

Bulletin on publishing precipice (...continued from front)

... Western is saddled with nearly \$26 million in debt, \$18.9 secured by essentially all company assets.

Curry Coastal Pilot. Its California papers are the Del Norte Triplicate and Sonora Union Democrat.

In a standard bankruptcy form, Western checked a box acknowledging \$10 million to \$50, million in debt, against the same range of assets. The company's bankruptcy attorney is Tonkon Torp, LLP, of Portland.

Listed as the only secured creditors are Sandton Credit Solutions Master Fund III, LP, of New York and First Interstate Bank of Bend.

A Bulletin article announcing the filing quoted chairwoman Elizabeth (Betsy) McCool that, "This is the only way we can preserve our creditors' investments and our owners' interests in valuable community assets."

Company president John Costa said the Chapter 11 process, which allows companies to continue operating while attempting to work out debt, "...will give us time to further restructure our organization for a changing media world, a process we have been undergoing, as most newspapers have."

Western has petitioned the court for \$1.619 million in "cash collateral to keep the newspapers running without harming the

1 11. Without the use of cash collateral, Debtor has insufficient funds to
 2 meet its expenses and other payments set forth in the budget. Debtor has an immediate need
 3 to use Sandton's cash collateral to pay its vendors, employees, benefit plans, and ongoing
 4 operating expenses.
 5 12. It is in the best interest of Debtor, its creditors, and its estate for Debtor
 6 to use Sandton's cash collateral because the use of cash collateral will allow the continued
 7 operation of Debtor as a going concern, will maximize the likelihood of reorganization, and
 8 will maximize the recovery to all creditors.

company's value." The capital infusion would come from secured creditor Sandton. A Bloomberg profile explains that Sandton, "...purchases under-performing and non-performing loans from banks and non bank financials:"

On its website, the company notes, "For our target credit types - illiquid and complex loans to businesses - selling a loan to Sandton is often a much better solution..."

In a declaration filed after the original Chapter 11 petition, Costa revealed that the company owes secured and unsecured debt totaling nearly \$26 million. Of that the debt to Sandton is \$18.9 million, "...and is secured by substantially all of Debtor's accounts, inventory, equipment, intangibles and real property."

Employee morale and subscriber loyalty at risk

Also in the declaration, Costa said the company owed as of January 22 approximately \$266,000 for wages, salaries and related expenses with no employee owed more than \$12,850. Another \$1.4 million was obligated for prepaid subscriptions at all of its newspapers.

The declaration further noted unpaid real and property taxes totaling \$650,000, and an IRS debt of \$1.0 million.

The total debt listed for the 20 largest unsecured creditors is approximately \$1.96 million, with the largest of \$945,963 to Page Cooperative, a Pennsylvania newsprint supplier. There are two other unsecured creditors with claims topping \$100,000, including Newscycle Solutions of Minneapolis, a media software firm, for \$325,014, and Davis Wright Tremaine, a Seattle law firm, \$223,666.

Employee morale and its reputation with subscribers are at stake without emergency funds...

NIMBYS & YIMBYS face off

Developer joins project opponents

Bend's NIMBY vs. YIMBY tension is ramping up and now pitting developer against developer as the city holds public hearings on a Seattle company's plans for a 170-unit westside apartment complex.

On one side is a vocal group arguing that the proposed four-story building will loom over the new whitewater park on the Deschutes River while also further tangling area traffic and flooding offstreet parking.

Some are labeling opponents the NIMBY (not in my backyard) faction.

Their cause has gained support from visionary developer Bill Smith who turned a mothballed timber operation upstream on the Deschutes into the fashionable Old Mill District mixed use project.

On the other side is a group that has embraced the YIMBY (sub the Y for the N) mantle, arguing that skyrocketing rents and lack of multi-family dwellings are pricing many working residents out of affordable housing.



Old Mill District developer argues scale of apartment building is too massive for the site near Deschutes River

Evergreen Housing Development Group of Seattle has proposed a 170-unit, four-story, 168,000 square foot building on the 2.91 acre site zoned mixed use waterfront (MR). The proposal calls for 170 offstreet parking spaces supplemented by another 16 on street.

The site is between Bend's new Pavilion multi-sport recreational facility and sits above Shevlin-Hixon Drive, McKay Park and the Deschutes River rafting safe passage channel and whitewater park.

Smith reportedly was involved in establishing the MR zone, with an early, hypothetical master plan that at one time envisioned a 120-room hotel on the site. An illustration Smith reportedly had prepared before the recent hearing is intended to show the proposed apartment on a massive scale in relation to its surroundings.

As well as traffic and parking pressures, opponents maintain the building will cast a shadow over the park grounds and river.

The Bend planning department had initially approved the apartment proposal at the administrative staff level, noting that it met zoning requirements but would require a height variance of five feet more than the 45-foot code standard.

But a senior planning official elevated the application review to require a hearing as the result of increased public interest.

Lack of regard for the natural beauty of the Deschutes River - the jewel of Bend. Help stop this irresponsible overbuilt edifice on our river!

PUBLIC HEARING:

WHEN: January 10, 2019 (this Thursday) at 11:00 AM

WHERE: City of Bend Council Chambers, 710 NW Wall Street

WHAT: Seattle developer seeks to build 170 room apartment complex on the 2.9 acre hillside above the McKay & Whitewater Rafting Park. The project is five stories tall and 68 feet in height when viewed from the river and park.

WHY: Parking for river users and Ice Pavilion visitors will be used by apartment dwellers due to insufficient on-site parking. Traffic will be stalled along Colorado, the Colorado Bridge, Simpson, Columbia and surrounding streets. This gigantic apartment will cast shadows over the river and park through most days creating a cold beach in the summer and ice pack during the winter.

NIMBY & YIMBY faceoff.... (from page 3)

“The effing real estate pros OWN this town. They make all the rules and take all the profit for short term gain...”

OR...

“We are a city now . We’re not a town anymore and building up and not out is really important for sustainability in the future.”

Opponents have taken to Facebook posts on various groups, including a YIMBY group advocating for this project and others which could improve housing availability.

A sampling of comments include rants about greedy real estate professionals and insensitive out-of-town developers, along with laments about Bend losing its small town atmosphere.



One contrary post, to the YIMBY group that favors the project: “The effing real estate pros OWN this town. They make all the rules and take all the profit for short term gain. Really sad. But hey, that’s American Capitalism. Rich get richer, poor get poorer.”

Another: “Is everyone aware of this?! This is poorly planned project lining the pockets of companies completely outside of Bend :(Not to mention creating a parking and aesthetic nightmare! Please get the word out!”

Apartment supporters say, among other points, that Bend is no longer a small town, with a population nearing 100,000. It needs to plan for the future rather than hiding from inevitable growth issues.

That lot next door? Check your CCRs

Duplexes and triplexes are now permitted in single family neighborhoods

A recent approval of a significant change in Bend’s development code could have many single family homeowners digging around to find and read their CCRs again.

Or other might be regretting that their neighborhood lacks the “covenants, conditions and restrictions” that establish building standards and additional requirements.

On January 18, the Bend City Council gave final approval for a development code provision that allows duplexes and triplexes to be built on lots of sufficient size in areas of the city now zoned RS, or residential standards, which previously mandated only single family homes.

With the new code provision, a duplex will be allowed on a lot of 6,000 square feet or larger, and a triplex on one of 9,000 or more. It would also be possible for the owner of an existing home to demolish it and build a duplex or triplex.

A senior planner with the City of Bend said the city would not get involved in disputes between lot owners, builders or neighbors. If a lot meets the

Low snowpack could mean more drought; water users wary of coming spring-summer

It doesn't look good. That would probably be the consensus of various stakeholders if asked to predict Central Oregon's water situation for the coming Spring and Summer.

True, the snowpack is generally better than the 2017-2018 winter. But that gradual improvement has a long way to go even if more snows and a cooler Spring are to add significantly to already record low levels of reservoirs that feed river flows.

As of mid-January the US Drought Monitor map showed all but a thin northwest sliver of Deschutes County was in extreme drought, along with a large area of far eastern Oregon. Most of the rest of the state was in severe drought and only the far northeastern and a smaller northwestern area had escaped a drought designation. And those were categorized as abnormally dry.

A year ago in January, even after a low snowpack, there were no areas of the state classified as even abnormally dry or in a drought condition.

Maybe the good news is that thus far no area of the state has been tagged as in "exceptional drought," the most serious of the monitor as reported by the US Department of Agriculture in cooperation with other agencies.

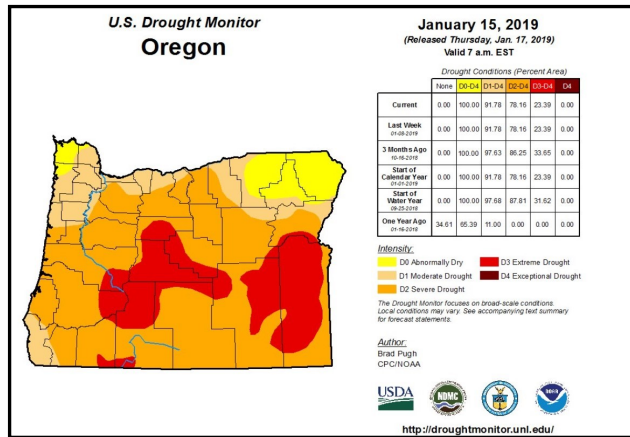
In the Upper Deschutes Basin at Wickiup Reservoir, the region's largest, the level as of Feb 4 was a 53% of capacity, or about

106,000 acre feet of water. Last year at this time the reservoir held more than 176,000 acre feet. The average is approximately 165,000.

Last year's water level was due in large part to the benefits gained from the the previous 2016-2017 year's extremely deep snowpack and ensuing runoff that kept reservoir levels higher as the following "water year" began in the fall of 2017.

Comparing current snowpacks with previous years, the SNOTEL reporting station at Three Creeks Meadow south of Sisters reported a snow water equivalent of 8.6 inches in the accumulated snow, only 67% of the 12.8 inches median for the period of 1981-2010.

As of mid-January all but a thin northwest sliver of Deschutes County was classified as in "extreme drought."



Three Creeks Meadow (815)
Oregon SNOTEL Site - 5690 ft
Reporting Frequency: Daily; Date Range: 2019-01-29 to 2019-02-04

As of: Mon Feb 04 12:00:02 GMT-08:00 2019
 *Provisional data, subject to revision**

Date	Snow Water Equivalent (in) Start of Day Values	Median Snow Water Equivalent (1981-2010) (in) Start of Day Values	Snow Water Equivalent % of Median (1981-2010)	Snow Depth (in) Start of Day Values	Precipitation Accumulation (in) Start of Day Values	Average Precipitation Accumulation (1981-2010) (in) Start of Day Values	Precipitation Accumulation % of Average (1981-2010)
2019-01-29	8.6	12.1	71	26	17.6	23.1	76
2019-01-30	8.6	12.2	70	26	17.6	23.4	75
2019-01-31	8.7	12.3	71	26	17.6	23.6	75
2019-02-01	8.7	12.4	70	26	17.6	24.0	73
2019-02-02	8.7	12.5	70	25	17.6	24.3	72
2019-02-03	8.7	12.6	69	25	17.7	24.4	73
2019-02-04	8.6	12.8	67	25	17.5	24.5	71

Publisher on precipice.... (from page 4)

Without approval of the cash collateral for operations, Costa's declaration said there would be, "...a significant negative impact on worker morale and some employees may not report to work... Failure to honor subscriptions could mean the company's "reputation will be irreparably harmed."

The Bulletin has asked the bankruptcy court to approve a payroll for 75 salaried and 170 hourly employees, and 200 independent contractors.

The newspaper's announcement of the bankruptcy, without an attributed quote, noted that, "Readers of the Bulletin will see changes in the coming weeks and months designed to create an economically sustainable and locally focused product."

Insiders lend to company just prior to bankruptcy filing

The Deschutes County Clerk's database indicates that in July of 2016 Bank of America assigned to the Sandton credit fund the debt and a lien it held on Western property in Redmond and Bend, which combined debts appeared then to have totaled about \$20 million. Some of that debt had been taken over by Bank of America following the failure of Seattle-based Washington Mutual, which collapsed under the weight of bad loans early in the housing crisis.

Only days before the current bankruptcy filing, top executives of Western Communications, along with several of their family and other individuals provided the company with additional financing in the form of loans.

Among filings with Deschutes County by Western were trust deeds with promissory notes totaling \$253,000 to individuals and spouses, including company chairman McCool, two deeds for for \$160,000 and Western president John Costa, \$8,000.

The trust deeds and related promissories are secured in part by the company's headquarters on SW Chandler Avenue. But those deeds and prom-

issories are not listed in the bankruptcy filing. It's unclear how those claims might relate to Sandton's secured loan covering all the company's assets as described in Costa's declaration in the bankruptcy.

Some of The Bulletin's problems have long been known, among them the earlier bankruptcy involving the loan and line of credit with Bank of America, secured by the company's 87,000 square foot building on nearly 10 acres, with offices, newsroom and printing plant and fixtures and equipment. The building at 1777 SW Chandler was first occupied in 2000.

CoStar

As the local housing market and economy plummeted in the recession the company failed to meet profit targets indexed to the loan and interest rates, prompting the lender to raise interest rates, leading to the Chapter 11 bankruptcy in August of 2011. Western emerged from Chapter 11 in April of 2012 after negotiations with the bank and other lenders.

A bank attorney, as quoted in The Bulletin then, direly observed "...the traditional hard-copy newspaper business is currently facing an existential challenge to its very future."

At the time, Western granted a trust deed and fixture filing of \$20,838,747 to Bank of America, secured by Western's Bend and Redmond real estate.

For many months Western had been trying to sell its headquarters building for nearly twice the county appraised value, with the condition of a leaseback that would allow it to continue operations there. The county has estimated the property's real market value (RMV) at only \$9,741,880. The property is no longer listed on commercial property website LoopNet. The county also lists RMV of personal property at the address at \$632,980.

Digital safe haven may be elusive

Nearly seven years after exiting

[Continued on page 8](#)

Western insiders issued trust deeds secured by promissory notes after providing company with funds only days before the bankruptcy filing

Western is not alone in the elusive search for a profitability in the digital news environment

Three decades later...same solution for Mirror Pond = dredge it again

When a major decision must be made that involves one of Bend's most cherished landmarks it takes much discussion -- especially when those with a place at the table include the city parks agency, private real estate developers, a major utility, neighboring landowners, the City of Bend and conservation groups.

But in the case of Bend's "iconic," as often described, Mirror Pond the recent outcome after all the meetings, newspaper editorials, letters to the editor and community "outreach" the result was perhaps predictable.

The decision appears to be once again to dredge the unnatural slackwater impoundment of the Deschutes River for the first time since 1984.

The pond has existed adjacent to Drake Park since earlier the last century, created by a small dam owned by Pacific Power on the north end at Newport Avenue. For decades silt has been building in the pond as water slows in it's journey toward the dam.

This time around as silt was reaching untenable levels a discussion of finding a way for the river to flow more naturally entered the agenda.

But standing in the way of that solution was the dam, and the fact that the land under the river is owned by developer Bill Smith and Todd Taylor, head of a leading heavy equipment contracting firm. They formed Mirror Pond Solutions, and came out in favor of keeping the pond mostly as is, with dredging the linchpin of that strategy.

Moreover, Pacific Power was reluctant to commit to removing or substantially changing flows through the dam, or the possibility of adding a fish passage.

In a series of meetings and decisions last December the City of Bend, Parks and Recreation district, and Pacific Power each agreed to kick in \$300,000 for dredging--to be combined with \$300,000 in private donations obtained by Mirror Pond Solutions.

The estimated cost of the project is \$6.7 million, leaving a \$5.2 million balance. To cov-



Publisher on precipice ...(from page 6)

the last bankruptcy, The Bulletin is still trying to find its way to profitability in the digital age, and it is not alone in the news business.

But Western could well discover that a safe haven and profitability in digital news is elusive. Even such large online sites as BuzzFeed are still trying to find the magic revenue formula, as the company recently announced it would layoff 15 percent of its 1,400 em-

company is working its way through the tax issues in Deschutes County without being in default.

“We are within the allowable time period to pay those taxes and we fully intend to pay them. We’re working our darndest to move over in to the new world of digital reporting and editing and digital revenue particularly,” OPB quoted Costa.

The budget proposed to the bankruptcy court for use of the \$1.6 million cash collateral from Sandton does not provide for any payment of

BuzzFeed has a credible digital news component

but it has relied on clickbait items for revenue, a strategy that appears to be ineffective as layoffs begin.



BuzzFeed News
REPORTING TO YOU

ployee workforce. Verizon has also announced layoffs of 7 percent in its media related companies that include Yahoo, AOL and HuffPost.

As with most newspapers, The Bulletin has continued to lose lucrative classified advertising to competitors, with Craigslist.org capturing much of that business. Industry analysts say even the more established digital news providers have suffered from the ascendancy of Facebook and Google siphoning revenue.

Among Western's other liquidity problems is back taxes as initially reported by OPB just days before the bankruptcy filing. Much of those are in Deschutes County for the Bulletin headquarters and a Redmond property, while delinquent taxes were reported by OPB in counties where its other newspapers are based.

In comments to OPB before the bankruptcy, president Costa said the

taxes. Nor does it show any plan to service debt held by Sandton.

Starting in 2000 when the newspaper moved into its new building at 1777 SW Chandler Avenue, the company paid Deschutes County property taxes of \$201,616 after a \$6,235 discount for prompt payment. It paid county taxes on time for the next seven years.

As of January 22, 2019, the company had not paid any Deschutes property taxes since 2014 according to statements on the county assessor's website. In July of 2015 the county levied an additional interest payment of \$16,164 for missing a final "trimester" payment due for the year that May.

Oregon law allows a county to foreclose on property if taxes levied in the fall and due not later than the following May have not been paid for three successive years. Western's 2015 unpaid taxes would be three years overdue in May of 2019. But the bankruptcy filing will preclude Deschutes from foreclosing according to assessor's office attorney Dave Doyle, but he emphasized the county's

As of January 22, 2019, the company had not paid any Deschutes County property taxes since 2014...

Publisher on the precipice (continued)

claims remain valid. .

Lack of enterprise investigative reporting

Compounding challenges to build digital advertising revenue while retaining subscribers the Bulletin is now also faced with creating an engaging and quality editorial product on a survival budget. Those familiar with the newspaper industry have noted the newspaper's lack of in depth "enterprise" or "longform" reporting, such as multi-part investigative series, and a general shortage of locally generated news. And initial coverage of important issues is sometimes one-and-done, with no detailed followup.

In a recent Monday print edition, often the slackest news day of the week, the 16 pages of the paper contained only three stories generated by the Bulletin staff. Most content was from wire services and other syndicated sources or co-op material from other print publications including The Oregonian. A spot sampling of content from Monday through Saturday, January 14-19, found only two staff generated business stories.

Report by Missoulain, with half Bulletin's circulation

The Oregon Newspaper Publishers Association lists The Bulletin's circulation at around 27,000, slightly higher on weekends. By comparison, the smaller market Missoulain newspaper in Missoula, MT has a circulation of about 14,000 and regularly generates investigative stories.

Perhaps in an attempt to show local initiative, for the past year or more the paper has been moving editorials to a prominent position on its website. These often address statewide issues in a conservative slant with emphasis on being a fiscal watchdog. Surprisingly, the tilt to the right seems contrary to the paper's endorsement of Hillary Clinton in the 2016 election.

The paper's coverage of breaking local news such as traffic accidents, bank robberies and violent crime has lagged behind such local media as KTVZ-TV, an NBC affiliate, which sometimes beats the newspaper in timeliness and coverage depth as stories unfold.

January 21, 2019

A print competitor, The Source weekly, in it's earlier years often referred to the paper as "The Bully." The weekly has since morphed from a chaotically designed paper to a more traditional tabloid format while maintaining an edgy content tone.

Oregon's leading daily, The Oregonian, has reduced home delivery to Wednesday, Friday, Saturday and Sunday mornings, putting more emphasis on its companion Oregonlive.com website, to reduce costly printing and circulation costs.

Could Bend lose its daily newspaper?

The Bulletin continues to offer home delivery all seven days, with embarrassingly thin newspapers some days and weighted down by inserts on others. On numerous Facebook posts subscribers complain about missed deliveries, including a recent one from someone saying they were cancelling their subscription after being a reader for 39 years.

The paper has recently initiated a more robust Facebook program and an option for daily emailed headlines, but has yet to offer such services as staff narrated video feeds or podcasts to accompany news items, as with more digitally advanced newspaper. The paper has also not established "news partnerships" with television media to broaden market reach, as have some publications.

Western's battle with debt at its bottom line might have a chance if it's able to adopt strategies that have worked for other small market newspapers and improve its local content. If not, it could

The formidable financial hurdles facing Western and the Bulletin raise the question if Bend could lose it's 115-year-old daily

Publisher on the precipice (continued)

emerge as only a skeleton of its historic brand, perhaps forced into the hands of a better-capitalized buyer. Or—in a worst case—it could exit the way of larger newspapers such as the defunct Rocky Mountain News or Seattle Post-Intelligencer, or the Denver Post which is now being gutted by New York hedge fund Alden Capital that also has its eyes on the large newspaper chain Gannett.

In an editorial following the bankruptcy filing, editor Erik Lukens made an impassioned plea for readers to support the paper with subscriptions. Advertising, once the economic foundation of a newspaper, has been replaced by subscriptions as the primary revenue source, Lukens wrote.

His suggestion: "Consider giving a Bulletin subscription as a gift. Is that ugly sweater going to make your community a better-informed place?"

As for changes in content, "There's an equilibrium out there for The Bulletin, and it will involve less newsprint and wire service articles from elsewhere, and a sustained focus on local news," in the editor's view.

In several cities local and more in depth coverage has been the driving strategy in formation of new online news media comprised in large part of staff defecting from, or laid off, as the result of cuts or closing of their former newspaper. The new ventures have typically been formed as non-profit, community funded operations. In the case of the Colorado Sun, former Denver Post staffers found financing from The Civil Media Company, whose mission it says is to introduce, "...a new funding model --and a supporting ecosystem--that enables journalists to focus on serving their readers above all else."

The Bulletin has thrived at times and survived since its founding in 1903, when Central Oregon began to develop an agricultural base dependent on irrigation from the Deschutes River basin, later becoming a major producer of lumber at massive mills where logs were floated downstream to what is now an

upmarket retail, hotel and office complex.

At one time George Putnam, grandson of the founder of the renowned New York publishing house, bought, edited and published the Bulletin and was mayor for a time while living in Bend from 1910-1917. He married aviator Amelia Earhart after leaving the area.

Today Bend has the reputation for attracting telecommuters from California, Seattle and Portland, as well as retirees and tourists who swell the town's summer population several fold to fish, boat, hike and golf in summer and head to Mt. Bachelor's slopes and backcountry dry snow in winter.

The key to Western's and The Bulletin's future could well be held by Sandton as the largest secured creditor. The company likely acquired the debt from Bank of America at a deep discount, and at some point will want to realize the potential of its investment. The Bend real estate and equipment might be the assets that meet that goal.

Positive economic conditions are there for The Bulletin as Bend and Deschutes County continue to lead the state in growth. Less than a week after the Chapter 11 petition, the Milken Institute for the third consecutive year named the Bend-Redmond are the top performing small city in the country, citing growth of wages, gross domestic product and high tech industry.

But if the newspaper group's fate is a worst case scenario, it's probable that, like so many people and things lost to technological or other factors, the community may not fully appreciate and miss it until it's gone.

"We're all having trouble, but this sounds like there's really something off track somewhere." offered the CEO and owner of a Montana daily and weekly newspaper group. He began his career at The Bulletin under the late, revered owner-publisher Robert Chandler whose extended family are still majority owners.

And, he added, "Bob Chandler must be flipping in his grave."

A commentary on challenges facing the news business.....page 11

“Consider giving a Bulletin subscription as a gift. It that ugly sweater going to make your community a better informed place?” - Bulletin editor

Erik Lukens

Chasing what's trending in an open spigot of tweets....

Today's news environment could be described as chaotic and cluttered. The constant stream of social media too often traps journalists into chasing what's trending in the open spigot of tweets or other online posts while faced with little time for fact checking or to arrange the jumbled results into an accurate and coherent context.

While some optimists and libertarians hail the internet as the democratization of news, wresting control from the gatekeeper "mainstream" media, others see the dumbing down of journalism. At one time legacy media, in the form of newspapers and broadcast outlets, set standards for integrity in reporting. Today there is a crowded field in the flood of "content generators," some very good, others not so much so and a few a few indisputably reprehensible.

New York Times columnist Tom Friedman writes in his book "Thank you for Being Late," that we're in an age of acceleration, where it is nearly impossible to stay ahead of advancing technology. Chasing "truth" in this complex milieu, when even the phrase "alternative facts" rises in the vocabulary, is as much a concern for local as national media.

The landscape is ripe for blatantly racist web sites run by the likes of Alex Jones to dupe the gullible or naive, and prey on prejudices. And it's full of risk for more principled media faced with weeding out the facts from fallacy while trying to compete.

This is not to argue that newspapers should rely on past laurels without critical analysis. But for the most part those that have survived for decades, even a century or more, look at their mission as a vital service in the public interest. As the early Superman series described the Daily Planet mission, it's the noble quest for "Truth Justice and the American way."

—Lee Hicks, January 2019:

The writer began his news career as editor of a small county-seat weekly north of Denver, later moving on to reporting and editing positions with daily newspapers and an international wire service. After a detour into public relations and marketing, he returned to news with the purchase of a now 115-year-old weekly in the far north central reaches of Washington state. He now lives quietly out of the media battles.



That lot next door? (from page 4)

minimum size, the city would likely approve it.

This leaves, for instance, homeowners who might have a 6,000 or 9,000 foot unbuilt lot next door with relying on their neighborhood CCRs, which often restrict what can be built. In the case of Bend's Awbrey Butte neighborhood, the city planner noted, CCRs would prohibit the multi-family buildings.

The new code provision is intended as one strategy to improve availability of more affordable housing, as the median price of single family homes in Bend has risen to more than \$428,000 for the 12 months of 2018.

Some opponents of the measure argued that it does not take into consideration the character of individual neighborhoods or configuration and typography of vacant lots.