www.bridgemeadows.org

BRIDGE MEADOWS

Bridge Meadows Redmond

- *36-unit community with shared common areas*
- *Affordable and deeply affordable rents*

BRIDGE MEADOWS

Bridge Meadows Redmond

- *Professional Property Management*
- *On-Site Community Services*

BRIDGE MEADOWS

Project Financing

Development Costs

- *9% Tax Credits*
- *Federal and State Grants*
- *Permanent Loan*
- *Bridge Meadows Private Fundraising ($1.5M)*

Ongoing Operations

- *Annual BM Fundraising for services ($50k+ per year)*
- *Property Tax Exemption*

BRIDGE MEADOWS

Property Tax Exemption Request Details

Taxing Jurisdiction	% of Total	First Year	First Year Per Unit	20 Year Estimate	20 Year Estimate Per Unit
City of Redmond	22.5%	$9,414	$261	$252,963	$7,026
School District	38.5%	$16,112	$448	$432,935	$12,026
Others	39.0%	$16,304	$453	$438,095	$12,169
Total	100%	$41,830*	$1,162	$1,123,993	$31,222

If 51% of taxing jurisdictions approve the exemption, 100% of taxes are exempt for a period of 20 years.

** Estimates based on Special Affordable Housing Assessed Value of $2.3M*

BRIDGE MEADOWS

Who Benefits from Tax Exemption

- *Residents receiving Affordable and Deeply Affordable Housing*
- *Children formerly in foster care finding their forever homes*
- *Seniors living with meaning and purpose*
- *City of Redmond and broader Community*

BRIDGE MEADOWS

Thank you

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:	August 25, 2020
TO:	Redmond City Council
THROUGH:	Keith Witcosky, City Manager Heather Cassaro, Communications Director
FROM:	Matt Hayes, Interim IT Manager
SUBJECT:	Authorize a Five-Year Service Agreement for Information Technology Services for Network Detection & Response - Darktrace: $210,000

Addresses Council Goal:
1A. SUSTAIN OPERATIONS: Provide critical and necessary services for the entire City.

1B-iv. SUSTAIN OPERATIONS: Seek and achieve efficiencies through the acquisition and implementation of new technologies.

Report in Brief:
This item requests City Council enter into a contact with Darktrace (order ref #37962-202008-03-576586-AK) for the purchase of a Network Detection & Response (NDR) appliance for a five-year service period.

Background:
The City of Redmond IT Department is responsible for maintenance and enhancement of the security posture of our network infrastructure, our data, and our users. Security breaches are occurring more frequently and are becoming more costly than ever before. Attacks from external entities are getting more aggressive and are breaching IT infrastructure from government organizations.

The traditional approach of detecting in-progress breaches by anticipating everything that might go wrong is no longer practical.

The City's network is currently experiencing 100's of unauthorized access attempts daily. Since March 2020 there have been more breach attempts by 3rd parties than legitimate external logins by staff.

Impact of a breach:
The average cost to smaller organizations (100-1,001 employees) to rectify the impacts of recent ransomware attacks (considering downtime, people time, device cost, network cost, lost opportunity, ransom paid etc.) was $505,827 and for 1,001 to 5,000 employee organizations the average cost was $981,140. (State of Ransomware, 2020).

The City of Redmond's cybersecurity policy requires the development and implementation of appropriate methodologies to identify the occurrence of a cybersecurity event. Without the addition of a staff member dedicated to scouring security event logs for anomalous behavior, we need to utilize technology for real-time detection and response to the threats we are currently experiencing.

Discussion:
Early 2020, a NDR appliance was installed on the City network to conduct a 'Proof of Value' test. This enabled the IT team to see how this type of security platform would work on our system and how much IT staff time would be required to support an NDR. The results were positive. We saw within our own environment how effective an NDR is at detecting known-bad and anomalous behavior in real-time.

The City of Redmond IT Department researched various NDR security platforms to determine which would most effectively improve our security posture.

Quotes were solicited and received from five different NDR solution platforms, received in-depth demonstrations, and conducted multiple Q&A sessions. It was determined the Darktrace Enterprise Immune System & Antigena solution is the best fit for the City of Redmond for detection, response, staff time required, and overall cost.

The primary benefit of Darktrace is that it includes the response functionality built in. All other NDR solutions require an Endpoint Detection and Response (EDR) system to automatically respond to detected threats. The addition of an EDR system significantly increases network security and IT staff efficiency. Darktrace is currently the only NDR company that does not charge a separate fee for this feature. The price of replacing our firewall and/or installing an EDR would increase the complexity and price of the NDR solutions that require them. Below is a breakdown of the price and functionality of the 5 companies we worked with:

Darktrace EIS & Antigena	Detection – Included Response – **Included**	$10,000 – 1-time appliance purchase $40,000 – Annual subscription
Awake Security	Detection – Included Response – Not Included	$52,105 Annual subscription $18,000 Annually for EDR
Cisco Stealthwatch	Detection – Included Response – Not Included	$274,715 - mix of 1-time, 1-year licenses, and 3-year licenses $18,000 Annually for EDR
ExtraHop Reveal(x)	Detection – Included Response – Not Included	$14,400 – 1-time setup and training $60,600 – Annual subscription $18,000 Annually for EDR
Vectra Cognito Detect	Detection – Included Response – Not Included	$10,360 – 1-time appliance purchase $29,750 – Annual subscription $18,000 Annually for EDR

Fiscal Impact:
The FY 2020/21 budget includes funding for the NDR system within the IT Sub-fund's Machinery & Equipment and Software Costs line items.

A total of $50,000 will be expended in FY 2020/21:

- $10,000 for the one-time purchase of the Darktrace Medium Appliance
- $40,000 for the first year of a 5 year service term

Over the full five-year contract term there is a total cost of $210,000.

Alternative Courses of Action:

1. Accept the terms of the Darktrace Product Order Form (order ref #37962-202008-03-576586-AK) allowing for the purchase of a Darktrace appliance and agree to a 5-year service period.
2. Request more information.
3. Do not accept the terms.

Recommendation / Suggested Motion:
"I move to accept the Darktrace Product Order Form terms and authorize the City Manager to proceed with a five-year contract in a not to exceed amount of $210,000 for a Network Detection & Response system."

CYBERSECURITY: NETWORK DETECTION & RESPONSE

DARKTRACE (NDR) APPLIANCE

REDMOND CITY COUNCIL

AUGUST 25, 2020

WHAT IS AN NDR & WHY WE NEED IT

KEY BENEFITS

ANALYZES SYSTEM

Learns 'On the Job' to understand systems norms. Allowing for quicker detection of anomalies and threats.

NEUTRALIZES ATTACKS

Acts in real time when threat is detected to stop the spread. Eliminating the need for a dedicated IT personnel to monitor reports and respond immediately.

TARGETED RESPONSE

Addresses attack/vulnerability while sustaining normal operations across the organization.

THREATS:

Recent ransoms PAID by Oregon municipalities in 2020

Tillamook County
$300,000 January 2020

City of Keizer
$48,000 June 2020

CYBERSECURITY TRENDS:

as of July 2020*

- **Networks Experience an average of 375 threats per minute**
- **Targeted attacks have increased by 60% in the Q1 of 2020**
- **Public sector attacks have increased by 73% compared in Q1 2020 compared to Q4 2019**

NDR COST COMPARISON

VENDORS RESEARCHED	DETECTION FEATURE	RESPONSE (EDR) FEATURE	COST BREAKDOWN
Darktrace EIS & Antigena	X	X	$10,000 – 1-time appliance purchase $40,000 – Annual subscription
Awake Security	X	RESPONSE FEATURE NOT INCLUDED REQUIRES 3RD PARTY PROVIDER	$52,105 Annual subscription $18,000 Annually for EDR
Cisco Stealthwatch	X		$274,715 - mix of 1-time, 1-year licenses, and 3-year licenses $18,000 Annually for EDR
ExtraHop Reveal(x)	X		$14,400 – 1-time setup and training $60,600 – Annual subscription $18,000 Annually for EDR
Vectra Cognito Detect	X		$10,360 – 1-time appliance purchase $29,750 – Annual subscription $18,000 Annually for EDR

Q & A