

RESOLUTION NO. 2820

A RESOLUTION OF THE BEND CITY COUNCIL CALLING FOR AN ELECTION ON THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FINANCE TRANSPORTATION SYSTEM IMPROVEMENTS

Findings

- A. The City's significant growth of the last 10 years has impacted its transportation system. Traffic mobility, congestion, deteriorating road conditions, access and safety issues need to be addressed.
- B. With the economic downturn, the City has had limited funds to build, improve and maintain streets. As a result, there is a backlog of needed street improvements that need to be constructed and for which the City does not have funding.
- C. Substantial transportation improvements could be made with the proceeds from general obligation bonds that would result in assessments that would not exceed 27 cents per thousand dollars of valuation.
- D. In addition, the City Council held a workshop on February 2, a public comment forum on February 10, and another workshop on February 16 to further identify priority projects.
- E.. City staff has presented the Council with information on various transportation improvements, including: Reed Market Road (various segments), Simpson/Mt. Washington roundabout, Brookwood/Powers Roundabout, 18th and Empire roundabout, 27th Street reconstruction and 14th Street/Century Drive reconstruction
- F. The voters of the City should decide whether to approve the issuance of bonds for transportation improvements that would result in an additional assessment that would not exceed 27 cents per thousand. An annual special levy of 27 cents per thousand dollars of assessed value on real property imposed by the Bend Urban Renewal Agency for the Downtown Urban Renewal Area is expiring, so the increased tax rate to repay the bonds would be offset by the reduction resulting from the expiration of the urban renewal special levy.
- G. The City anticipates incurring expenditures (the "Expenditures") to finance the costs of the street and surface transportation capital improvements and wishes to declare its official intent to reimburse itself for any Expenditures it may make from its general funds on the improvements from the proceeds of voter-approved general obligation bonds (the "Bonds"), the interest on which shall be excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

Based on these findings,

THE CITY OF BEND RESOLVES AS FOLLOWS:

Section 1. An election is called in and for the City of Bend for the purpose of submitting to the legal voters of the City the following question;

Shall Bend issue up to \$30 million in general obligation bonds to improve major street corridors and intersections? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

Section 2. Tuesday, May 17, 2011, is designated as the date for holding the election on the question stated in Section 1.

Section 3. The election will be conducted by the Deschutes County Elections Department.

Section 4. The precincts for the election shall include all territory within the City of Bend and no other territory.

Section 5. The ballot title to appear on the ballot shall be:

CAPTION

Bonds for Transportation Safety and Capacity Improvements

QUESTION

Shall Bend issue up to \$30 million in general obligation bonds to improve major street corridors and intersections? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

SUMMARY

The measure, if approved, would authorize the City to issue up to \$30 million in bonds to be repaid from property taxes to pay for street improvements, including some or all of:

| <u>Project</u> | <u>Estimated Cost</u> |
|--|-----------------------|
| Reed Market (3 rd to 27 th) | (\$18.3 million) |
| 18 th /Empire Roundabout | (\$3.0 million) |
| Brookwood/Powers Roundabout | (\$3.0 million) |
| 27 th Street Reconstruction | (\$1.0 million) |

Simpson/Mt. Washington Roundabout (\$3.0 million)
14th Street Reconstruction (if funds available) (max \$4.5 million)
Other Council-authorized street projects

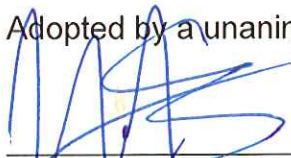
Spending would be audited in the City's annual audit.

Bonds would mature within 21 years from date of issuance and would be issued in one or more series to maintain a levy of no more than \$0.27 per \$1,000 of assessed valuation. A Bend Urban Renewal special levy of \$0.27 is expiring in 2012. If the measure is approved, the tax to pay the bonds would be offset by the expiration of the urban renewal levy.

If this measure is approved, the proposed assessment on property with an assessed value of \$200,000 would not exceed \$54 per year.

- Section 6. The Council adopts the Explanatory Statement for the Voters' Pamphlet attached as Exhibit A.
- Section 7. The City declares its official intent to reimburse itself with the proceeds of the bonds for any of the Expenditures incurred by it prior to the issuance of the bonds.
- Section 8. The City Recorder and staff shall take all necessary steps to effectuate this resolution, including providing public notice and submitting required materials to the County Elections Officer, and taking steps to issue the bonds if approved by the voters. If the measure is approved, the City will act consistently with the ballot title and explanatory statements.
- Section 9. This resolution takes effect immediately upon passage.

Adopted by a unanimous 6/0 vote of the Bend City Council on February 16, 2011.



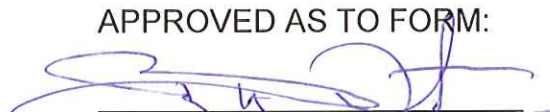
Jeff Eager, Mayor

ATTEST:



Patricia M. Stell, City Recorder

APPROVED AS TO FORM:



Mary Winters, City Attorney

EXHIBIT A

EXPLANATORY STATEMENT

If approved by voters, this measure would authorize the City of Bend to issue up to \$30 million of General Obligation bonds to pay for the following capital construction and improvements for streets and bond issuance costs. Specifically, this measure would provide funds for some or all of the following priority street improvements:

Reed Market from 3rd to 27th Streets (estimated cost \$18.3 million), including:

- a. Newberry to Daley - Improve to 3 lane urban standard street with bike lanes and sidewalks (estimated \$5.3 million)
- b. Reed Market/15th – Multi-lane roundabout (estimated \$5.5 million)
- c. American Lane – relocate and improve Reed Market/American Lane intersection, including relocation and reconstruction of American Lane Bridge (estimated \$7.5 million)

Simpson/Mt. Washington roundabout (estimated \$3.0 million)

Brookwood/Powers roundabout (estimated \$3.0 million)

18th/Empire multi-lane roundabout (estimated \$3.0 million)

27th Street Reconstruction from Connors to Butler Market (estimated \$1.0 million)

14th Street/Century Drive Reconstruction to urban-standard streets with bike lanes and sidewalks between Simpson and Galveston (estimated \$4.5 million)

Projects listed as roundabouts may be modified to be constructed as other intersection improvements based on further engineering studies. The 14th Street/Century Drive Reconstruction project would be scaled back or eliminated if bond proceeds are insufficient to construct all projects. Funds could also be used on street improvement projects not listed above if cost savings are realized on priority projects or if one or more priority projects cannot proceed for any reason.

Bond proceeds would pay for design, engineering, construction, purchase of right-of-way, project management and overhead and costs associated with issuing and repaying the bonds. Transportation improvements would be constructed to City standards, including vehicle travel lanes, roundabouts, signals, bicycle lanes, drainage, and sidewalks. All sidewalks and curb ramps would meet ADA compliance. The improvements would improve safety, congestion, circulation and mobility:

The criteria list for projects included: a) citizen input to prioritize major street improvements; b) an analysis of street rehabilitation and reconstruction and c)

geographic distribution throughout the community to ensure that all areas of the City would benefit from the bonds.

The bonds would be paid by an annual assessment on real property. If approved, the bonds would be issued in one or more series. Each series of bonds would mature within 21 years from the date of issuance. A "Yes" vote on this measure would be a vote to increase taxes. The measure, if approved, would cost taxpayers a maximum of \$0.27 per \$1,000 of assessed value and an estimated average of \$0.22 per \$1,000 of assessed value each year. However, a \$0.27 per \$1,000 Bend Urban Renewal Agency special levy is expiring, so if this measure is approved, the cost of the bond measure would offset the expiration of the urban renewal levy.

If the measure is approved, the assessment to repay the bonds on a home with an assessed value of \$200,000 would be \$54 per year at maximum and an estimated average of \$44 per year over the repayment period.

BOND MEASURE PROJECT MAP

