

**MINUTES OF THE MEETING
BENTON COUNTY BOARD OF COMMISSIONERS
February 4, 2025, 9 AM**

Present: Nancy Wyse, Chair; Pat Malone, Commissioner; Gabe Shepherd, Commissioner; Vance Croney, County Counsel; Rachel McEneny, County Administrator; Rick Crager, Assistant County Administrator

Elected Officials: Ryan Joslin, District Attorney; Jef Van Arsdall, Sheriff

Staff: Maura Kwiatkowski, Board Staff; Sean McGuire, Sustainability; Erika Milo, Board Recorder; Anne Thwaites, Public Information Officer; Bailey Payne, Petra Schuetz, Community Development; Lindsey Goodman, Marilee Hoppner, Greg Munn, Financial Services; Jamie Olsen, Juvenile; Laurel Byer, Gary Stockhoff, Public Works; Ryan Kidder, John Larsen, Information Technology

Guests: John Bosket, DKS Associates; Steve Harder, Dial-a-Bus; John Harris, Horsepower Productions; Lily Bender, Christopher Jacobs, Corvallis-Benton Economic Development Office; Brian Obie, Jessica Quinn, Obie Companies

1. Call to Order

Chair Wyse called the meeting to order at 9:00 AM and introductions were made.

2. Review and Approve Agenda

No changes were made to the agenda.

3. Announcements

No announcements were made.

4. Proclamation

4.1 Proclaiming February 2025 as Black History Month in Benton County, Proclamation No. P2025-001 – John Phillips IV, Vice President, Linn Benton NAACP

Phillips read the Proclamation aloud.

Phillips shared that on February 22, 2025, the Linn-Benton NAACP will host the annual Freedom Fund fundraiser; tickets are available online.

MOTION: Malone moved to proclaim February 2025 as Black History Month in Benton County, Proclamation No. P2025-001. Shepherd seconded the motion, which carried 3-0.

5. Comments from the Public

Steve Harder, Executive Director of Dial-A-Bus (DAB), contractor for all Benton Area Transit (BAT) services. DAB provides driver, dispatch, and supervision services. Those are the ADA (Americans with Disabilities Act) services for the City of Corvallis. Residents demand response, which is Countywide service for elderly and disabled adults. DAB runs the 99 Express Service, the commuter service from Adair to Corvallis, the Costa Valley service in partnership with Lincoln County, which runs from the Albany Amtrak station, and contract service for work to home and back transportation for developmentally disabled adults.

For similar agencies, DAB's safety record is in the top one percent nationally relative to time-loss accidents (the vehicle is off the road for at least one day) and for client or driver injuries. DB is working to ensure that 2025 will be DAB's sixth consecutive year without a single preventable accident to a client. DAV will also strive to complete the entire year without a single workers' compensation claim being filed by any of its 55 employees. Every year that the SAIF Corporation has offered a refund to high performing agencies, DAB has been a recipient.

Regarding funding for DAB as a private nonprofit, DAB leverages funds beyond its contract dollars from Benton County to enhance the BAT program. This is done in several different ways, including donation dollars from clients, families, and community members; grants; and other revenue streams from other contracts that DAB uses to enhance the BAT program beyond what is contained in its contract. DAB does this using private vehicles and by paying drivers with privately held funds. That is relevant to safety since DAB is able to pay a fulltime safety manager and pay drivers to attend frequent safety trainings, which enhances everyone's life. DAB is also able to provide service to many third-party groups that are in the same demographic DAB normally serves; the senior center, Boys and Girls Club, Old Mill, the sight-impaired group, and a group of senior citizens who like to go to the Oregon Symphony. All that is done with privately garnered funds. Those are just some things that DAB of Benton County is doing in the County.

6. Work Session

6.1 Transit Lodging Tax (TLT) Update – Greg Munn, Chief Financial Officer

Munn provided an update on the TLT, including its history and background. Taxes on short-term tourist lodging have been imposed by local governments since the 1940s.

revenue from the tax is reinvested in local tourism industries or to help fund general options. Local TLT rules and rates vary by jurisdiction. In 2003, HB 2267 established a statewide TLT, which is currently 1.5 percent. At least 70 percent of TLT collections must go toward tourism activities, although existing TLTs were grandfathered to maintain existing distribution ratios. Taxes are reported and collected through a variety of methods; and in recent years, the State has offered a collection service. This service is working well.

Statewide revenue per capita averages \$56, but it is much higher in some communities. Benton County's 3 percent TLT was implemented 2019 and is codified in Benton County Code (BCC) ch. 39. Collections were processed through the City of Corvallis until 2021; and in 2022, reporting and collections transitioned to the State. Benton County collects about \$1 million annually, and approximately 70 percent goes to the Fairgrounds for Master Plan-related work. The remaining 30 percent is distributed to general County operations; Community Development for compliance and enforcement; and economic development grants to Adair Village, Monroe, and Philomath.

Shepherd asked Munn about confidence in the State's reporting and noted the City of Albany did not go with the State; Albany was not confident in the State's reporting.

Munn responded the State's system is new. In the past, Munn would not have been comfortable but is now. Although funds are received sooner if the jurisdiction does its own collection, it is more efficient and easier for the community to have the State handle collections and reporting.

Malone reported having been involved when the County considered TLT in 2019. Local hotel operators were not thrilled and were concerned Airbnb operations might not pay their fair share. How is the County doing on compliance relative to small operations that should be paying the tax?

Munn indicated that was one of the interests in moving to third party software; some software had the ability to scrape public records from the web and compare that data to the County's registration information for short-term rentals. Munn did not believe the State is still moving in that direction.

Malone expressed a desire to emphasize the fairness issue; everyone is paying their fair share. That was the serious concern of the local hotel/motel proprietors, whose records are easier to capture. Malone expressed hope that the compliance rate increases over time.

6.2 Safe Streets and Roads for All, Safety Action Plan Status Update – Laurel Byer, County Engineer, Public Works

Byer has been working on the Countywide Transportation Safety Action Plan (TSAP). John Bosket of DKS Associates is the lead consultant for the plan update team.

Bosket indicated the US Department of Transportation uses a safe system approach that all safety action plans must be based on, which includes specific SS4A (Safe Streets for All) requirements. These requirements include a commitment to a “zero” goal (zero serious injuries or fatalities on public roads), a committee or task force, data-driven safety analysis, public engagement and agency cooperation, equity considerations, policy or process modifications, strategy in project selections, and progress and transparency. Information that needs to be provided includes general timeframes for implementation, and toward the end, development of an implementation plan and a monitoring plan; which must be publicly available. The Safe System Approach is a holistic and comprehensive approach that provides a guiding framework to make places safer for people. There is a significant correlation between speeds and safety incidents. A multi-layered approach is needed to improve transportation safety.

The first state is “understand and prioritize” by conducting a crash analysis; the history related to crashes resulting in serious injuries and fatalities. The next step is to develop solutions; and finally, securing plan approval. The Task Force will hold five meetings, and the Stakeholder Advisory Committee, which includes many agency partners, will meet at least twice. In-person and online open houses will also be held – three will be in person, including one in Corvallis to help coordinate with Corvallis’ TSAP. The County and City signed a Memorandum of Understanding for coordinating these efforts and the schedule. The first open house will be in the first week of April. The County and City are sharing data each is collecting and conducting crash analyses at the same time. Consistent messaging is the goal, with a joint comment map on both bodies’ websites and sharing public feedback.

There is a special topic within the County TSAP that has been added. It was an issue raised during the development of the Transportation System Plan (TSP) where there is recognition of a few locations in the County (specifically North County) where there is significant mixing of freight vehicles moving various goods and equipment with passenger vehicles and bicycles. Narrow shoulders on some of these roads sets the stage for potential conflicts. This multimodal corridor includes the parallel quarters of Springhill Drive and Independence Highway, and to the south Bellfountain and Fern. During TSP development, there was insufficient time or resources to dig into the issue and talk with the stakeholders to identify solutions that work for everyone. Engagement with these stakeholders is currently underway.

Bosket noted the Task Force is a recommendation body; staff findings are presented to them, they respond, and staff shares their responses with the Board of Commissioners. The Task Force provides local perspectives and helps promote the project; the members are also encouraged to attend the various open houses. The Public Involvement Plan has been developed, which is framed on the key objectives to make engagement in the project accessible to everyone in the community, be transparent, and do specific outreach to the those in the multimodal corridors where there are freight and bicycle conflicts. It is also an educational opportunity to inform the community about transportation safety. The project website will provide for public comment.

Regarding the multimodal corridors, the crash analysis is being refined to show key contributing factors and identify problem areas. As mentioned, the first open house is in early April, and there will be a report to the Task Force at their next meeting. The first phase will close with a meeting with the Stakeholders Advisory Committee, and the process will then move into developing solutions. The area where direction is needed is the first requirement – the leadership commitment to the zero goal. The commitment includes setting a target date for zero or one or more targets for significant declines. Zero may seem unachievable, but it communicates the County's priorities in transportation, and it can be powerful to encourage changes in behavior. The Task Force is very supportive of the zero-goal vision, liked the idea of having a date to reach, and suggested 2040, which aligns with the TSP in the 2040 Initiative. Another possibility would be to coordinate a statement with the Corvallis plan, define a milestone for significant decline, and communicate that funding and staff resources may be a constraint. Three options, all compliant with SS4A, align with Task Force members' comments:

1. Benton County **envisions** zero crashes that result in serious injuries or fatalities by 2040.
2. Add an interim milestone: Benton County **envisions** zero serious injuries and fatalities on County roads by 2040 and a 50 percent reduction by 2035.
3. Incorporate "goal": Benton County's **goal** is to eliminate serious injuries and fatalities on County roads by 2040 and achieve a 50 percent reduction by 2035.

Wyse was pleased to hear about the collaborative process with Corvallis; public engagement is the most important component of the process. What is the timing of the three open houses?

Byer indicated Corvallis is already set for the first two weeks in April in the evening, and the County will stay around that timeframe, potentially in Monroe and Adair Village. For flexibility, these open houses will be drop-in style rather than formal presentations.

With regarding to investigating injuries, Wyse asked how far back the analysis would go.

Bosket indicated five years, primarily based on crash data from the Oregon Department of Transportation (ODOT).

Malone asked about the membership of the Task Force.

Byer indicated the membership included representatives from the Corvallis School District; County Health Department; freight industries, including Starker Forests; Fire and Emergency Medical Services First Responders, the Sheriff's Office, and the Multimodal Community.

Malone expressed appreciation for the collaborative process with Corvallis, including that Bosket is working with the City on its plan.. Malone also mentioned receiving community requests to lower speed limits but noted ODOT controls the limits. How cooperative is the ODOT speed setting group with this planning effort?

Byer noted the County does need to follow Oregon Revised Statutes and ODOT requirements. Each road is considered individually. When a complaint is received, the County does its own study to determine if it warrants taking the issue to the State. Sometimes the State raises the limit. The County is looking for opportunities for potential reductions, but the reductions cannot be done unilaterally.

Malone indicated that when the next County biennium budget is developed, it would be a good idea to consider allocating some funding to safety. The TSAP is a worthwhile effort; accident trends are not currently favorable and need attention.

In response to a question from Shepherd, Byer reported that the stakeholder group includes the Cities of Adair Village and Monroe, as well as ODOT.

Shepherd asked if Valley Bicycle Club had been engaged as part of the multimodal community, and Byer responded yes. Shepherd agreed that “goal” is stronger than “vision,” something the County is working toward. Shepherd was also interested in aligning closely with Corvallis’ plan; but if the County should have an opinion earlier; it should include the 2040 goal. Shepherd was also open to the 50 percent reduction by 2035, but did not feel it was specifically necessary.

Wyse asked if Shepherd had a preference among the three options.

Shepherd indicated no and would choose defining a goal, the vision of Option 1, and perhaps the 50 percent reduction. Shepherd asked whether Van Arsdall had a recommendation.

Van Arsdall agreed with Shepherd and indicated more information is needed. On January 31, there were two DUI-related crashes, one on Highway 20 and one on Springhill, where we cannot control those behaviors. Van Arsdall recommended thinking carefully about defining a goal; it would require a very thoughtful approach.

Wyse indicated a first preference of the third statement and agreed goal is better than vision. There will be some skepticism/criticism; how will the County keep people from using substances and then driving? However, it is a goal, it is the purpose of the Task Force, and if goals are not set, a reduction will likely not be achieved. Law enforcement cannot be everywhere, but they already do a great job. Deputies have provided Narcan and used AEDs (automated external defibrillators) and first aid to save lives.

Van Arsdall reported that Lieutenant Bottorff works closely with ODOT, and the Sheriff’s Office receives significant grant funding from ODOT. That funding enables the Sheriff to put extra personnel on the roadways for traffic enforcement and education.

Malone expressed having mixed feelings, supports the zero goal, but was unsure how realistic it is. Malone wanted more time to determine how to slightly rework the language

and get feedback from Corvallis. Malone was not ready to select one of the three statements.

Wyse expressed a preference for flexible steps and the ability to preserve options.

Shepherd appreciated Wyse's comments and indicated the third option would be acceptable.

Wyse asked when this topic would next be before the Board of Commissioners.

Byer indicated the crash data was still being evaluated; the goal is to have that information in time for the open houses in April.

Bosket pointed out the benefit of having a statement earlier is for public messaging; however, it is not required until the plan is complete. This is the approach Corvallis taking.

Byer indicated the issue could be brought back to the Board at the second meeting in April to discuss some of the findings and information from public outreach. It will be important for staff to meet again with the Task Force before returning to the Board for more discussion.

Wyse indicated this was acceptable; the Board can be flexible regarding when the project team has sufficient information.

Malone asked about the 50 percent reduction; what is the baseline?

Byer responded there was some discussion around this with the Task Force and noted the County will not reduce crashes and fatalities linearly. It will likely be more of a reverse exponential curve; reduction begins, and then by 2040, there is a significant decrease.

Wyse noted that constituents contact the Board regularly about near misses; it is difficult to get movement on that. If the County's goal is zero and fatalities can be reduced, hopefully updates can be made to dangerous infrastructure that may not otherwise be made.

Malone asked whether there was any funding to support the multimodal corridor study.

Byer indicated staff is looking at freight routes versus multimodal corridors and making improvements to corridors would likely be through a different grant program. The advantage of having a TSAP is that the next time the Safe Streets and Roads for All grant opportunity opens, the County is set up to apply for implementation grants for high priority corridors and intersections.

Wyse recessed the meeting at 10:11 AM and reconvened at 10:16 AM.

6.3 Public Website Updates and Upgrades – John Larsen, Ryan Kidder, Information Technology; Anne Thwaits, Public Information Officer

Larsen manages the Information Technology (IT) Innovation Team, which coordinates technical solutions to help achieve County goals. In 2021, the County commissioned an external study for recommendations to improve the website. The new website was launched one year ago. The County now owns its website technology, and third-party updates are no longer required. Each department resolved broken links on their web pages and rewrote content. The Webmaster position was created in 2023, to help with design, user interaction, and to develop consistency across departments. Public Information Officer (PIO) Thwaits ensures Board preferences are communicated to IT staff.

Kidder indicated early improvements include enhanced search capability; mobile responsiveness (majority of web traffic); a web style guide; remediation of ADA (Americans with Disabilities Act) issues, including color contrast for browser tools, making things keyboard navigable, and images with text descriptions; installation of web styles plug-in to ensure on-brand colors, fonts, and logos; and a preset button to improve user experience. Over 70 web publishers across departments were trained. The goal is one county, one experience.

Improvements currently underway include projects aggregate: a central location for all County projects to increase transparency. Beta testing will begin soon for County stakeholders to see real project data and allow people to interact with labels and features.

Larsen noted that previously, each department ran its own sub-website. Now, each department is still able to manage its own content, but the information, such as news items, can be aggregated.

Kidder indicated quick links have been implemented, language services are being implemented, personalization of calendars is improving, and the ability to subscribe to the County newsletter is available on every page. Featured news items are curated by the PIO. The Board Office is preparing to roll out the CivicPlus Board Meeting Management Portal for transparent and timely hosting of Board of Commissioners meeting information. The BEE 2.0, revision of the County's intranet, will include defining its actual use, taking technology into account, avoiding redundancy, and improvement to the accuracy of content. Larsen advised The BEE efforts represent a major philosophical change; instead of being department-based, the intranet will be optimized for employees. For example, all forms, regardless of department association, will be available in one place.

Kidder reported IT staff have seen dramatic improvements in collaboration and workflows in general. Kidder and Thwaits meet weekly to maintain open communication. There is also a monthly PIO-Innovation Team leadership meeting to ensure efforts are aligned. In 2025, industry best practice project management tools are being used to

create and follow objective prioritization to ensure resources are being allocated responsibly.

Thwaits reminded of being new to the County – less than six months. Thwaits came in excited to tell stories about successes of County employees and projects. The projects aggregate and other innovations will make it easier to share those success stories and human-interest stories on how County staff work impacts community members. There will also be benefits beyond that, driven in part by the proliferation of AI. So many web search results are being synthesized by AI that sometimes there is conflicting information on a website, or where there is not enough, it is filled in by AI. Staff will be mindful of how County content is being mined and repackaged; where are updates needed, etcetera, so the County is being accurately represented by AI. Website improvements also help to be more responsive to changes that are happening. In the Board Office, Thwaits is more aware of Commissioner priorities, legislative funding, and community priorities. Thwaits can then communicate that information to IT. These innovations make it easier to react quickly, make the home page more dynamic, and highlight what the County is already doing.

Wyse was pleased with the progress of the project; a difference in focus is why people are visiting the County website, not just for information about the government. Wyse asked Larsen to address backlog.

Larsen referred to the “finish line” as the starting point and getting the departments involved. There are 70 web editors currently, so part of the effort is that each department has consistent message delivery, look, and feel. Consistency has improved considerably. Now, the focus is on improvement and refinement.

Regarding community members searching for information, Larsen indicated the goal is to have users click no more than six times. A year’s worth of data available indicated that in the 2021 study, 50 percent traffic of website traffic was mobile; now it is over 60 percent. The website is no longer designed just for how it appears on a large screen. For example, there are no sidebars.

Shepherd expressed appreciation for Thwaits’ explanation of the process and agreed the home page is a great way to funnel people to what they are looking for. Shepherd was also happy to see the Board of Commissioners added to the home page and believes CivicPlus will be a positive tool for people to more easily engage with County government. The website is a great tool for reaching the community and has been underutilized in the past. Shepherd was pleased to see movement toward the website being a useful hub of information.

Malone referred to a figure cited indicating the previous County website had over 2,000 broken links, which meant you had to wade through things and be stubborn to find the information. The County website was neglected for quite a while, and Malone expressed appreciation for the effort invested in getting to this point. The phrase “optimized for the audience,” whether it is community members or staff, is the goal. Malone acknowledged

the coordination that has occurred; it is the best opportunity to create a seamless experience on the website with up-to-date information. The challenges of fragmented media, especially locally, means the County is now more responsible than ever for getting information out to the community.

McEneny expressed a desire to see use analytics in future reporting to the Board.

7. Consent Calendar

- 7.1 Reappointment to the Benton County Fair Board: Kristi Schrock, Order No. D2025-034**
- 7.2 Reappointment to the Benton County Fair Board: Craig Hendrickson, Order No. D2025-035**
- 7.3 Appointment to the Benton County Fair Board: Mark Stephens, Order No. D2025-036**
- 7.4 Approval of the January 24, 2025 Board Meeting Minutes**

MOTION: Malone moved to approve the Consent Calendar of February 4, 2025. Shepherd seconded the motion, which carried 3-0.

Wyse moved to Item 8.4 to align with the timing required for the Public Hearing.

8. New Business

- 8.1 Approval of the Revised Bylaws of the Willamette Criminal Justice Council – Ryan Joslin, District Attorney**

Joslin advised the Board the proposed revised bylaws are the culmination of work by former Commissioner Xanthippe Augerot. Counsel drafted the changes, clarifying that transitions among members would occur. The proposed revisions were presented to the full Willamette Criminal Justice Council (WCJC) in late 2024, but the meeting lacked a quorum. The revised bylaws passed unanimously in January 2025. WCJC is Benton County's iteration of a Local Public Safety Committee Council and accomplishes the mandate of the Oregon Revised Statutes but also works toward promotion and goal planning of the local criminal justice system. The revised bylaws reduce the size of the WCJC from 39 to a potential 27 members due to the larger number making processes unwieldy and defines how the terms of the different members will rotate. For example, the various police chiefs had the opportunity to participate and serve two-year terms, and those would rotate through the various agencies. The same would be true for a city council, mayor, city manager, or other city representatives. The revised bylaws make it very clear how that will occur, which makes it a more efficient and functional group. Malone agreed Augerot contributed substantially to the revision effort, and these were some of the concerns Augerot hoped to have addressed. Malone agreed 39 members

was too many, and the membership reduction is a significant change in the right direction.

Shepherd thanked Joslin for seeing the bylaws revision through to completion.

MOTION: Shepherd moved to approve the revised bylaws of the Willamette Criminal Justice Council as presented. Malone seconded the motion. Wyse asked if Van Arsdall had anything to add. Van Arsdall acknowledged Augerot's considerable work on the revised bylaws. The motion carried 3-0.

8.2 Crisis Center: Permanent Position Establishment – April Holland, Health Director; Damien Sands, Behavioral Health Director

Holland reminded that the last time the Board received a report, Assistant County Administrator Crager, Community Health Centers Executive Director Mollel, and Holland shared the first steps in restructuring, which included changes to the Health Services Business Office, which are ongoing, as well as filling some key positions to ensure community programs and staff have the support they need. Components included a Crisis Program Director to oversee the Crisis Center, mobile crisis outreach, and aid and assist. Crisis outreach response and engagement is a core program of the Health Department. An administrative manager will support all of these programs.

Sands reported a correction to the position as posted. The fiscal impact was estimated at \$85,000; the update just received indicated it is now \$99,800. This is a critical position for setting up the Crisis Center.

A recent review of the changes that have occurred within the crisis system over the last two to three years shows a major increase in community-based response. At the County level, the burden and lift are occurring around aid and assist. Many of the programs Holland listed have grown exponentially to a point of a 50 to 100 percent increase in use. These were services traditionally handled at a higher level within the State, but that burden now falls to the County; and with that the County must be responsive in terms of service provision. Local services need a more robust administrative structure. Behavioral health as a whole has grown exponentially, and it continues to be a high priority for the Governor. The hope is to be able to meet the current burden with an administrative background that can support that at the County level. An important addition is the new Behavioral Health Project Manager, Staci Yutzie, who has previous experience in Benton County and worked for the Juvenile Justice program.

Regarding the assurance of fees, Sands noted that the InterCommunity Health Network (IHN-CCO) recognizes the Crisis Center as a critical addition to the continuum of care in the County and referenced IHN-CCO's letter of assurance outlining that they see this as a critical function within our community. As discussions regarding the 2025 biennium contract cycle continue, IHN-CCO will ensure that funding for the center remains a top priority within the context of shared goals and responsibilities. Sands indicated staff

would return to the Board with a much larger and more robust budgetary ask when all the new positions come online.

McEneny pointed to a significant work shift – 38 to 40 new employees. Sands indicated there was some repurposing of existing employees and the Board would likely see a new ask of between 28 to 30. Regarding existing positions that have been retooled, one of the primary reasons for such a big lift is that we are moving away from a traditional eight-hour model to being 24/7.

McEneny asked whether these positions were difficult to fill. Sands responded yes, but the department is working to make the positions attractive to the community. Financial Services and Human Resources have been supportive partners in this effort.

Malone asked whether Yutzie's role was one of the two positions being requested. Sands indicated Yutzie's role is not a permanent position. The two positions requested – Crisis Center Program Director and Administrative Director – are permanent positions.

MOTION: Malone moved to approve 2.0 FTE in the 2023-25 Health Department budget to support operationalizing the new Crisis Center. Shepherd seconded the motion, which carried 3-0.

8.3 Philomath Chamber of Commerce Sponsorship Request for February 7, 2025 Samaritan Awards – Board Chair Nancy Wyse

Wyse referenced Page 123 of the meeting packet regarding the sponsorship request and indicated the County had previously been a \$150 table sponsor.

Malone indicated the sponsorship is a worthwhile investment; it is important for the County to recognize and support smaller communities.

MOTION: Malone moved to approve a \$150 table sponsorship for the Philomath Samaritan Awards. Shepherd seconded the motion, which carried 3-0.

8.4 Adoption of Resolution No. R2025-003, Establishing a Commercial Property Assessed Clean Energy (CPACE) Program in Benton County – Christopher Jacobs, Lily Bender, Economic Development Manager, Corvallis-Benton Economic Development Office

Jacobs advised the Board that CPACE is enabled by Oregon Revised Statutes. It is a real estate finance program that incentivizes clean energy, energy efficiency, water efficiency, and seismic systems.

In 2015, Multnomah County paved the way with the first CPACE program in Oregon. Over the last several years, Deschutes, Hood River, Sherman, and Washington Counties have implemented their own CPACE programs. Those four programs are modeled around the Deschutes program, as is the proposed Benton County Program.

The Economic Development Office's (EDO's) role is looking only at project completeness; all risk is borne by the property owner and capital provider. The capital provider pays a program fee equal to one percent of the total financed by the property owner, or a minimum of \$2,500, and the fee is capped at a total of no more than \$15,000. At closing, the County records a notice of benefit and CPACE lien in the document, which is the extent of effort required by the County. The EDO does the complete review.

Jacobs discussed the justification for the program. There are few other opportunities to receive up to 100 percent long-term financing. The reason why 100 percent long term financing could be achieved through a program like CPACE is because of the secured loan and the lien on the property. In the case of default, a special assessment is set up to collect those funds. It is what secures the loan and allows for this market for financing that otherwise would not typically be available. It is transferable upon sale, so some owners may want to sell a building before the financing is repaid. and the lien and assessment are attached to the property. There are also cash flow, benefits. CPACE financing can be repaid over the useful life of the improvements, and triple net and full net leases may allow pass-through of the assessment installment to tenants.

Shepherd asked about the three items related to CPACE. What is the appropriate order? Does the fee item come before or after the Ordinance?

Counsel indicated logically the fees would come after the resolution. The Ordinance is a process ordinance; it is related but not aligned.

Shepherd asked about language in the resolution in the meeting packet indicating "before establishing a program, we have provided notice to utilities." Was that notice provided? Jacobs responded yes.

Jacobs acknowledged there have not been many projects in the Oregon counties that have adopted CPACE recently, but there is a strong track record nationally of billions of dollars being transacted through CPACE across more than 30 States. It is a tried-and-true tested program, though it is relatively new to Oregon. Jacobs noted CPACE was an EDO goal prior to his tenure, but it did not gain traction because of the regional approach. Jacobs worked to simplify the process and believes it provides a competitive advantage for the area by helping differentiate ourselves as an environment that is good for industry.

MOTION: Shepherd moved to adopt Resolution No. R2025-003, establishing a Commercial Property Assessed Clean Energy (CPACE) Program in Benton County. Malone seconded the motion; however, no vote was taken.

AMENDED

MOTION: Shepherd offered an amended motion to adopt Resolution No. R2025-003, establishing a Commercial Property Assessed Clean Energy (CPACE) Program in Benton County with the following amendment:

Strike the sentence “Benton County held a duly noticed Public Hearing on February 4, 2025 in order to receive input and public comment.”

Malone seconded the amended motion, which carried 3-0.

8.5 Adoption of Resolution No. R2025-002, Revising Land Use and Planning Division Fees for Services Provided by the Community Development Department – Christopher Jacobs, Economic Development Manager, Corvallis-Benton Economic Development Office

Jacobs indicated the purpose of the resolution was to establish fees related to CPACE as previously discussed. The fee is equal to one percent of the total financed by the property owner, or a minimum of \$2,500, and capped at a total of no more than \$15,000. The fees will be adjusted annually based on the Consumer Price Index (CPI). There was some discussion internally about where the fees should reside, and the decision was made to include them in Land Use Planning Fees; see Attachment A to Resolution No. R2025-002.

Shepherd cited a 2.1 percent increase and a rounding up to the nearest \$5 and asked if that was correct. Shepherd was concerned that if the fee is adjusted annually, it could increase quickly because it is not increasing in percentage increments but rather \$5 increments essentially. What was the rationale for rounding up to the nearest \$5?

Jacobs was unsure of the rationale, indicating the language was a recommendation from Munn, and was open to a language amendment.

Munn indicated the two reasons for the language: 1) not dealing in dollars or pennies; \$5 maintains a round and even fee in future; and 2) using the CPI, because sometimes a fee that is not used often will get significantly behind and no longer cover costs. The goal was to keep up with the actual costs of supporting the program.

Shepherd expressed an understanding of the goal of keeping the fee relevant but was concerned that each time the CPI is applied and the fee rounded up, the result would be exponentially larger fees in a just few years.

Wyse asked if it is automatically multiplied by the CPI, could it potentially be discovered that it is above the CPI so it will not be increased?

Munn responded no, it would simply be factored by using the CPI. And to Commissioner Shepherd’s concern, it could be rounded on the dollar. The difference between rounding

to every \$5 or keeping it at one dollar over a long period is minimal, so that could be changed.

Shepherd expressed comfort with rounding up to \$5 this time but would prefer to keep it to one dollar next time. Also, on what date do fees increase?

Counsel advised that the fees go into effect when the Order is adopted, and annual department fee increases are presented to the Board in advance of the upcoming calendar year. At that point, the CPI would be factored into any fee increases.

MOTION: Shepherd moved to adopt Resolution No. R2025-002, Revising Land Use and Planning Division Fees for the services provided by the Community Development Department. Malone seconded the motion, which carried 3-0.

9. Public Hearing

PH 1 First Reading of Ordinance No. 2025-0324 Enacting Chapter 41 of the Benton County Code, Titled Commercial Property Assessed Clean Energy (CPACE) Financing – Christopher Jacobs, Economic Development Manager, Corvallis-Benton Economic Development Office

Wyse opened the Public Hearing at 11:10 AM.

Public Testimony

Brian Obie, Obie Companies. Obie Companies has a large project underway in downtown Corvallis because the company wants to work on projects that make a significance difference in communities where they operate. Obie was attracted to build some housing here because 20,000 cars a day commute in and out of Corvallis due to a lack of housing. CPACE financing is only one tool in the toolbox to create additional housing. Obie was not sure if the company will use it for their projects, but they are working toward it. It appears the other four counties with CPACE are having some success with it.

Jessica Quinn, Obie Companies. Obie Companies has an opportunity to build new housing in downtown Corvallis. The company has been working toward that for two years but has faced a number of challenges. It was Obie's intention to partner with the County to try to bring CPACE to the Board of Commissioners, but company representatives spoke with Jacobs and learned it was already under consideration. CPACE will help Obie make their project happen, and the company is already working with a CPACE lender.

Wyse closed the public hearing at 11:22 AM.

MOTION: Shepherd moved to adopt Ordinance No. 2025-0324 enacting Chapter 41 of the Benton County Code, titled Commercial Property Assessed Clean

Energy (CPACE) Financing and conduct the First Reading. Malone seconded the motion, which carried 3-0.

Counsel read the Ordinance aloud. The Second Reading will take place February 18, and the effective date will be March 20, 2025. Counsel noted a Scrivener's error that requires correction: The Ordinance was misidentified as 2025-0303; the correct number is 2025-0324. The Ordinance number is to be corrected before the Second Reading.

10. Other

No other business was discussed.

11. Adjournment

Chair Wyse adjourned the meeting at 11:36 AM.



Nancy Wyse, Chair



Erika Milo, Recorder



Maura Kwiatkowski, Transcriptionist

* NOTE: Items denoted with an asterisk do NOT have accompanying written materials in the meeting packet.