



# CITY OF LA PINE, OREGON

## REGULAR CITY COUNCIL MEETING

Wednesday, September 13, 2023 5:30 p.m.

La Pine City Hall: 16345 Sixth Street, La Pine, Oregon 97739

**Available online via Zoom:** <https://us02web.zoom.us/j/81429171742>

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*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to City Hall at (541-536-1432). For deaf, hearing impaired, or speech disabled dial 541-536-1432 for TTY.*

*The Regular City Council meeting is a business meeting of the elected members of the La Pine City Council, in which matters that have come before the City in application, or legislatively/judicially by process can be acted upon under Old and New business. Matters that are not formally before the City or have yet to be initiated by application cannot be officially acted upon. If any party would like to initiate an action through process or application, city administrative staff are available during the regularly scheduled business hours of City Hall to provide assistance.*

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## MINUTES

### REGULAR COUNCIL MEETING

#### CALL TO ORDER

Mayor Richer opened the meeting at 5:30 p.m.

#### ESTABLISH A QUORUM

##### Council Present

Mayor Richer

Council President Van Damme

Councilor Shields

Councilor Morse

##### Council Not Present, by prior arrangement

Councilor Ignazzitto

##### Staff

Geoff Wullschlager, City Manager

Ashley Ivans, Financial Director/Assistant City Manager

Amanda Metcalf, Administrative Assistant

**PLEDGE OF ALLEGIANCE**

Mayor Richer led the pledge of allegiance.

**PUBLIC COMMENTS**

None

**ADDED AGENDA ITEMS**

None

**CONSENT AGENDA**

*Information concerning the matters listed within the Consent Agenda has been distributed to each member of the City Council for reading and study, is considered to be routine, and will be enacted or approved by one motion of the City Council without separate discussion. If separate discussion is desired concerning a particular matter listed within the Consent Agenda, that matter may be removed from the Consent Agenda and placed on the regular agenda at the request of any member of the City Council.*

1. Financial Summary – July 31, 2023

Councilor Van Damme made a motion to approve the consent agenda. *Councilor Shields seconded.* Motion was unanimously approved.

**PRESENTATIONS:**

None

**PUBLIC HEARING:**

None

**OLD BUSINESS:**

1. Consideration of DANCO Communities multifamily housing proposal
  - a. Update (verbal report)

Mr. Wullschlager gave an update on the multifamily housing proposal from DANCO. There was a memo provided to DANCO, from the City, outlining questions and concerns the administration prepared after legal tax counsel reviewed DANCO's application.

The first question was regarding the Debt Coverage Ratio (DCR), DANCO listed a lower projection than the standard practice of 1.2 and does not reach that threshold until year four of the project. The City would like DANCO provide background as why they have permitted a low threshold and what is the plan to increase the DCR to the industry standard of 1.2.

Secondarily in the model provided by DANCO, over a seventeen-year measurement, the Income to Expense Ratio decreased, and administration is concerned and would like to see it stabilize for long-term viability of the project. Mr. Wullschlager explained to the Council that the Deferred Developer Fees, which are the payout to the initial developer, stop after year four, but the Income to Expense Ratio continues to decrease after the fourth year. Administration questioned why the ratio decreased if the

project no longer carried the expense of paying the developer. In addition, it was discovered that there were discrepancies listed in the application regarding the Deferred Developer Fees.

DANCO listed a Second Loan on their Budget Sources page of their application and did not list a source. The City questioned if there was a third party that the City is unaware of and would like to know who will be providing the upfront cost of the project.

Lastly, DANCO had budgeted \$25,000 for Resident Services and stated a non-profit will be responsible for maintaining and providing these services. The City expressed concerns that the budgeted \$25,000 per year will not be enough to maintain the listed services and would like DANCO to have a more detailed budget/explanation for the listed resident services as provided by DANCO's earlier presentation to Council.

Mr. Wullschlager presented Resolution No. 2008-011, the previous City resolution regarding tax exemptions for low-income rental housing. This resolution was the only policy the City had on record which expired in 2009. The City currently is presented with the opportunity to draft a new policy with requirements for future developers and tax exemption requests. There was discussion about rent savings for the community vs. the tax cut to the districts. DANCO would like an answer to their application by the end of the month.

Mayor Richer expressed that the City should have a policy and process in place to decide on the application in addition to future applications. He is not concerned about meeting DANCO's timeline and liked the possibility of a resolution with an expiration date like Resolution No. 2008-011.

Councilor Van Damme agreed with Mayor Richer and is not deferring to meeting the deadline of DANCO as it will take time to decide on an application. She would like to have Mr. Wullschlager work on a policy to allow for consistency.

Councilor Morse questioned the number of applicants in a year, and if there can be a limit. Mr. Wullschlager had previously consulted with the legal counsel on this subject, and counsel stated that the City of La Pine cannot make any criteria that are in conflict with state statute for the program.

Councilor Shields agreed with the Council and would like Mr. Wullschlager to write a policy.

#### **NEW BUSINESS:**

##### **1. Central Oregon Regional Collaborative IGA Amendment**

Mr. Wullschlager presented the staff report on the IGA that the City entered in 2019 with multiple central Oregon cities and counties. The IGA was formed to develop a request for funding to address housing rehabilitation needs in Central Oregon. Prineville was the original IGA lead applicant, which is now intended to shift to Deschutes County due to their work on a CDBG grant application for the second round of funding. An amendment has been proposed naming Deschutes County as the lead applicant. The amendment does not adjust the functionality of the program, nor does it require further contribution or support from the City of La Pine.

Councilor Morse made a motion to approve Amendment No. 1 of the Intergovernmental Agreement for the Central Oregon Regional Collaborative. *Councilor Van Damme seconded the motion.* Motion was unanimously approved.

**OTHER MATTERS**

None

**PUBLIC COMMENTS**

None

**STAFF COMMENTS**

Mrs. Ivans informed the Council the city’s auditors were at City Hall and will likely have an audit report sometime in November. She further stated that the City has had many billing questions as of recent from customers regarding their water and sewer services.

Mr. Wullschlager informed the Council that the City has hired new public works employee Asa Collings-Thomas. He gave an update on the Water and Wastewater project and the current timeline. He also reported that the City ordered new pumps for the lift stations, and that the City is awaiting a backup pump to be delivered. Mrs. Ivans and Mr. Wullschlager are working with USDA and DEQ to increase the City’s borrowing capacity, to include cost overrun on the wastewater side of the project.

**MAYOR & COUNCIL COMMENTS**

Student Councilor Marston informed Council that the new school year had commenced, and that the student body had increased by 200 students compared to last year. He will propose a meeting with the principal soon and will have more updates for the Council. Mr. Wullschlager stated that there was a concern from a citizen stating that the classrooms are overcrowded, and students are sitting on the floor of the as a result. Mr. Wullschlager asked Councilor Marston if he experienced this while on campus. Councilor Marston stated that in all his classrooms every student was able to sit in a chair with a desk, in some classes there was a surplus of chairs. In addition, the cafeteria has also had enough room to accommodate the students, however if he sees anything different, he will provide and update.

Councilor Van Damme thanked everyone and is excited about our new Associate Planner. She also thanked Mr. Wullschlager for all his work on the DANCO project.


Mayor Richer thanked everyone for their hard work and was pleased to welcome the new employees.

**ADJOURNMENT**

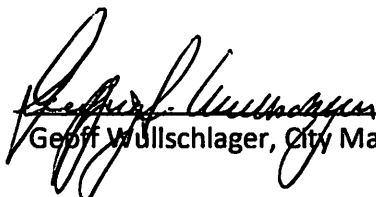
Mayor Richer adjourned the meeting at 6:05 p.m.

**EXECUTIVE SESSION (if necessary) per ORS 192.660**

None

  
Date: 3 OCT 23  
Daniel Richer, Mayor

**ATTEST:**

  
Date: 10/03/23  
Geoff Wullschlager, City Manager