

Mirror Pond Ad Hoc Committee – Meeting Minutes

February 25, 2015 | 1:00 to 3:00 PM

Bend Park & Recreation District Office, Community Room | 799 SW Columbia

Committee Members Present:

Scott Wallace, Mirror Pond Ad Hoc Committee Chair, BPRD Board

Ted Schoenborn, BPRD Board

Don Horton, Executive Director BPRD

Victor Chudowsky, City Councilor

Doug Knight, City Councilor

Mel Oberst, City Community Development Director

Ned Dempsey, Citizen Member

Mike Olin, Citizen Member

Media Present: Scott Hammers, The Bulletin

Amanda Peacher, OPB

Chair Scott Wallace convened the meeting at 1:05 pm.

- 1) Ad Hoc Committee Replacement for Mark Capell
Chair Wallace stated that because of the recent change in City Council, Mark Capell's position on the ad hoc committee had been filled by City Councilor Doug Knight. Mr. Knight introduced himself, sharing his experience in construction and design and his interest in the river.
- 2) Review and approval of meeting minutes from November 2014
Mike Olin stated that he was in attendance at the November ad hoc committee meeting.

Mike Olin made a motion to approve the November 7, 2014 meeting minutes, with the noted edit to add Mike Olin to the members present. Ned Dempsey seconded, the motion passed 7-0. Doug Knight abstained.

- 3) Presentation on Findings of Public Process – Don Horton, BPRD
Mr. Horton shared the findings of the public outreach efforts led by the District on the preferred alternative. The efforts included a questionnaire, on-line survey, and public meetings that included an exercise to gauge support of the preferred alternative. He reported that the questionnaires, survey and the exercise at the meetings all returned similar results; approximately 74% in favor, and 26% opposed. Mr. Horton shared that the feedback included ideas on what the preferred alternative must include, questions that still need to be answered, and the public view on funding. Mr. Horton briefly discussed the next steps, which include:
 - Finalize negotiations with PacifiCorp
 - Incorporate design details of public process into Drake Park
 - Provide more design detail of plaza and containment structure

- Develop cost estimate
- Complete Economic analysis
- Consider business structure
- Incorporate above into master plan before seeking adoption by Bend City
- Council and District Board
- Due diligence of Mirror Pond and PacifiCorp properties

4) Business Structure Presentation - Kirk Schuler, Schuler Consulting

Mr. Schuler shared that with his background in private development, he was able to bring that perspective to the table. Mr. Schuler made a presentation to the Committee on public-private partnerships. Highlights of the presentation follow:

- Purpose and Approach of Analysis – to investigate and research alternatives
- What is a Public-Private Partnerships (PPP) – there are many forms of PPP, this project would be focused on development activity
- Why a PPP - cost savings, flexibility, quality and expertise
- Proposed Models * *see attachment 1*
 - Two models were presented for consideration and discussion.
 - Common elements included:
 - An Urban Renewal District is formed to provide capital, secure entitlements
 - PacifiCorp relocates substation and contributes funds
 - COB and BPRD contribute their land and funds
 - Private Developer commits equity funds
- Sequence of Transactions
 - Could the COB and/or BPRD sell its land to a Private Developer and use the funds to complete the in-river projects?
 - This can occur under either model, however
 - The public land needs to be ready for development by either relocating the substation, or constructing replacement parking first.
- Summary
 - Successful PPPs require common goals, transparency, and public support
 - A BURIA like public entity or organization is likely to drive the process
 - Advantages and disadvantages to both models.

5) Economic Analysis Presentation – Mark Buckley, PhD with ECONorthwest

Mr. Buckley shared that he had approached the District to see if there was any way that he could help. He said that it is a very unique opportunity and scarce resource; the economic trade-off is crucial to the decision making. Mr. Buckley said that he would be giving an overview of economic analysis, and other capacities, of ECONorthwest. Highlights of the Economic Benefits and Market Impacts of Mirror Pond Redevelopment presentation, included:

Questions

- What are the final goods and services (market and non-market) provided by Mirror Pond redevelopment?
- What are the related market expenditures, impacts?
- What are the direct revenue opportunities?
- What is the distribution?

Important factors

- Supply, Demand and Scarcity
 - substitutes and complements
- Future trajectories on scarcity, demands
- Demographics and preferences
- Spending patterns
- Local vs. non-local impacts

Possible approach

1. Quantify the direct effects
 - # residential units, retail SF, trail miles, habitat square feet, etc.
2. Quantify the demand
 - Volumes and prices, use levels, substitute quantities, complement quantities, surplus and expenditures.
3. Estimate the activity, value and expenditures
 - Volumes and prices, use levels, substitute quantities, complement quantities, surplus and expenditures.
4. Identify the market impacts
 - Jobs, businesses, output, market rates for residential and commercial space

Mr. Buckley also shared examples from the other ECONorthwest projects. He gave examples of data on access, distance, population and recreational use, among others.

6) Discussion on next steps:

Don Horton briefly discussed the next steps with the Committee.

- Finalize negotiations with PacifiCorp
- Incorporate design details of public process into Drake Park
- Provide more design detail of plaza and containment structure
- Develop cost estimate
- Complete Economic analysis
- Consider business structure
- Incorporate above into master plan before seeking adoption by Bend City Council and District Board
- Due diligence of Mirror Pond and PacifiCorp properties

Chair Wallace added that due diligence for the pond clearly can't wait until a private developer and a PPP is in place; this is an issue that was brought to light before the Committee was formed. He said that ownership and environmental considerations for the sediment need to be resolved, along with other questions that the community, District and City need to address. Chair Wallace said that there may also be other opportunities for funding to get dredging started.

Mr. Dempsey agreed that there are some things that have to be done before you start dredging. He said that, from a preliminary look, it is very doable and there are several options; there are just questions to answer before it can be done. He suggested creating an outline of steps that are necessary. Mr. Dempsey stated that it is a separate issue and a separate project that needs to be addressed now.

The Committee collectively agreed that there needs to be an outline for the dredging of the pond to help the committee move forward and make progress. The outline, or list, should include what has been done, what needs to be done, permitting and costs.

Chair Wallace stated, that what he heard was a general recognition from the Committee that the pond and sedimentation issue, including due diligence, can be on a separate front end path. The economic analysis and PPP is predicated on if there is a deal with Pacific Power.

The Committee collectively supported Mr. Horton's suggestion to go to the City and Park District Board for approval of the vision and a request to keep the Ad Hoc Committee active with an expanded scope.

7) Appoint City Council Representative to Ad Hoc Committee Negotiating Team with PacifiCorp

Chair Wallace explained that the Committee does have one of the three citizen representative positions open; do we want to fill it at this time, or function with existing panel. The Committee collectively agreed that it would be more appropriate to fill the open citizen position, if needed, after the expanded scope of the Committee is approved by the Park District and the City. The negotiating team representative will be appointed from the existing members of the Committee.

Committee member Doug Knight made a motion that Victor Chudowsky be considered for the Ad Hoc Committee Negotiating Group. Mike Olin seconded. The motion passed unanimously, 8-0.

8) PacifiCorp Negotiation Status

There was no new information to share.

9) Public Comment

Wade Fagen –

Mr. Fagan provided comment on the following:

- Mirror Pond is an asset to the community and serves as a filter, this should continue

- Consider excavating rather than dredging
- It is a natural resource, would like to see it preserved

Beth Hoover –

Ms. Hoover provided comment on the following:

- Downtown development
 - have one chance, need to do it right
 - important to do it so it is planned, rather than letting developers decide
 - it will likely change the character of downtown Bend, keep the character and keep both the visual and physical access to the river
- Difference between public involvement and public comment; Committee is not representative of %50 of population in Bend, need female representation
- Need to ask public what they want, don't just give it to us

Lyn Mattei –

Ms. Mattei provided public comment on the following:

- Projects are very complex and should be stand-alone projects
 - the pond being fixed should not be tied to redevelopment
- Cost to tax payers in Bend and statewide
- Has not seen any evidence of how the redevelopment would create jobs or make Bend better and worth the effort
- Concerns with building height; blocking access to the waterfront, and catering to affluent
- Shared alternatives she would propose for the project
- Adverse possession – the public has been using the pond for 70 years
- Inaccurate surveying of the public with the dot exercise

Josh Gatling –

Mr. Gatling provided public comment on the following:

- Impressed with process of meeting
- Talking about the right issues, taking time to make it work
- Make sure people realize this is the beginning of the process
 - Presentations and news releases are a dis-service
 - Not helping the process to try and sell it before you know what you are selling
- Thanks to Mr. Schuler for the presentation, helpful information
- Various surveys are helpful but not statistically significant
 - Randomized sampling or a public vote are necessary

Spencer Dahl –

Mr. Dahl provided comment on the following:

- Old Bend neighborhood would like to thank the City of Bend for assisting the neighborhood during this year's flood at Mirror Pond
 - Flooding of the pond is preventable by lowering the water level
- Historic corrections regarding the island and power house generators
- Acknowledged Doug Knights participation on the Committee; appreciates the age diversity he brings and would also like to see gender diversity on the Committee

Bruce Ronning –

Mr. Ronning provided comment on the following:

- Applaud efforts, terrific concept
- Perspective on development - not a new idea, shared discussions and ideas that have been taking place since 1991
- Dredging should not be the first priority
 - Determining the final configuration of the pond needs to come first
 - Know both where and how to dredge
 - Move forward with the concept, take to City and Park Board
 - Do the final refinement of the design and due diligence before dredging of the pond

Steve Beruve –

Mr. Beruve provided comment on the following:

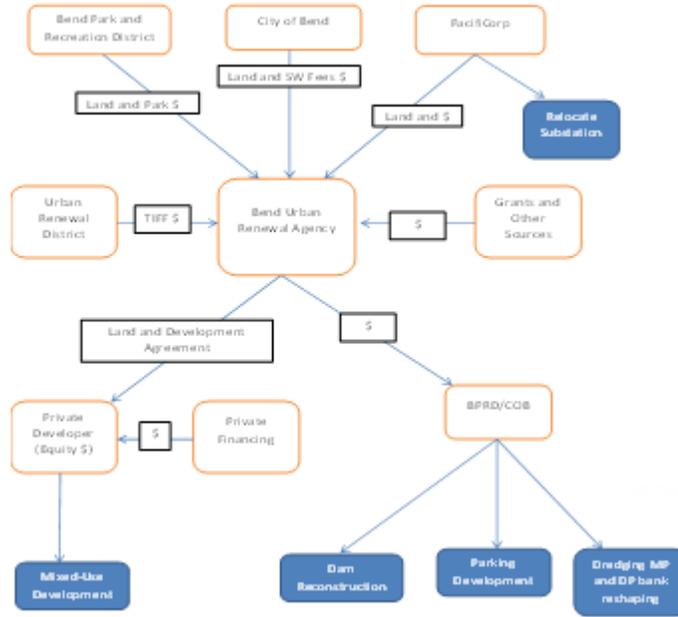
- approval for a dam, or riffle impoundment, in place for recreational purposes

10) **EXECUTIVE SESSION:** The Committee met in executive session pursuant to ORS 192.660 (2)(e) for the purpose of discussing real property transactions.

Adjourned 4:28 pm

Attachment 1

Model 1



Model 2

