



CITY COUNCIL MEETING MINUTES March 25, 2025

The scheduled meeting of the Ontario City Council was called to order by Mayor Deborah Folden at 6:00 p.m. on Tuesday, March 25, 2025, in the Council Chambers of City Hall. Council members present were Deborah Folden, Penny Bakefelt, Susann Mills, Ken Hart, John Kirby, Michael Braden, and Adrianna Contreras.

Staff present were Dan Cummings, Tori Barnett, Corinna Hysell, Clint Benson, Jason Cooper, Kari Ott, Tatiana Burgess, Marshall Pierce, Al Haun, and Andy Wood.

The meeting was recorded, and copies are available at City Hall.

AGENDA

This Agenda was posted Friday, March 21, 2025. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

MILLS moved, BAKEFELT seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

CONSENT AGENDA

MILLS moved, BAKEFELT seconded, **TO ADOPT THE CONSENT AGENDA, WHICH CONSISTED OF ADOPTION OF THE COUNCIL MEETING MINUTES OF MARCH 11, 2025, AND A LIQUOR LICENSE APPLICATION: DOLLAR GENERAL STORE #24464**. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Freddy Rodriguez, Ontario, stated: [VERBATIM FROM PROVIDED STATEMENT] *Good evening, Mayor, Council, and City Manager Cummings, I'm here tonight to address the misinformation being spread about Ontario's Diversity Advisory Committee (DAC) and how it supposedly conflicts with President Trump's recent executive order on DEI. This misunderstanding has real consequences, as it's now being used as justification to try and dismantle a committee that has nothing to do with federal DEI hiring mandates. Let's be crystal clear: Ontario's Diversity Advisory Committee is not, and has never been, a DEI hiring program. The DAC was established in 2017 by the City of Ontario—not the federal government—to create a bridge between local leadership and all demographics in our community. It serves one purpose: ensuring that city leaders hear from everyone, not just those with the loudest voices or the most influence. Now, I want to address City Manager Dan Cummings directly, because he has stated that keeping the DAC in place could put Ontario at risk of losing federal funding under Trump's executive order. Mr. Cummings, with all due respect, that claim is completely false. Here's why: Trump's executive order eliminates DEI-based hiring and training within federal agencies and federal contractors—not local advisory committees. The DAC does not handle hiring, workforce policies, or employment quotas. It's an advisory body, not a hiring board. No federal law, regulation, or executive order says cities will lose funding for having a diversity committee focused on local community engagement. In fact, removing the DAC based on this false belief is not only unnecessary—it's reckless. It would silence voices in the community under the pretense of an executive order that doesn't even apply to local government committees. This committee exists to foster communication between all residents and city leadership. Eliminating it under a misinterpretation of federal policy would be a disservice to the people of Ontario. I urge you—before making a decision that affects the entire community—please get the facts straight. Don't dismantle something that strengthens our city based on fear or misinformation. Thank you.*

Ashlee Garcia, Ontario, stated: *This is my first City Council meeting since I was in middle school, so it's been a while. I am here, my name is Ashlee Garcia, and I am from Ontario, Oregon, and I have a local business on Oregon Street. I have Aubree's Clothing Boutique, and I'm here to represent the downtown today. I know that if I would have invited them, they all would have come today. It's just it's Spring Break and I'm trying to see what we've got to do and steps to get what we're trying to get done. So, we do have those nice benches on downtown Oregon Street, and I remember when they first did that Revitalize, I thought, wow, what a great idea, like this is going to make Ontario, and it's going to be so beautiful, right? You know, it'll be nice to sit out there and sit in the sunshine, but in the last year, I can tell you, I've been there, it's going to be six years in May, and I have noticed within the last year, especially now that the weather is getting more wonderful, those benches, every day, have garbage and homeless people on them. And it's not just, it's not, it's an everyday deal. I do have pictures that I have brought if I need to share those, but, and all these pictures are within the last two to three weeks every day that I come in, and then I'm open from 11-6, and I mean, I have people that just take naps all day on the bench, and I bring my kids everywhere with me. I always have them with me at work, and I'm not trying to poke the bear, or make anybody leave, or upset anybody because then it just kind of comes in retaliation and I don't want them to throw things on my doorstep or just to have it out for me because I'm going to be there for a really long time. And I think, honestly, the alternative, the problem, the way to fix this all is just to completely remove the benches, because I think if they would carry on and keep walking, they wouldn't stay. There's like parties every night because there is so much trash, I have to call the city ordinance often now to come pick up stuff because I can't physically get all that stuff, and I don't even know where to put it. Like, in a dumpster or what, but I do go through like a garbage bag a day just picking up all the junk that they leave there and I'm, if you've ever been into my store, I know a few of you have, we take a lot of pride in our business and it's really pretty and clean and I know that the downtown sometimes gets a bad rep for not always being the cleanest because of, those benches really aren't helping us. And I know that every business owner that has a bench in front of them feels the same exact way that if we were to remove the benches, we would not have the trash, as much trash. I think that they would continue to carry on to wherever they're going and not stay because there's nowhere for them to sit and get comfortable. I hope that's good. This is my, like I said, I'm winging it here. Thank you.*

PRESENTATION

Lifeways Facility Update

Steve Jensen, CEO, Lifeways, and Rory Schilling, Administrator, Secure Residential Treatment Facility near Hermiston, Oregon, presented a PowerPoint overview of Lifeways and the new facilities located in Ontario. (Copy attached to archived minutes).

Councilor Hart asked if Lifeways had any secure residential treatment facilities in their portfolio now?

Mr. Jensen stated they did. They also had an SRTF that was located in Umatilla, opened in 2007.

Councilor Hart asked what his experience had been with that facility.

Mr. Jensen stated it had been a very good facility because they had utilized it over the years to be similar in nature to a crisis stabilization center. When it first opened, there were six beds designated for the acute side of things, and ten beds were designated for those individuals stepping down from the state hospital. In 2019/2020, they started to convert the facility into the long term individuals coming out of the state hospital.

Councilor Kirby stated many people thought that was what hospitals did, but this was what hospitals could not do. They were not licensed, nor did they have liability coverage to take care of mental health. They could observe for a short period of time. Then the city had a precious resource in the police department. When there was a lack of mental health facilities in Eastern Oregon, if a transport was needed to a mental health facility somewhere in Oregon, the department was losing an officer for maybe two days to do that transport.

Mr. Jensen stated that was true. They frequently needed to transport. If someone was on a civil commitment, there were no resources here for that, so they transported them to a hospital in Portland.

Councilor Bakefelt stated when someone went to St. Alphonsus here, or across the river, if they were in crisis, then this facility would be able to take them in, once released from the hospital. She commended him on all his hard work in bringing something like this to this community.

Mr. Jensen stated this was a \$15M grant from the Governor's Office. They were excited to work with the Governor's Office with this funding. There were a lot of steps, and he knew the funding currently had passed the DOJ office and was now ready to move to OHA for final signatures. They were very close to the end of this process, and close to the beginning of a new process of where they would be constructing the building.

Councilor Mills asked if there were any concerns or stipulations about building a mental health facility near a school or kindergarten or something similar.

Mr. Jensen stated there were no stipulations; however, they did have similar situations in McNary, where there were schools that were not that far away, and in order to mitigate any concerns or worries from the school district, they set up a process to work with the school district in Umatilla. He deferred to Mr. Schilling to expand on that issue, for what they'd been doing with the school district and law enforcement. He might be able to share what happens if, what they'd done in Umatilla to ensure that it was a secure facility. There were times when they could not control everything, but measures had been put into place to alleviate the issue.

Rory Schilling stated the main thing was there was an agreement with both the schools and law enforcement that they would be notified as soon as they had any type of elopement. The most important thing they did was train their people well. Their people would actually follow folks who eloped. It was not something that happened a lot. It had happened three times over the past eight years. An important thing to note regarding those three was they never did impact the community. They never came into contact with people in the community. They left the area as quickly as they could. It just had to do with them trying to follow them to ensure they kept them safe, more often than the community safe, but both were important. Three or four had occurred in the past seven years.

Councilor Contreras asked that for the patients that came from the state to the Ontario area, what happened to them after? Did they become part of the community, or were they returned to the area they were in originally? If they remain in this community, and they relapsed....

Mr. Schilling stated they did not automatically become part of the community. Most returned to the community where they had been prior to their offense. Those counties continued to be responsible, they still "belonged" to that area. When they were being prepared to "step down", they coordinated that. That did not mean all of them left the community. One or two had stayed. But, they stayed under the auspices and supervision of the mental health provider. They kept tight tabs on them, and they knew more about them more than a lot of others because they had been served where they lived.

OLD BUSINESS

City Camera System Upgrade

Dan Cummings, City Manager, presented.

On October 8, 2024, the City Council approved a not-to-exceed amount of \$60,500.00 out of the Enterprise Camera Fund, which had a budget of \$150,000.00, and the Airport Camera Fund, which had a budget of \$13,651.00, to upgrade the city's existing security camera system. This left a balance of \$103,151.00 in the Camera Fund, which was tagged for use for the police body camera system upgrade.

Due to issues encountered during the installation of the project, staff needed to issue three change orders to complete the project.

Change Order #1: For the airport portion, it was discovered that all the existing cameras and equipment were attached to and in private buildings that did not belong to the city. It was not in the best interest of the city to upgrade the system and leave it on private property. To move the camera and equipment to city-owned property there was an additional cost of \$3,500.00.



Change Order #2: This change order was needed for the installation of a camera and new antenna at the city/county-owned RV Sanitary Sewer Dumping Station. Staff learned the current Wi-Fi system at Beck Park did not have a direct connection to the RV Dump Station. The additional cost for this installation was \$2,500.00; however, the Ontario Lions Club, who managed the RV Dump Station, would reimburse the city from the revenue for the RV Station in the amount of \$1,316.40 for the camera and \$1,250.00 for one-half of the Wi-Fi upgrade, for a total reimbursement of \$2,566.40. The benefit to the city in paying half of the relay allowed for installation of future cameras on the west side of Beck Park for areas such as the ballparks and facilities.

Change Order #3: This was for the installation of an external mic system in the Police Department interview room. The current system had an echo due to the size of the room. The cost was an additional \$467.00.

All three change orders, if approved, would have an additional cost of \$6,467.00 added to the existing contract with Avidity. The updated contract amount would be \$66,108.00. Original contract was \$59,641.00. With the reimbursement of \$2,566.40, resulting in a net change of \$3,900.60, for a new not to exceed amount of \$66,108.00. After reimbursement was received, \$100,109.40 would be in the Enterprise Camera budget.

KIRBY moved, HART seconded, THE CITY COUNCIL APPROVE A CHANGE ORDER FOR THE ADDITIONAL FUNDING OF \$6,467.00, REIMBURSEMENT OF \$2,566.40, LEAVING A NET CHANGE IN FUNDING OF \$3,900.60, LEAVING A NOT-TO EXCEED AMOUNT OF \$66,108.00. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

NEW BUSINESS

Request for Appointment: Diversity Advisory Committee

Tori Barnett, City Recorder, presented.

Mr. Melendrez (via Zoom) voiced his appreciation for the Council and thanked them for the [possible] appointment to the committee.

Councilor Braden stated on the spreadsheet, Ms. Barnett had slotted Mr. Rocha into the term for expiration of December 2025 and Mr. Melendrez for December, 2027. Did they need to fill that 2025 term first, or could Mr. Rocha pick a term, or the Mayor.

Ms. Barnett stated it was at the discretion of the Mayor and/or Council. She had placed Mr. Rocha in that term because he was currently in high school, and she didn't want to obligate him for a long period of time.

Councilor Braden, speaking to Mr. Rocha, stated the term he had been placed in expired in December, 2025, but there was also a vacancy open through December, 2027, which would be two more years of service. Which of those terms would he be interested in serving?

Mr. Rocha stated he would like to keep the 2025 vacancy. He was graduating next year, and planned to leave for college.

With Council consensus, Mayor Folden appointed Jose Rocha and Eddie Melendrez to positions on the Diversity Advisory Committee. Appointments were effective immediately.

Bid Award: Purchase of New Turnouts for Fire Department Personnel (Curtis Tools for Heros)

Clint Benson, Fire Chief, presented.

Nearly half of the Fire Department's firefighters were operating in expired turnouts, helmets, and boots. Using funds from the Fire Equipment Reserve Fund, staff could ensure that all firefighters were operating in NFPA-compliant PPE for the next ten years.

The National Fire Protection Association Standard 1851 mandated that structural firefighting ensembles (turnout gear, helmets, gloves, footwear, and hoods) be retired no more than ten years from the date of manufacture. Due to the increasing number of expired structural firefighting ensembles, in early 2024, Ontario Fire and Rescue applied for FEMA's Assistance to Firefighters Grant to replace the expired structural firefighting ensembles; however, staff was unsuccessful.

Currently, 43% of the firefighters were using expired turnouts; 60% of firefighters were using expired helmets and footwear; and 27% of non-expired turnouts would expire in 2029.

Additionally, none of the current career firefighters had NFPA-compliant backup sets of turnouts. Backup sets were important, especially for career firefighters, as they allowed a firefighter to decontaminate their gear and finish their shift in clean (backup) turnouts if they worked in a structure fire on that shift. This action would provide NFPA-compliant structural PPE for all firefighters and also provide the career firefighters with backup turnouts from the pool of compliant turnouts currently in use.

Ontario Fire and Rescue staff worked for several months with five different PPE vendors to update the turnout specifications and sampled different brands of PPE. Since only one vendor sold each specific brand of turnout, fine-tuning the specifications ensured that staff would receive as close to "apples to apples" cost estimates as possible. Based on their specifications, staff received four price quotes from regional vendors ranging from \$128,020 to \$149,062. Due to a current promotion from Globe that included a pair of boots at no cost (\$18,450 value) with each order of turnouts, Curtis had the lowest bid at \$128,020.19. Additionally, staff looked at the cost of replacing only the expired PPE and providing back-up turnout sets for career firefighters under a Partial Replacement Plan. The cost of the partial replacement plan, using Curtis' price points, was \$101,571.31. With the constant rising prices of firefighting gear and much of the current PPE expiring within the next few years, staff would get more for their community's money with a full replacement plan.

The City of Ontario had a Fire Equipment Reserve Fund in place where funds were set aside each year for the replacement of self-contained breathing apparatus (SCBAs) and turnouts. The fund had adequate funding for this proposed project, costing the city \$128,020.19, and leaving a balance of \$46,432.07 in the fund. Timing was important as much of the department's current PPE was expired and no longer NFPA compliant. Firefighters operating in expired PPE not only put staff at greater risk of injury or death, but also put the city at risk in the event of a line of duty injury or death while operating in non-compliant PPE. The alternative to this request was to use reserve funds for a partial replacement plan, at a cost of \$101,571.31.

BAKEFELT moved, CONTRERAS seconded, THE CITY COUNCIL APPROVE THE BID AWARD TO CURTIS TOOLS FOR HEROES, IN AN AMOUNT NOT TO EXCEED \$130,000 FROM THE FIRE EQUIPMENT RESERVE FUND TO PURCHASE NEW TURNOUTS AND RELATED PERSONAL PROTECTIVE EQUIPMENT FOR THE FIRE DEPARTMENT. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Ordinance #2834-2025: Lightspeed Network Franchise Agreement

Dan Cummings, City Manager, presented.

Lightspeed Networks, Inc., an Oregon corporation dba LS Networks, currently operated a certain telecommunications business within the City of Ontario under the terms of a franchise agreement contained in Ordinance #2731-2017, dated November 9, 2017. The term of the original Agreement expired on November 30, 2022. City staff and the City Attorney have been working on updating all the franchise agreements to meet changes in laws and have finally come to an agreement that met both parties' attorneys' requests.

The grantee desired to continue to provide and operate a telecommunications business within the franchise area by passage of proposed Ordinance #2834-2025. The grantor granted the grantee the right, privilege, and franchise to provide and operate a telecommunications business within the franchise area, subject to the terms and conditions contained in this ordinance. The franchise fee would be 7% of the gross revenue of the franchisee. The ordinance would be adopted under an emergency action and would go into effect immediately upon approval.



HART moved, KIRBY seconded, THE CITY COUNCIL APPROVE ORDINANCE #2834-2025, AN ORDINANCE OF CITY OF ONTARIO GRANTING LIGHTSPEED NETWORKS, INC., AN OREGON CORPORATION D/B/A LS NETWORKS, THE RIGHT AND PRIVILEGE TO PROVIDE AND OPERATE A TELECOMMUNICATIONS BUSINESS WITHIN THE CITY OF ONTARIO, AND TO PLACE, ERECT, LAY, MAINTAIN, AND OPERATE IN, UPON, OVER, AND UNDER THE PUBLIC STREETS, ALLEYS, AVENUES, THOROUGHFARES, HIGHWAYS, PLACES, AND GROUNDS WITHIN CITY OF ONTARIO, POLES, WIRES, OPTICAL FIBER CABLE, AND OTHER APPLIANCES AND CONDUCTORS FOR TELECOMMUNICATIONS SERVICES, ON FIRST AND SECOND READING BY TITLE ONLY AND DECLARING AN EMERGENCY. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Resolution #2025-106: Designating City Manager as the CDBG Project Certifying Officer

Tori Barnett, City Recorder, presented.

The proposed resolution was necessary to designate the position of City Manager as the Certifying Officer for CDBG applications. The city had been awarded numerous CDBG projects over the years, and this resolution would allow a faster turnaround for moving forward after projects were adopted by the city. Currently, the resolution on record had a specific name listed, as opposed to a specific position. Following correspondence with both the local and regional project manager leads for Business Oregon, staff was told they could do a blanket authorization for CDBG projects, as long as that person was identified by name or position. Staff opted to list it by position.

HART moved, BAKEFELT seconded, THE CITY COUNCIL ADOPT RESOLUTION #2025-106, A RESOLUTION DESIGNATING THE CITY MANAGER AS THE COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT CERTIFYING OFFICER, AND AUTHORIZE THE POSITION TO SIGN ALL PAPERWORK ASSOCIATED WITH CDBG APPLICATIONS AND PROJECTS. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Resolution #2025-110: Approve Loan from the State of Oregon, through OBDD, re Water Projects

Marshall Pierce, City Engineer (Jacobs), presented.

The proposed resolution was necessary in order to enter into a loan agreement through the Water/Wastewater Loan Fund with the IFA. This loan would fund the city's new water storage tank and booster pump station, replacing the aging Eastside tanks and booster station.

The Oregon Health Authority (OHA) approved Water Master Plan identified priority water infrastructure upgrades. One of those - a new, larger, storage tank and booster pump station - was selected to move forward. Last year, the City of Ontario was approved to proceed with entering into a loan agreement with OBDD through the SDWRLF and the Water/Wastewater Fund Program, to assist with funding this project.

This was a \$1,670,000.00 loan, with a term of 30 years, at an interest rate of no more than 3.47%, to supplement Resolution #2025-109, the SDWRLF loan agreement request. If the resolution was not adopted, no loan agreement would be entered, so no priority water improvement projects would be completed.

Councilor Braden stated in the resolution, the third Whereas stated the recipient was required, as a prerequisite to receive financial assistance from OBDD, to enter into a certain water fund/water project financing contract, project Y25003, substantially in form attached hereto as Exhibit A, the contract. He reviewed the attachments and did not find an Exhibit A. The last page of the resolution has a blank Exhibit A. Was that missing from the document? If so, did they wish to table this action?

Mr. Cummings stated that was correct, it was not attached. If the Council wanted to table this action until they had the opportunity to review the contract, that was their decision.

Councilor Braden asked if that would cause any time issues.

Mr. Pierce stated they were approaching the deadline.



Mr. Cummings stated the City Attorney had reviewed the contract, and when the resolution was adopted, he would issue the letter required, and would present that back to the Council. He would present the letter stating the contract and the loan, at the attorney's request, the Council needed to approve the resolution first. He was not 100% sure of that, but he did know the attorney needed the resolution approved prior the letter. The issuer required a letter from the City Attorney stating the city could meet all the obligations. This action was approving the loan, not necessarily the contract.

Councilor Braden stated typically it was not prudent for the Council to approve a contract without seeing it, but as the City Manager stated, the Council was approving the loan terms and going through the steps of a stringent process. He would almost term this a state of emergency, to get this approved, based on the information provided by Mr. Cummings and Mr. Pierce.

MILLS moved, KIRBY seconded, **THE CITY COUNCIL ADOPT RESOLUTION #2025-110, A RESOLUTION AUTHORIZING AND APPROVING THE CITY OF ONTARIO TO OBTAIN A LOAN FROM THE WATER/WASTEWATER LOAN FUND, BY ENTERING INTO A CERTAIN FINANCING CONTRACT WITH THE INFRASTRUCTURE FINANCE AUTHORITY (IFA) OF THE OREGON BUSINESS DEVELOPMENT DEPARTMENT.** Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

PUBLIC HEARING

Ordinance #2837-2025: Amending Title 10 Substantive Zoning Regulations to Create 10A-57-101 (Short Term Rentals)

It being the date advertised for public hearing on the matter of Ordinance #2831-2024, the Hearing was declared open. There were no objections to the city's jurisdiction to hear the action, no abstentions, and no declarations of conflict of interest.

Ex-Parte Contact: Councilor Bakefelt stated on March 24, 2025, at the request of Mrs. Kate Draper, a letter was sent through email and was shared with the Council. She had read the letter that would be read into the record that night by the Planning Director.

Ex-Parte Contact: Councilor Hart stated on March 24, 2025, at the request of Mrs. Kate Draper, a letter was sent through email and was shared with the Council. He had read the letter that would be read into the record that night by the Planning Director.

Ex-Parte Contact: Councilor Kirby stated on March 24, 2025, at the request of Mrs. Kate Draper, a letter was sent through email and was shared with the Council. He had read the letter that would be read into the record that night by the Planning Director.

Tatiana Burgess, Planning Director, presented.

Per Ontario Municipal Code 10B-15-05, amendments to Title 10A could be initiated by the Council by motion, or by individuals by application. Amendment actions would first be referred to the Planning Commission for public hearing and recommendation. As directed by the City Manager, staff had been working on drafting an ordinance to amend Title 10A, to introduce zoning requirements to regulate short-term rentals within the city limits, in all residential zones, and in the C-1, C-2 and C-3 zones.

A Short-Term Rental (STR) was a fully furnished, self-contained apartment or dwelling unit that could be rented for short periods of time – less than 30 consecutive days. Also known as “transient lodging”. Currently, the City of Ontario did not have an ordinance regulating STRs.

On March 4, 2025, the Planning Department compiled a detailed inventory of advertised short-term rental listings on two major marketing platforms: AirBnB and VRBO. There were 10 listings identified on AirBnB and 1 listing on VRBO. There were multiple properties available in Nyssa, Vale, and Adrian, as well as in the neighboring Idaho towns. Across the United States, STRs reportedly represented a \$64 billion market with over 2.4 million properties operated by 785,000 hosts. In Oregon, there was no uniform land use legislative requirement that regulated STRs.



The proposed draft ordinance would amend Ontario Municipal Code Title 10A, to:

- A. Set operation standards and outline the licensing and permitting process of the STRs;
- B. Facilitate and regulate lodging options for visitors without a detriment to the available housing supply within city limits;
- C. Maintain a good-neighbor policy by encouraging business opportunities, while preserving the rights of the property owners living in residential neighborhoods; and
- D. Offer an expansive ability to allow the operation of STRs beyond the residentially zoned properties and included the commercially zoned properties within the city limits.

The proposed draft ordinance would amend Ontario Municipal Code Title 10A by introducing new definitions to Chapter 10A-03, as well as creating a new chapter – Chapter 10A-57-101.

All sections of the proposed Chapter 10A-57-101 were consistent with other adopted chapters of the Ontario Municipal Code, and defined its purpose, set standards and requirements, and outlined the application and permitting process. The introduction of the application and permitting process of STRs was critical to ensuring the safe operation and occupation of the STRs and offered a path to apply and enforce current State of Oregon Building Codes.

The proposed ordinance was drafted with careful consideration by reviewing existing ordinances within neighboring jurisdictions, both within the State of Oregon and the State of Idaho. Among those jurisdictions reviewed were Baker City, Sumpter, Burns, La Grande,

Enterprise, Joseph, Bend, Baker County, Wallowa County, Union County, Umatilla County, Harney County, Tillamook County in Oregon, and Boise, Fruitland, Caldwell, McCall, in Idaho.

The Planning Commission held four work sessions to discuss and shape the drafting of the short-term rental ordinance. At the September 9, 2024, Planning Commission meeting, no action was taken due to no public being present. At the subsequent meetings, on November 18, 2024, January 13, 2025, and February 10, 2025, operators of current short-term rentals were present and gave testimony. Each of the work sessions was properly noticed through the local newspaper, as well as published on the Planning Commission's website. All input received during the work sessions, from both the Planning Commission as well as the public, was acknowledged by staff and compiled into the proposed draft ordinance.

A formal action was taken by the Planning Commission during the public hearing held on March 10, 2025. The Department of Land Conservation and Development (DLCD) had to be notified of pending actions at least 35 days before the final hearing date, unless a shorter time was authorized by Oregon Administrative Regulations. A notice of the upcoming public hearing was published on DLCD's website on January 16, 2025, 53 days ahead of the scheduled hearing, and it was published in the Argus Observer on February 26, 2025. A notice regarding the March 25, 2025, City Council public hearing was made on record, during the March 11, 2025, City Council public meeting.

Statewide Planning Goal 10 – HOUSING – specified the state's housing needs for its citizens. Through the adoption of its Comprehensive Plan, Ontario prioritized policies that provided sufficient land to accommodate the housing needs of its residents. In addition to inventories of buildable lands, a community was required to track its current and projected housing units, as well as current and projected population growth.

Ontario adopted its most recent Housing Needs Analysis through Ordinance #2790- 2021, recorded on May 25, 2021. Based on those findings, it was projected that Ontario's population would increase by 45 people by the year 2040 and an additional 21 new dwelling units would be needed to accommodate that growth between 2020 and 2040.



Per data submitted to Portland State University for the Annual Housing Units and Population Survey, the following data was compiled:

<i>Period ending 06/30/2024:</i>				
Housing Units Added (new construction)	Single-family	Multi-Family (2+)	Multi-Family (5+)	Total Units
	14	6		20
Housing Units Lost	2			2
Net	12	6		18
<i>Period ending 06/30/2023:</i>				
Housing Units Added (new construction)	Single-family	Multi-Family (2+)	Multi-Family (5+)	Total Units
	18	28	42	88
Housing Units Lost	4			4
Net	14	28	42	84
<i>Period ending 06/30/2022:</i>				
Housing Units Added (new construction)	Single-family	Multi-Family (2+)	Multi-Family (5+)	Total Units
	12	2	0	14
Housing Units Lost	3	0	0	3
Net	9	2	0	11

Table 1: Total Net Housing Units in 2022-2024

The Fair Housing Council of Oregon (FHCO) requested that the Planning Department analyze what potential impact the proposed amendment would have on the city's available housing inventory. Upon delivering a detailed staff report to FHCO, which contained the data presented above, the Planning Department was offered a letter of support commending the city and supporting the adoption of the proposed amendment. The FHCO letter references the adoption of 1/2/2025, which, in this case, referred to the file number as tracked by DLCD.

In the years that followed the adoption of the Housing Needs Analysis in 2021, Ontario added to its housing inventory a net number of 11 housing units in 2022, 84 housing units in 2023, and 18 housing units in 2024. Based on the cumulative total number of housing units, Ontario increased its total unit inventory by 113 units. That already exceeded the 2021 Housing Needs Analysis' projected number of 21 units required by 92 units, or 538% to goal.

As of March 4, 2025, the following listings were identified on the two main marketing platforms as being active within the city limits:

Marketing Platform: AirBnB

Unit	Address	Bedrooms	Date of Oldest Review	Host	Age of Host's Account on Platform	Host's Listings in Ontario
#1	615 SE 6 th St	2 bedrooms	11/2021	Jill	3 years	2 listings
#2	742 NW 1 st St	1 bedroom	08/2024	Shannon	7 months	1 listing
#3	384 NW 7 th Ave	2 bedrooms	04/2023	Chrissy	2 years	1 listing
#4	211 NW 4 th St	4 bedrooms	06/2021	Heather	4 years	2 listings
#5	150 NW 5 th St	3 bedrooms	04/2020	Evolve	8 years	1 listing
#6	934 SW 1 st St	2 bedrooms	12/2022	Jill	3 years	2 listings
#7	1022 NW 5 th Ave	2 bedrooms	09/2018	Joselyn	8 years	2 listings
#8	1048 NW 6 th Ave	2 bedrooms	09/2017	Joselyn	8 years	2 listings
#9	1455 Crest Way	2 bedrooms	12/2022	Heather	4 years	2 listings
#10	1482 NW 7 th Ave	3 bedrooms	09/2016	Warren	9 years	1 listing

Marketing Platform: VRBO

#1	547 Fortner St	2 bedrooms	08/2021	Bryan	Not available	N/A
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Table 2: Total current short-term listings in Ontario, as advertised on AirBnB and VRBO

Based on each listing's date of oldest review and comparing those dates with each host's account age on the marketing platform, it was assumed that the oldest review date coincided with the date each unit was originally listed on the marketing platform. As such, there had been 11 total listings added over the course of 9 years. Based on those statistics and trends, it was forecasted that by the year 2040, there would be at least 32.35 total short-term rentals, with a potential maximum of 38.14:



Figure 1: Current short-term rental units (STRs) in Ontario and forecasted units through 2040

Even if all the short-term rentals were permitted, based on the upper confidence forecast of 38.14 units, and the current housing production, Ontario would still be on target of having a total of 21 new units available for its residents, as projected by the Housing Needs Analysis.

Ontario's proposed Ordinance #2837-2025 to amend Ontario Municipal Code Title 10A to adopt requirements and standards to regulate short-term rentals within the city, was expected to have a positive impact on Ontario.

The current operators within the city limits did not have multiple listings on the same parcel and there were a maximum of two listings per host. The proposed ordinance had density limitations stipulated on how many short-term rentals could be operated per parcel (maximum of two), as well as how many short-term rentals could be operated per owner (maximum of six). Additionally, proposed Ordinance #2837-2025 would allow the operation of short-term rentals in all residential zones in Ontario, as well as in the Neighborhood Commercial (C-1), General Commercial (C-2), and Central Commercial (C-3) zones. Since residential uses were currently allowed in the cited commercial zones, staff also proposed allowing the operation of short-term rentals within those zones, to encourage the use of currently vacant and unoccupied spaces through remodels and conversion of previously existing commercial spaces to residential spaces.

The limitations proposed in Ordinance #2837-2025 were set to protect the total housing units available to Ontario's residents, without invoking a housing shortage. Additionally, the adoption of proposed Ordinance #2837-2025 would expand on the buildable lands designated for housing.

Allowing the proposed expansive use of properties for the operation of short-term rentals would encourage property owners to supplement their income and invite tourism into Ontario. The renting of the STRs would translate into a direct and positive financial impact on the city, as each licensed STR would be subject to the city-wide Transient Room Tax, defined in Ontario Municipal Code 3-11. Increased tourism activity would also benefit other businesses throughout the city.

The adoption of Ordinance #2837-2025 would provide a path to licensing current short-term rental operators. Once licensed, said operator would be required to pay the city's TOT. Currently, only one operator had been paying the city TOT, per the Finance Department.

As there was currently no statewide land use code to regulate short-term rentals, it was important for the city to adopt one. It was advised to adopt the proposed ordinance now, before the number of short-term rental operators within the city limits increased.

She received two letters for this action, which will be read into the record. From Mrs. Kate Draper, received Monday, March 24, 2025:

City Council of Ontario, My name is Kate Draper. I have lived in the Ontario area for the past 25 years. I am currently the managing partner in an LLC for an Airbnb which is located in the urban growth area outside of the city of Ontario. I am writing to you to express my concern for the short-term rental (STR) ordinance which you are considering. I realize the ordinance would affect short-term rentals within the city limits. However, there are multiple short-term rental properties located outside the city of Ontario, and I am concerned that the property I manage may eventually be affected by this ordinance or similar regulations. I want to bring to your attention that short-term rentals in our area are a positive economic force. As a border town, Ontario draws many short term travelers to enjoy this beautiful area. These travelers eat at our local restaurants, shop at our businesses, and attend events all over the valley. As a manager of an Airbnb, I benefit financially from these short term visitors because they pay to stay at the property. We then pay people to clean and maintain that property which creates incomes for additional people living in our community. I have multiple concerns regarding the city's desire to regulate short-term rentals. I understand that there are fewer than 10 STR's in Ontario. Some have been in operation for eight years. During that time, the city has received ONE complaint. So I have to wonder, does the city really need another ordinance? What is this really about? Ms. Burgess and Mr. Cummings claim that it is about the city collecting their Transient Occupancy Tax (TOT) and creating safety standards. The City could simply send out letters to the less than 10 STR's and inform them that they must legally collect that tax. That doesn't take a five page document. Actually, it's interesting that of those five pages, only one sentence is dedicated to the TOT tax. So what is the rest of the document? The rest of the



document is a great example of too much government in the lives of private citizens. Do you want someone telling you how many people can be at your home during the night? Or how many can come over for a family barbeque in the afternoon? You don't control your neighbor's guests. And you wouldn't want them controlling yours. There are already city ordinances for noise control, pets, quiet hours, parking, and just about everything else. This proposed STR ordinance even conveniently lists the existing ordinances for parking and noise already on the books for your easy reference. This ordinance is redundant and intrusive. As another example, to get a permit, an applicant will have to show proof of garbage service and a copy of the house rules. What's next, the list of items in the pantry? The short term rental hosts, like me, are very careful to make sure their property is well maintained, safe, accessible, and we try very hard to keep the neighbors happy. Why? Because reviews are everything! People do not book properties with poor ratings. The rental platforms (like Airbnb, VRBO, Vacasa) already require the owners to disclose if their property provides safety features such as fire extinguishers, and smoke and carbon monoxide alarms. The permitting/ licensing requirements in the proposed STR amount to another excuse for the municipality to charge repeated fees for permits and licensing which is redundant and excessive. One of the purposes of the ordinance, as stated under 10A-57-102 says there is a "goal of minimizing impacts to the residential housing stock and existing neighborhoods." Ms. Burgess claims that the short term rentals are competing with available housing in Ontario. That just doesn't make sense. By definition, short term rentals accommodate people who are here for less than 30 days. We are competing with other short term rental facilities like hotels or motels, but not the existing available housing. Also, Ontario is experience an annual growth rate of only .35 percent. For comparison, Fruitland, a bordering city, is growing at 3.6 percent annually. I hope you will carefully consider the interests of the property owners and managers in making your decisions regarding a short-term rental ordinance for the city of Ontario. If Ontario is actually "the gateway to adventure" as the ontariooregon.org website advertises, then let's welcome visitors to our community and not dissuade them from enjoying all that we have to offer. Thank you, Kate Draper

The second letter was received Tuesday, March 24, 2025, from Mr. Nathan Clark:

Subject line read "Five Star Ontario Lodging with SRTs" Dear Tatiana, Thank you again for our recent conversation about Ontario's lodging and current challenges. I appreciate you sharing your insight that our city's small pool of Airbnb listings has consistently earned stellar ratings and positive guest reviews. Your recognition of this fact is critical in understanding how we might turn around Ontario's broader lodging reputation. As we discussed, many of the traditional hotels and motels in Ontario are seen as outdated or poorly maintained. Travelers exiting I-84 often decide against staying here and opt for a short drive to the next town for nicer accommodations, this certainly results in lost business for our local restaurants, shops, and other small businesses. However, Ontario's handful of high-quality Airbnbs offers a real potential alternative: A Strong Lodging Option: Thanks to your own experience and observations, we know these Airbnbs are clean, welcoming, and reliably well-reviewed. That alone positions Ontario to attract travelers seeking comfortable accommodations—if we capitalize on it. Community Partnership Potential: With support from the city, Airbnb hosts can feature local businesses—offering coupons or exclusive deals. This can encourage guests to explore Ontario rather than just pass through, stimulating our local economy. Unified Promotion Strategy: By partnering with hosts, Ontario could highlight our "top-rated Airbnbs" on billboards near I-84, in rest stop brochures, or other marketing channels. We can turn the stereotype of subpar lodging into a new message: "Ontario has outstanding places to stay." I hope we might continue this discussion and present these ideas to the City Council. I would greatly appreciate your advocacy in spotlighting the positive feedback our Airbnbs receive is essential to building a cohesive plan that benefits both property owners and the city's broader economic interests. In this regard, the city acts not only as a governing body for these business owners, but as a partner in local growth. Thank you for your time, and for sharing these thoughts with the council on my behalf if you are so inclined. Please let me know if you have any questions or ideas about potential next steps. Best regards, Nathan Clark

Those were the only two letters received after the publishing of the agenda, and were transcribed into the record verbatim from submitted correspondence.

Councilor Kirby stated at the present time in zoning for residential areas, were Airbnb or VRBO sites an allowed use?

Ms. Burgess stated no, it was not. The only thing allowed in the residential zone that had any type of business aspect was a Home Occupancy, which was typically something defined as a small business that had one employee, which was the owner, they could only utilize a small square footage of the home, it had to be conducted exclusively in the home without any signage, and it could have one customer, and could not have an traffic. Also, a daycare facility was allowed in a residential zone.

Councilor Kirby stated what the proposed document would do would allow the Airbnb or VRBO sites to operate in that zone. If not, they might have to be issued a cease and desist order, and eliminate the business.

Ms. Burgess stated that was correct. It had been discussed in prior Planning Commission meetings if the city had an ordinance to collect Transient Occupancy Tax, and there was. But, aside from collecting the TOT, the city didn't have a legal avenue for allowing the owners to operate within residential zones.

Mayor Folden opened up the hearing for Public testimony, and asked if there were any Proponents who wished to speak in favor of this action.

Shannon Aguiar, Ontario, stated: *Thank you, Mayor Folden and City Council. Usually I'm fairly prepared and have something written down, but tonight I'm just going to try and wing it. I am in favor of the ordinance. I do, actually, operate an Airbnb. We just finished construction last summer and we toyed with the idea of short term, as in traveling nurses versus Airbnb, and we found that the Airbnb platform was more protective than just having some kind of lease with the traveling nurses. So, I think that with Airbnbs specifically, I know there's several other platforms, but with the Airbnb specifically we have a lot of control over who comes in to our unit and who doesn't, whether they come back or they don't. Were the Airbnb actually required that we be able to, the people be able to contact us if they have a problem or any of that kind of thing. So far, we've had really, a really good experience with it. I have seen some Airbnbs that were in Ontario before we started that were not, didn't seem very desirable. I actually drove by them, and so I don't have a problem with the ordinance. I actually did make statements about some of the changes that I would have liked to have seen in the very beginning when she first brought out the draft. Tatiana, I think, has done a really good job making those changes and listening to the input. But, mostly, I think the ordinance is just basically asking us to follow the State of Oregon rules as far as safety and construction and that kind of thing, and I don't have a problem with either of those things. The city, in the ordinance as well, needs to have at least two units per property, so in case that we do have a duplex or something like that, ours is a unit that's on the back of, it does not attach to our house, except for coming through a garage, but in the case that we decide to be snowbirds, then we would have two pieces of property we'd be able to Airbnb. So, yes, I am in favor of it. I don't have a problem with the limitations of people because basically, we limit people anyway. I mean, we don't want to overrun our units anyhow. So, and I do appreciate that neighbors would, are being covered in that because, I mean, if I had an Airbnb come in next door to my Airbnb and they were not managing those people well, I would have a problem with that. So, I don't have, (unintelligible), and this ordinance the way that it's written.*

Mayor Folden asked if there were any Opponents to speak against this action.

Derick Draper, stated: *Thank you Mayor, and thank you City Council. I wholly understand you have thankless jobs, and I appreciate it. So, you've already heard my wife's statement. She would have loved to be here, however, my oldest daughter just had her second child in Utah about three hours ago, and so that's where she's at, where she needs to be. So she and I have been coming to these planning meetings for months, and we've heard the same things over and over and over. The same two things, the same two arguments. Number one, it's about tax, and number two, it's about what ifs. And so the Argus, in February, wrote it beautifully when they reported, and I'll quote it for just a little bit "City Councilor Susann Mills serves as a Liaison for the Planning Commission. She asked Burgess if there were any laws requiring the city to have short term rental ordinances. Burgess said there is not." Mills said she looked at short term rentals like staying in a hotel. She said city ordinances are in place for problems and there has only been one complaint, one, by a city official, or a government official, I will add, one complaint that she knows of. She said she doesn't have short term rentals, but she's had a lot of other rentals over the years. Quote "I just don't see where this is a benefit to the landowners and the people who live here" end quote. She said, in her opinion, she did not see a need to have an ordinance regulating short term rentals. Cummings said the main reason the city is trying to enact the ordinance is because the business owners should be collecting the local Transient Occupancy Tax. The main*

reason. One sentence in a six page ordinance, that's it. And so, number one, we completely agree that we have to pay the tax. City officials enforce the tax, regulate the tax. It's simple. We don't need a complicated, overreaching and totalitarian ordinance to do that. Number two, the what ifs. We heard a number of times, what if these conglomerate corporations come in and they buy up all these homes in Ontario, Oregon, and they turn them all into short term rentals. What if we decide to put people on Mars in 20 years? We need gas stations and schools up there, so let's go build them right now, because of the what ifs. It's almost absurd. The city wants to tell us how to operate, how many people can come, what they can do, they want to know everything. How would you feel, in your own business, if the city came down and said this is what we want you to do, and if you don't, we'll pull your license. The city is trying to usurp their government authority where it clearly isn't needed, and certainly doesn't belong. Thank you.

As there was no further testimony, the public testimony portion was closed, and opened up for further discussion or direction from the Council.

Councilor Braden stated he was going to go a different route than usual, and play the role of a cheerleader. He attended all the meetings because he was on the Planning Commission when this was first presented. Then he attended after he was elected to the Council, so he could stay involved as this process was vetted and brought before the Council. He read multiple staff drafts from Ms. Burgess. She made changes and implementations based on community feedback at each and every one of the work sessions. Two examples that Ms. Aguiar spoke to. First, one short term rental per parcel. The community said that felt restrictive. Ms. Aguiar shared that she might want to rent two STRs off her property. The Planning Commission heard that and advised staff to adjust that to two STRs per parcel. Second, the very first restrictive draft said one operated per owner, so everyone could only own and operate one STR in the community. That was considered restrictive also, to free enterprise. So, it was expanded in the final draft to up to six, and there was a reason it was capped at a specific number. Some success through the process was that the community members who were heard from shared with those in attendance and Ms. Burgess about the strength of community STRs ratings, which was what was read into record from Mr. Clark. What came to light was this was a very small portion of this community, but it was a real straw in the cap that's a testimony to the persons like Ms. Aguiar and the Drapers, and what they were putting forth as a professional service product. They were doing a fantastic job. Also, using the word "shout out" to the Drapers, Mr. Clark, Ms. Aguiar, and a zoom call in from "Jill", who provided this interactive work session environment with the Planning Commission. The Commission was run over the four or five work sessions by Chairman John Breidenbach, and there was a temporary Chair by Vice-Chair of Blu Fortner, and the entire Commission for their time and effort in developing this STR ordinance. The most important thing he wanted to share was that he had been trepidations, very critical, when he read the first draft. He spoke with the Planner, looked at the development of the whole process and the final product, and he wanted to say he was impressed by the professionalism and civility of the City Planner. Mr. Cummings had hired a good one.

Councilor Kirby stated he researched how many Airbnbs and VRBO listing there were, and he was amazed. He attended the last Planning Commission meeting, and Nathan Clark provided a lot of input that night. For him, in this community, there were a lot of input given to the Council about making this city look good. There was an Ordinance Officer that was doing a great job, but many things in the residential areas of this community were not allowed. Currently, Airbnbs were not allowed in Ontario, but we have a bunch of them. If the Council didn't pass the proposed ordinance, they needed to pass another one, otherwise, they all be put out of business. That was not the way they wanted to conduct the businesses in this community. They had invested a great deal of money updating and upgrading their properties. Nobody liked a bunch of bureaucratic nonsense. But first, the Council needed to authorize the businesses to operate. They were doing it illegally right now. He thought this was a good document.

Councilor Hart verified the proposed ordinance had already passed the Planning Commission, who provided a recommendation to the Council.

Mr. Cummings replied yes, they approved it with the recommendation to the Council to approve the ordinance.

Councilor Hart verified it was a unanimous vote, and asked who was currently on the Planning Commission.

Ms. Burgess stated it had been unanimous at the March 10th meeting, but not all members were present. Chair John Breidenbach was absent, so it was chaired by vice-chair Blu Fortner. Members Al Christiani and Max Twombly were also not there. James Grissett, Tyler Whitaker, and William Ecret were the other members there. There were four members present who all voted in favor.

Councilor Mills stated she attended all four meetings regarding the STRs. The first two had not convinced her – first, she didn't like the government getting into businesses, and two, she didn't like taxes; however, in reading about other cities that had STRs, and how they were growing and how there needed to be some type of ordinance to regulate what's going on, she teetered. But, with the changes that the Commission put in place, improving the ordinance, she would now probably vote yes to enact the ordinance. As businesses grew, people were going to do it and maybe not report it. This gave them a little bit of control of what occurred in the city.

MILLS moved, KIRBY seconded, **THAT THE CITY COUNCIL APPROVE THE FINDINGS OF FACTS AND THE RECOMMENDATION OF THE PLANNING COMMISSION TO APPROVE ORDINANCE #2837-2025, AN ORDINANCE TO AMEND TITLE 10A – SUBSTANTIVE ZONING REGULATIONS, TO CREATE CHAPTER 10A-57-101 – SHORT-TERM RENTALS AND ADD DEFINITIONS TO CHAPTER 10A-03 – DEFINITIONS, BASED ON THE INFORMATION, FINDINGS AND CONCLUSIONS SET FORTH IN THIS REPORT.** Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

FOLDEN moved, HART seconded, **IN ACCORDANCE WITH SECTION 8.2(2) OF THE CITY CHARTER, I MOVE THAT THE CITY COUNCIL APPROVE ORDINANCE #2837-2025, AN ORDINANCE TO AMEND TITLE 10A – SUBSTANTIVE ZONING REGULATIONS, TO CREATE CHAPTER 10A-57-101 – SHORT-TERM RENTALS AND ADD DEFINITIONS TO CHAPTER 10A-03 – DEFINITIONS, AS SET FORTH IN ACTION 2025-01-02 ZCA.** Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

KIRBY moved, BAKEFELT seconded, **IN ACCORDANCE WITH SECTION 8.2(2) OF THE CITY CHARTER, THE CITY COUNCIL APPROVE ORDINANCE #2837-2025, AN ORDINANCE TO AMEND TITLE 10A – SUBSTANTIVE ZONING REGULATIONS, TO CREATE CHAPTER 10A-57-101 – SHORT-TERM RENTALS AND ADD DEFINITIONS TO CHAPTER 10A-03 – DEFINITIONS, AS SET FORTH IN ACTION 2025-01-02 ZCA.** Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

Finance Department – Monthly Report and PERS EIF Fact Sheet

Kari Ott, Finance Director, was unable to speak due to illness. Dan Cummings asked the Council to review the monthly report, and email Kari with questions.

Mr. Cummings stated Ms. Ott had emailed him bullet points for the Council regarding the PERS sheet. Ms. Ott had presented the opportunity to apply, again, for a matching fund for PERS. The bullet points were:
PERS EMPLOYER INCENTIVE PROGRAM

- The city could apply 4/1/25, and it was first come first serve so staff would like to apply then
- The match was 25%
- The city had until March 31, 2026, to make the actual deposit
- When applying the amount to be deposited had to be given
 - 24-25 budget had the \$356,480 discussed previously
 - The city's PERS rate unexpectedly changed 7/1/2024, because of a side account payment. (Something that never happened before)
 - From July to December this reduced the city's PERS payment \$142,095.69 or approximately \$23,000 per month
 - Staff proposed using the \$142,095 and \$138,000 (estimated savings) to add to the side account payment. This was \$280,095
 - The total side account payment would be \$636,575
 - This would give the city a match of \$159,143.75
 - The total deposit would end up at \$795,718.75

Staff recommended the city apply for the program, and given the dates, time was of the essence.



Councilor Kirby asked if this had to go through the upcoming budget process, or was that in the existing budget already.

Mr. Cummings stated this was already in the existing budget.

Ms. Ott stated they'd have to do a resolution to transfer for the PERS that was unexpected. It would allow them to move within the original budgeted funds.

Councilor Braden stated under side account deposit criteria, to qualify for matching funds, the employer side account deposit must be no more than either \$300,000 or 5% of the UAL, Unfunded Actuarial Liability. Had those numbers been checked on the maximum contribution, to ensure the \$670K, or whatever she threw out, was less than 5% of the UAL.

Ms. Ott stated she believed so based on the last actuary exhibit, but she'd double-check. That would be about \$13.4M, and last she recalled seeing was \$16M.

Councilor Hart asked if they wanted to do that, and they needed to do a resolution, they could say up to the amount of "x" or not to exceed. That way, staff would have flexibility to do the most possible.

HART moved, BAKEFELT seconded, to THE CITY COUNCIL ADOPT RESOLUTION #2025-111, A RESOLUTION WHERE COUNCIL GAVE STAFF AUTHORITY TO PAY AN ADDITIONAL AMOUNT OF \$636,575.00, TO THE CITY'S PERS ACCOUNT, OR LESS, BASED UPON THE MAXIMUM, BASED UPON THE CALCULATION, OF THE STATE, NOT TO EXCEED 5% OF THE CITY'S UAL. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0.

HAND-OUTS

Check Register

February, 2025

Minutes

County Court 03-05-2025

CORRESPONDENCE, COMMENTS, AND EX-OFFICIO REPORTS

The planned presentation by Councilor Hart of the Sister City visit would be moved to the April 8th meeting.

EXECUTIVE SESSION

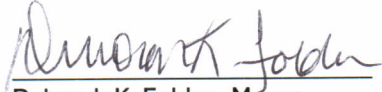
ORS 192.660(2)(f): Exempt from Disclosure – Attorney/Client Privilege

An executive session was called at 8:06 p.m. The Ontario City Council will now meet in executive session. The executive session is held to review attorney-client privileged communications. The executive session is held pursuant to ORS 192.660(2)(f) – to consider information and records that are exempt by law from public inspection. Representatives of the news media and designated individuals are permitted to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any deliberations held during the executive session, except to state the general subject of the executive session as previously announced. No decisions will be made in the executive session. At the end of the executive session, the Council would return to open session and welcome the audience back into the room.

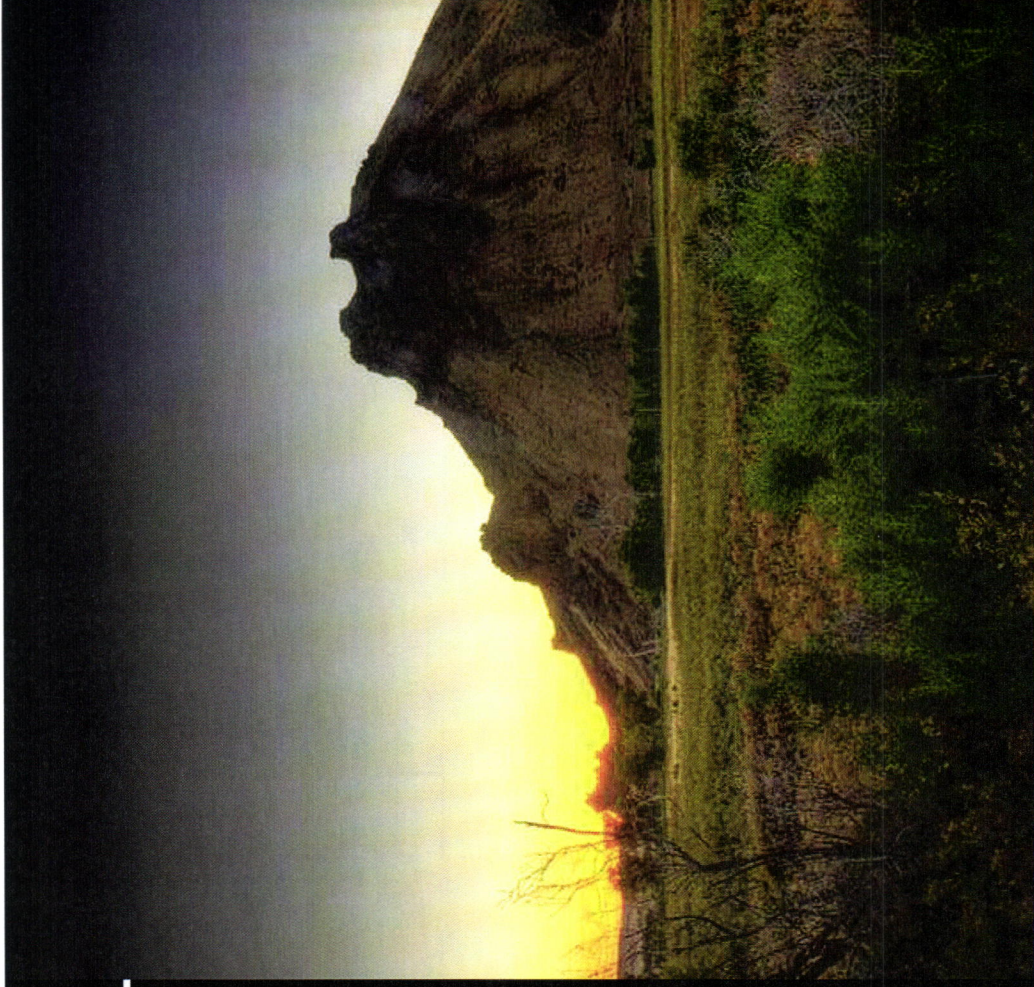
The Council reconvened into regular session at 8:37 p.m.

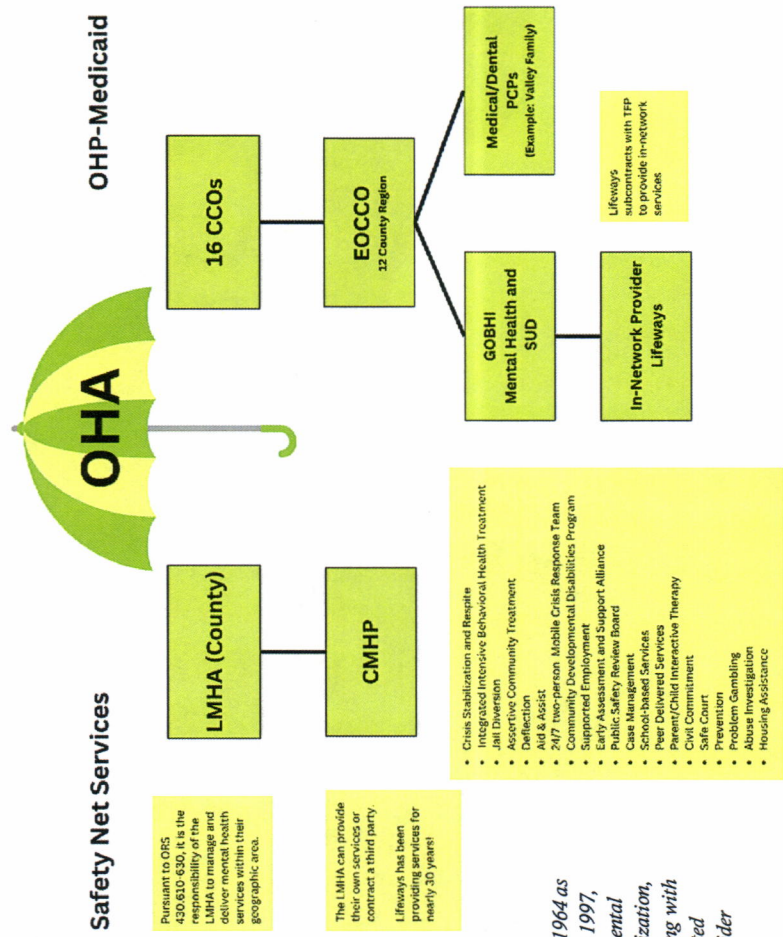
ADJOURN

HART moved, KIRBY seconded, **THAT THE MEETING BE ADJOURNED**. Roll call vote: Mills-yes; Braden-yes; Kirby-yes; Hart-yes; Contreras-yes; Bakefelt-yes; Folden-yes. Motion carried 7/0/0. Meeting concluded at 8:41 p.m.

ACCEPTED:
Deborah K. Folden, Mayor**ATTEST:**
Tori Barnett, MMC, City Recorder

OVERVIEW OF LOCAL MENTAL HEALTH AUTHORITIES (LMHA) AND COORDINATED CARE ORGANIZATIONS (CCO) IN OREGON





Lifeways began providing services in 1964 as Malheur County Mental Health. In 1997, Malheur County transitioned its mental health services into a nonprofit organization, Lifeways, which then began contracting with the county to serve as its designated Community Mental Health Provider (CMHP).

COMMUNITY MENTAL HEALTH PROGRAM (CMHP) IS AN ORGANIZATION OPERATED BY OR CONTRACTUALLY AFFILIATED WITH A LMHA (OAR 309-019-0101). THE CMHP IS RESPONSIBLE FOR PROVIDING AND COORDINATING MENTAL HEALTH SERVICES WITHIN A SPECIFIC COUNTY OR REGION. THESE PROGRAMS OPERATE UNDER THE GUIDANCE AND REGULATIONS OF THE OREGON HEALTH AUTHORITY (OHA) AND ARE CRUCIAL IN ENSURING THAT MENTAL HEALTH SERVICES ARE ACCESSIBLE, EFFECTIVE, AND TAILORED TO THE NEEDS OF THE LOCAL POPULATION. CMHPS ARE ESSENTIAL IN PROVIDING A SAFETY NET FOR INDIVIDUALS WITH MENTAL HEALTH NEEDS, ENSURING THEY RECEIVE TIMELY AND APPROPRIATE CARE.

CMHPS ARE TASKED WITH ORGANIZING AND DELIVERING A VARIETY OF MENTAL HEALTH SERVICES. THIS INCLUDES OUTPATIENT TREATMENT, CRISIS INTERVENTION, CASE MANAGEMENT, AND SUPPORT SERVICES FOR INDIVIDUALS WITH SERIOUS MENTAL ILLNESSES OR EMOTIONAL DISTURBANCES. THEY ALSO PROVIDE SERVICES FOR THOSE WITH DEVELOPMENTAL DISABILITIES

COORDINATION OF SERVICES, AND MAINTAINING POSITIVE RELATIONSHIPS WITH SERVICE PROVIDERS, FAMILIES, AND OTHER STAKEHOLDERS. THEY MUST ALSO ENSURE TIMELY REPORTING AND COMPLIANCE WITH STATE AND FEDERAL REGULATIONS

CMHPS WORK CLOSELY WITH COMMUNITY MEMBERS, INCLUDING FAMILIES, ADVOCATES, AND LOCAL AGENCIES, TO UNDERSTAND AND ADDRESS THE MENTAL HEALTH NEEDS OF THEIR COMMUNITY. THEY PLAY A KEY ROLE IN COMMUNITY EDUCATION AND ADVOCACY EFFORTS TO PROMOTE MENTAL HEALTH AWARENESS AND SUPPORT

TO MAINTAIN THEIR CERTIFICATION, CMHPS MUST ADHERE TO SPECIFIC CRITERIA SET OUT IN THE OREGON ADMINISTRATIVE RULES (OAR). THIS INCLUDES ENSURING THAT SERVICES ARE DELIVERED ACCORDING TO STATE STANDARDS, MAINTAINING PROPER DOCUMENTATION, AND ENSURING THAT STAFF ARE PROPERLY TRAINED AND QUALIFIED

WHAT IS A CMHP?

CMHPs provide a wide array of *statutorily required, core, safety net* services



CMHP Responsibilities

Local System Planning, Management, Service Coordination

Civil Commitment and Forensic Services

Crisis Lines, 24/7 Mobile Crisis Response and Stabilization Services

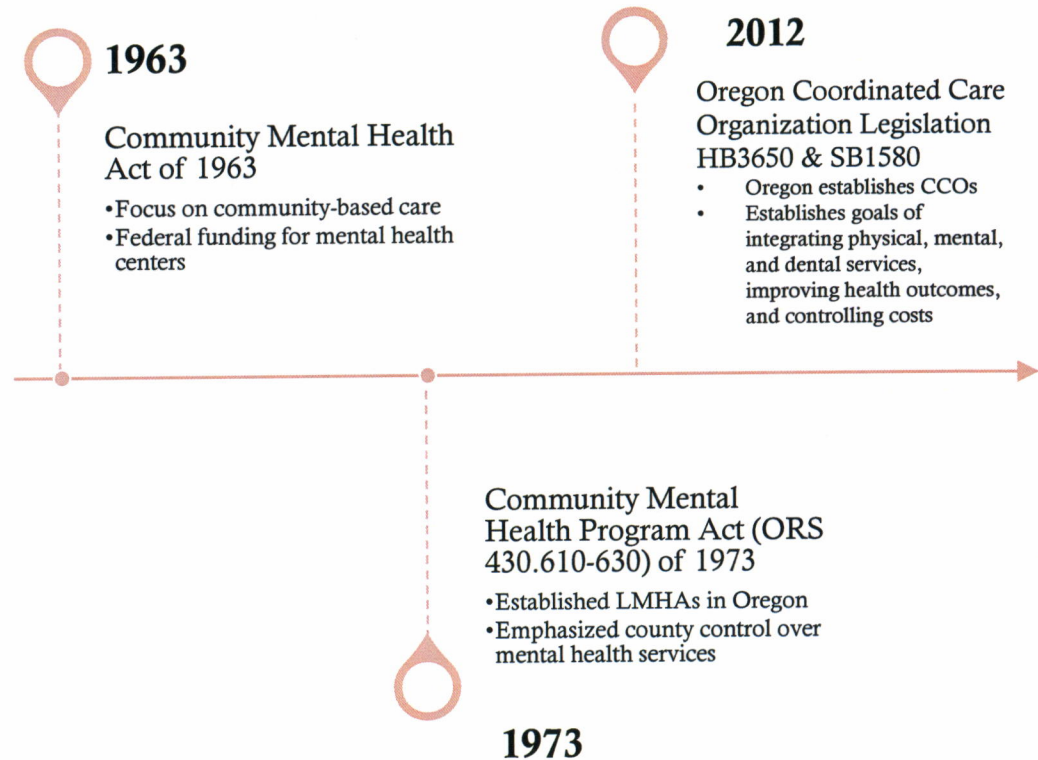
Outpatient and Wraparound Services

Mental Health Promotion and Prevention

Residential and Housing Supports

*About two-thirds oversee CDDPs providing case management for People with Intellectual/Developmental Disabilities.

KEY LEGISLATION SHAPING MENTAL HEALTH SERVICES



OREGON HEALTH AUTHORITY

THE ROLE OF OHA

OVERSEES PUBLIC HEALTH, MENTAL HEALTH, AND ADDICTION SERVICES
COORDINATES FUNDING AND STANDARDS FOR LMHAS AND CCOS

LOCAL MENTAL HEALTH AUTHORITY

LMHAS OPERATE AT THE COUNTY LEVEL AND ARE RESPONSIBLE FOR OVERSEEING
MENTAL HEALTH SERVICES AT THE LOCAL LEVEL

FUNDING COMES FROM THE OREGON HEALTH AUTHORITY

Excerpt from “Nation should
take inspiration from
Oregon’s reformed Medicaid
system, former Gov. John
Kitzhaber says”

March 14, 2025

Oregon Public Broadcasting

“IN THE LATE 1980S, FORMER GOV. JOHN KITZHABER WAS A CHIEF ARCHITECT OF THE OREGON HEALTH PLAN, THE STATE’S REFORMULATION OF MEDICAID. IN 2012, HE WAS THE DRIVING FORCE BEHIND ANOTHER HUGE TRANSFORMATION: THE CREATION OF COORDINATED CARE ORGANIZATIONS OR CCOS, WHICH BECAME THE WAY LOW-INCOME OREGONIANS GET THEIR HEALTH CARE.”

“THE COORDINATED CARE ORGANIZATIONS ARE ESSENTIALLY LOCAL ORGANIZATIONS THAT OPERATE ON A GLOBAL BUDGET THAT CAN GROW AT ABOUT 3.4% PER MEMBER, PER YEAR AND ARE REQUIRED TO MAINTAIN ENROLLMENT AND BENEFITS AND MEET METRICS AROUND QUALITY AND OUTCOMES.”

WHAT AN IDEAL HEALTHCARE SYSTEM SHOULD LOOK LIKE

“The objective of the health care system ought to be health, right? And I think that, primarily, we view it as something to fund and deliver medical care, right? I think most of us would probably agree that we want a health care system that’s affordable, accessible and that actually improves health outcomes when people need it.

“You need to align the fiscal incentives with the outcomes that you want. So fee-for-service medicine, which is what most hospitals operate on, rewards you for doing more regardless of whether what you’re doing actually is connected to a health outcome. If you operate under a global budget that is a fixed amount of money that grows at a predictable rate each year, then you have an incentive to actually invest in, let’s say, childhood obesity, because you want to reduce the very costly consequences of diabetes downstream.”

“The three classic ways to manage cost in any health care program is to reduce benefits, reduce enrollment or reduce what you pay providers. What we’re trying to do in Oregon is the fourth path, which is reduce the total cost of care itself, while maintaining access, while maintaining benefits, while maintaining quality.”

“What I’ve been proposing and discussing with [Congressman Cliff Bentz] is using Oregon’s CCO model as a way to transform the Medicaid system nationally. We’ve saved the federal government almost \$4 billion over the last ten years.”

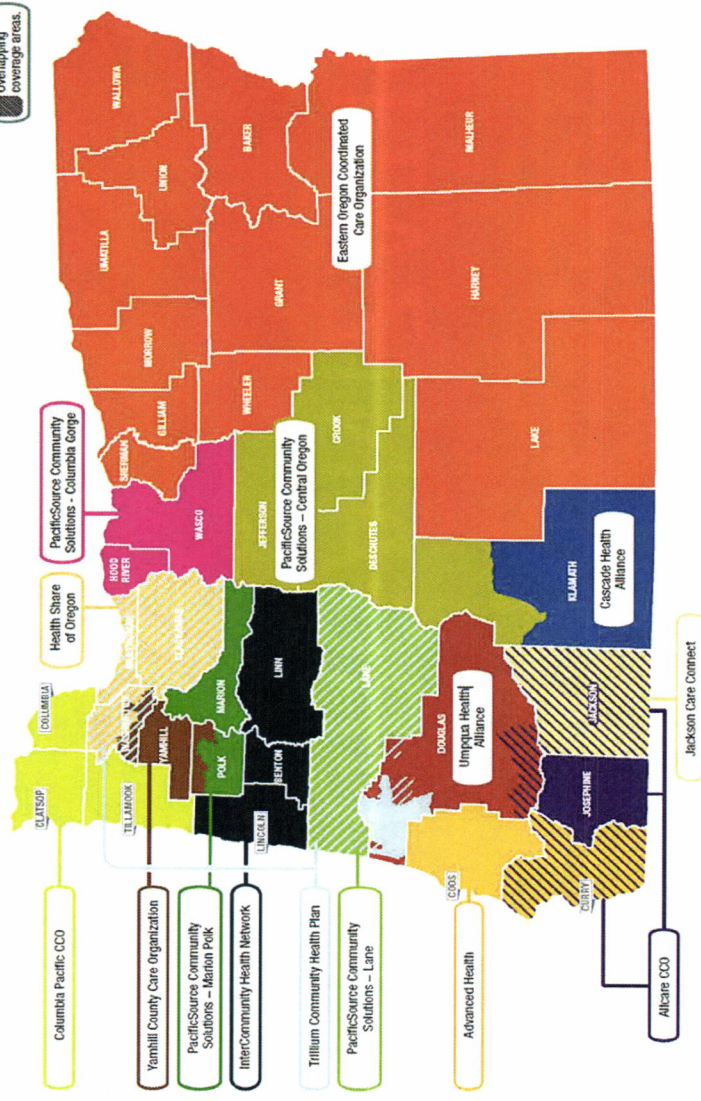
Coordinated Care
Organizations (CCOs)
are part of OHA's
approach to delivering
Medicaid services
through the Oregon
Health Plan (OHP).
These are local networks
of health care providers
that deliver and manage
care for OHP members.

COORDINATED CARE ORGANIZATIONS

Coordinated Care Organization Service Areas

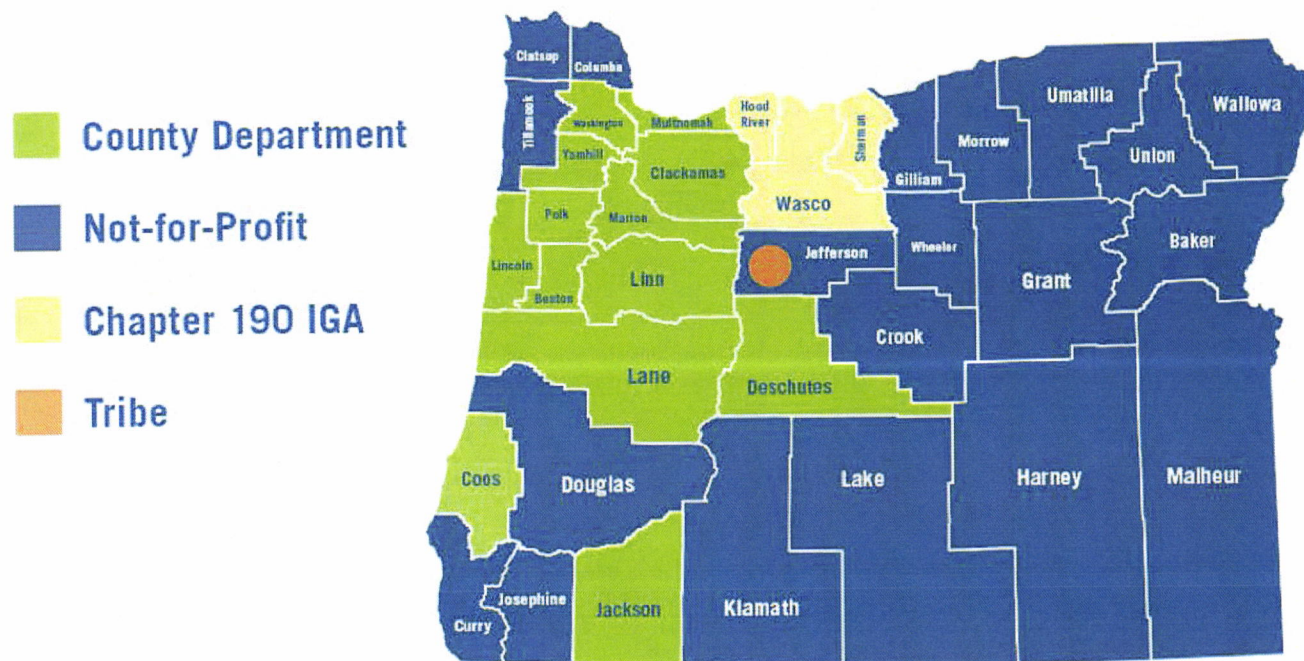


Overlapping coverage areas.



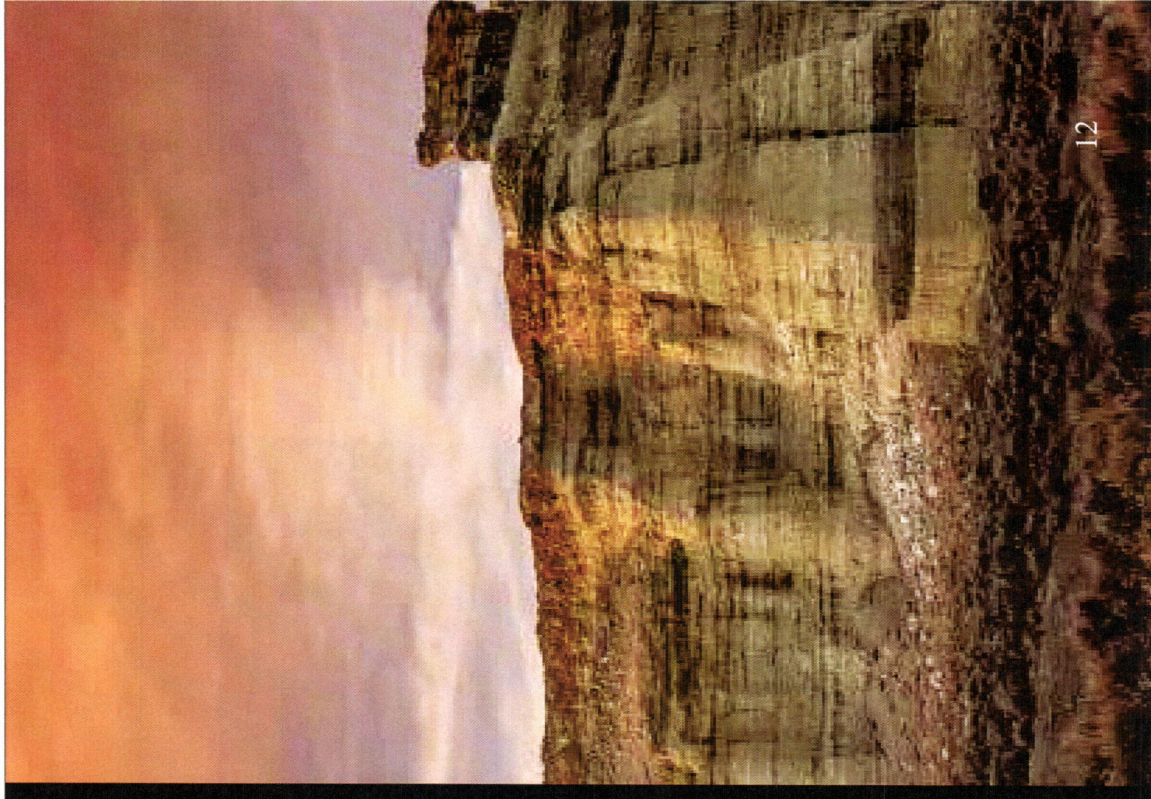
04A.1115 Rev. 06/2020

Service Delivery Structure of Community Mental Health Programs



EOCCO & GOBHI

- Eastern Oregon Coordinated Care Organization (EOCCO) serves rural Eastern Oregon, encompassing 12 counties: Baker, Grant, Harney, Lake, Malheur, Morrow, Umatilla, Union, Wallowa, Wheeler, Gilliam, and Sherman. EOCCO was established in 2012 as part of Oregon's Medicaid reform efforts. It was created to serve the unique needs of eastern Oregon's diverse and often underserved populations.
- EOCCO contracts with Greater Oregon Behavioral Health, Inc (GOBHI) to oversee and manage the mental health benefit for OHP members enrolled in EOCCO.
- Founded in 1994, Greater Oregon Behavioral Health, Inc (GOBHI) is a 501(c)(3) nonprofit corporation charged with administering the behavioral health Medicaid benefit in the 12 rural and frontier counties in Oregon. GOBHI is a co-owner of the Eastern Oregon Coordinated Care Organization, along with Moda Health.



How many Oregonians have OHP?

County	Medicaid Recipients
Baker	6,661
Benton	23,027
Clackamas	110,126
Clatsop	15,307
Columbia	16,616
Coos	28,555
Crook	10,871
Curry	9,690
Deschutes	62,265
Douglas	48,923
Gilliam	793
Grant	2,586
Harney	3,230
Hood River	8,907
Jackson	94,137
Jefferson	12,716
Josephine	44,448
Klamath	33,016
Lake	3,548
Lane	138,459
Lincoln	21,184
Linn	52,422
Malheur	16,885
Marion	143,245
Morrow	5,630
Multnomah	288,682
Out-of-State	1,024

As of January 2024, 1,495,833 Oregonians are enrolled in the Oregon Health Plan.

Of those members, 128,291 utilize Open Card Benefits.

Oregon's [Medicaid Monthly Population Report](#) is an interactive dashboard that shows this and other reports.





Oregon State University
Extension Service



Oregon State University
Extension Service
Malheur County

Malheur County Community Conversations:
Behavioral Health Shared Response Plan
November 1-2, 2023
Ontario, Oregon

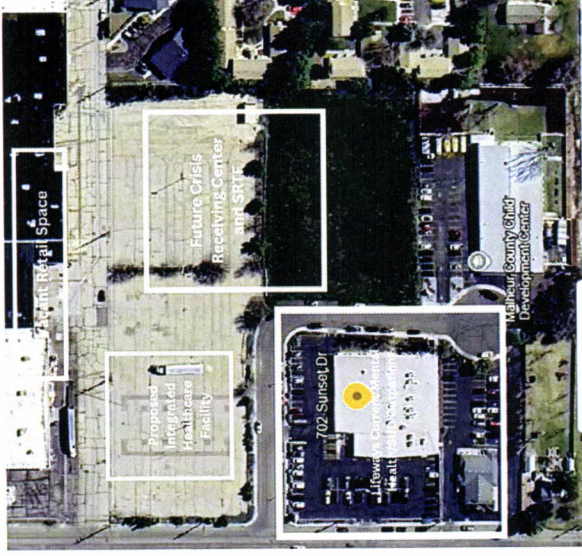
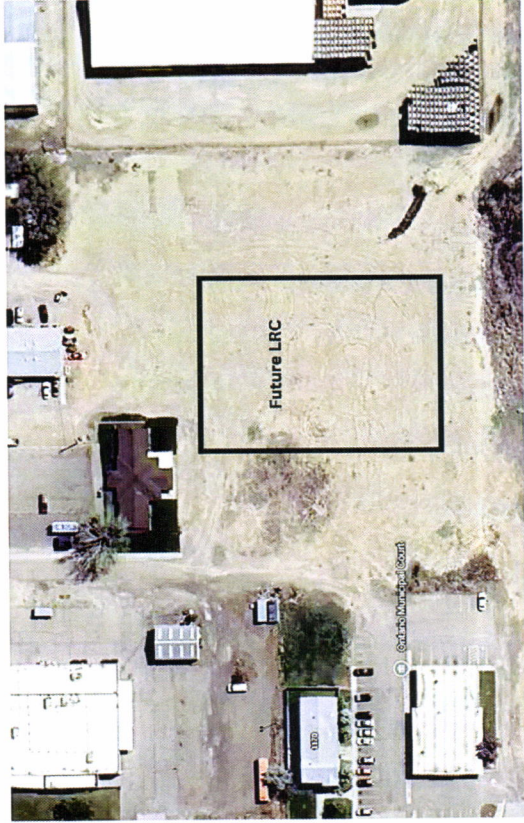
Our Community Conversation About Preventing Overdose in Malheur County was adapted from SAMHSA's Community Conversations about Mental Health, and took place at the Oregon State University Extension Service office in Ontario, Oregon on November 1-2, 2023.

The purpose of the meeting was to convene local leaders and stakeholders to build relationships and discuss strengths, gaps, and solutions toward a practical substance use prevention and overdose response plan. The primary goals were to:

- 1) Develop a system map that identifies strengths and gaps/needs
- 2) Develop an action plan to support strengths and addresses gaps/needs for the purpose of clarifying future work and securing funding to ensure a path forward

Highest Priority Actions

- 24/7Crisis Stabilization Center
 - Create an Inter-agency Team engaging in a multi-disciplinary response plan
 - Create a Youth Mentor Program at a location safe all ages and abilities
-



PROJECT HOPE

COMMUNITY NEED

LACK OF SERVICES LOCALLY
NO SOBERING
NO PUBLICLY FUNDED WITHDRAWAL MANAGEMENT
FEW RESIDENTIAL BEDS

IMPACT:

PEOPLE END UP RECEIVING SERVICES IN EMERGENCY DEPARTMENTS OR THE JAIL
SIGNIFICANT ISSUE FOR LAW ENFORCEMENT
CONTRIBUTING FACTOR FOR HOMELESSNESS

COMMUNITY FEEDBACK:

PROJECT NEEDED, LOTS OF EXCITEMENT

PURPOSE:

THIS PROPOSAL PROVIDES A MODEL TO ESTABLISH AN INTEGRATED MEDICAL HUB ON THE LIFEWAYS CAMPUS. THIS INNOVATIVE APPROACH ENHANCES A STRUCTURED, THERAPEUTIC ENVIRONMENT FOR INDIVIDUALS WITH SEVERE AND PERSISTENT MENTAL ILLNESS WHO REQUIRE A HIGHER LEVEL OF CARE THAN TRADITIONAL RESIDENTIAL TREATMENT BUT DO NOT NEED HOSPITALIZATION. THESE FACILITIES OFFER 24/7 SUPERVISION, MENTAL HEALTH SERVICES, MEDICATION MANAGEMENT, AND SKILL-BUILDING TO SUPPORT RESIDENTS IN STABILIZING THEIR CONDITIONS AND TRANSITIONING TO MORE INDEPENDENT LIVING. SRTFS PLAY A CRITICAL ROLE IN THE CONTINUUM OF CARE BY REDUCING HOSPITAL READMISSIONS, ENHANCING COMMUNITY SAFETY, AND IMPROVING THE QUALITY OF LIFE FOR INDIVIDUALS WITH COMPLEX MENTAL HEALTH NEEDS. DIVERTING PEOPLE OUT OF HOSPITAL AND CORRECTIONS SYSTEMS TO A MENTAL HEALTH FACILITY, THAT IS THE GOAL FOR THE FOUR-BED CRISIS RECEIVING CENTER.

SUNSET LOCATION

24/7 URGENT CARE WALK-IN

CRISIS RECEIVING CENTER (CRC)

A SHORT-TERM FACILITY WHERE INDIVIDUALS IN CRISIS CAN WALK IN OR BE BROUGHT IN BY LAW ENFORCEMENT, EMS, OR OTHER FIRST RESPONDERS.

PROVIDES IMMEDIATE ASSESSMENT AND INTERVENTION FOR PEOPLE EXPERIENCING A MENTAL HEALTH OR SUBSTANCE USE.

TYPICALLY OPERATES 24/7 AND SERVES AS AN ALTERNATIVE TO EMERGENCY ROOMS OR JAIL.

STAY IS USUALLY BRIEF (HOURS TO A DAY) BEFORE REFERRAL TO ONGOING CARE.

CRISIS STABILIZATION CENTER (CSC)

OFFERS A SLIGHTLY LONGER STAY THAN A CRISIS RECEIVING CENTER—OFTEN UP TO 23–72 HOURS.

FOCUSES ON STABILIZING INDIVIDUALS THROUGH MEDICAL AND THERAPEUTIC SUPPORT, INCLUDING MEDICATION MANAGEMENT.

PROVIDES A MORE STRUCTURED ENVIRONMENT THAN A CRC, OFTEN INCLUDING PSYCHIATRIC CARE AND CASE MANAGEMENT.

CAN SERVE AS A STEP-DOWN FROM INPATIENT HOSPITALIZATION OR A DIVERSION FROM EMERGENCY ROOMS.

3RD STREET LOCATION

INPATIENT SUBSTANCE USE 48 BED FACILITY AND WITHDRAWAL MANAGEMENT (REPLACE FACILITY BY THE FAIR GROUNDS).

TRANSITION OF CLIENTS TO SECURE RESIDENTIAL TREATMENT FACILITIES (SRTF)

What is the Psychiatric Security Review Board (PSRB)?

The PSRB is a state-appointed body that oversees individuals who have been found guilty except for insanity (GEI) of a crime and have been placed under the jurisdiction of the board instead of serving a traditional sentence. The PSRB's primary functions include:

- **Monitoring and Supervision:** Ensuring public safety by closely monitoring individuals under its jurisdiction.
- **Individualized Treatment Planning:** Requiring treatment plans that prioritize both recovery and risk management.
- **Decision-Making on Conditional Release:** Determining when and under what conditions a client may step down to a lower level of care, such as an SRTF.
- **Revocation Authority:** The PSRB can immediately revoke a client's conditional release if there is any concern for public safety.

The Transition Process from Oregon State Hospital to an SRTF

When a PSRB client is considered for step-down from the Oregon State Hospital to an SRTF, the following rigorous procedures ensure the transition is safe and appropriate:

1. **Comprehensive Risk Assessment:** Each client undergoes a detailed psychiatric and risk assessment to determine readiness for a less restrictive environment.
2. **Structured Living Environment:** SRTFs provide 24/7 supervision with staff trained to manage mental health conditions and behavioral challenges.
3. **Intensive Treatment and Monitoring:** Clients continue receiving therapy, medication management, and other rehabilitative services under close observation.
4. **Conditional Release with Strict Requirements:** Clients must follow strict behavioral and treatment conditions, with noncompliance leading to immediate re-hospitalization.
5. **Community Safety Measures:** Local law enforcement, community partners, and treatment providers coordinate to ensure public safety and address any concerns proactively.

TRANSITION OF CLIENTS TO SECURE RESIDENTIAL TREATMENT FACILITIES (SRTF)

Safety

- **Public Safety is the Priority:** The PSRB only approves transitions when they are confident in the client's stability and lack of risk to the community.
- **High Supervision Levels:** SRTFs maintain structured environments with 24/7 staff, routine checks, and immediate intervention protocols.
- **Revocation Authority is Immediate:** If any concerns arise, the PSRB can revoke a client's conditional release and return them to the hospital.
- **Successful Community Integration:** Many PSRB clients have transitioned to SRTFs throughout Oregon without incident, demonstrating the effectiveness of the process.

Conclusion

The PSRB provides a structured and highly regulated process for clients transitioning from the Oregon State Hospital to an SRTF, prioritizing both public safety and client rehabilitation. Given the oversight, treatment plans, and security measures in place, there is no significant risk to the community from these transitions. We encourage continued collaboration and open dialogue to ensure all stakeholders remain informed and engaged.

Note: Lifeways has been operating an SRTF in Umatilla County since 2007

THANK YOU

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