

TECHNICAL APPENDIX

TECHNICAL APPENDIX

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EXISTING CONDITIONS



CITY OF BEND

CORE AREA PROJECT



EXISTING CONDITIONS & APPLICABLE PLANS, PROJECTS, PROGRAMS

April 2019 *(Revised February, 2020)*



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Allison Platt at aplatt@bendoregon.gov or 541-322-6394.

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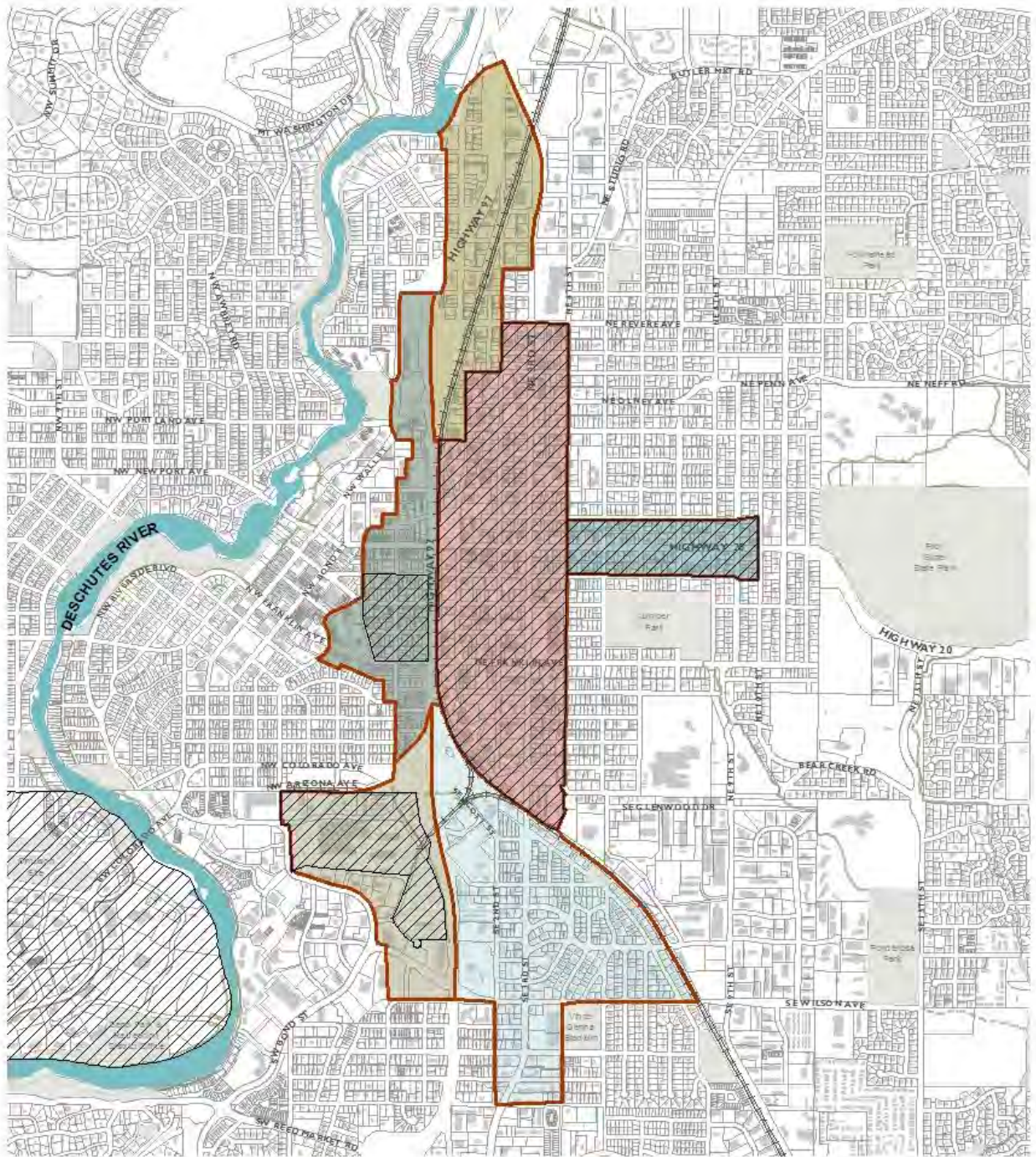
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**BEND CORE AREA
STUDY AREA**



- Division Subarea
- Bend Central District Subarea
- Hwy 20/Greenwood Subarea
- Greater East Downtown Subarea
- Greater KorPine Subarea
- Wilson Subarea
- Core Area & Subarea Boundaries
- Opportunity Areas
- Building Footprints*
- Taxlots
- Parks

3/13/2019

N

*This information is not verified by the City of Bend

FIGURE 1. PROJECT STUDY AREA

SUMMARY

The purpose of this report is to begin to describe the existing conditions for the project study area and present historical planning work for context. The report is formatted to fulfill the existing conditions requirements for a future Urban Renewal Plan and Report, pursuant to Oregon Regulations and Statutes (ORS) 457 and support the process of sub-area visioning, project identification, and ultimately the development of implementation strategies for the Core Area of Bend.

This report will help to illuminate existing physical, social, and economic conditions within the project study area as well as existing conditions and planned improvements for various infrastructure systems including transportation, sewer, water, and stormwater.

The Core Area Project study area is inspired by previous planning efforts, such as the 2004 Central Area Plan and the Bend Central District Multimodal Mixed-Use Area (MMA) plan. This project is an implementation of the Bend Comprehensive Plan and the 2016 Urban Growth Boundary (UGB) process; it will identify strategies to help achieve the vision for the City's growth. The project study area includes four of the nine opportunity areas that were identified in 2016 Comprehensive Plan update. These opportunity areas, locations within the City where growth would be encouraged, include the Bend Central District, KorPine, East Downtown, and Inner Highway 20/Greenwood. While the Comprehensive Plan describes the vision for each of these opportunity areas, the study area boundary also includes new sub-areas, Division and Wilson, which to date have received little planning investment.

All of these sub-areas have received various levels of planning attention; Bend Central District has had the greatest level of planning while Division and Wilson have had the least. The larger study area was first drafted in the City's Urban Growth Boundary Implementation Return on Investment Analysis to be used for a pre-feasibility assessment of creating a new Urban Renewal district for these four opportunity areas.

Urban Renewal is a tool used to encourage private investment and remove blighted conditions. Blighted areas are defined in ORS 457 as "areas that, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health, or welfare of the community". Therefore the study area was drawn to include the four identified opportunity areas as well as the surrounding areas, Division and Wilson, to ensure that adjacent properties to the City identified opportunity areas be connected to the benefits of a redevelopment and future growth. This report largely describes the existing social, economic, and physical conditions of the project study area in addition to providing context of historical planning efforts that can inform the project.

BEND COMPREHENSIVE PLAN

The City's Comprehensive Plan, which guides land use planning and development in Bend was updated in 2016 when the City completed the Urban Growth Boundary (UGB) process. As part of that process, some land uses within opportunity areas were re-designated. For example, the KorPine and East Downtown opportunity areas were designated to be Mixed Urban (MU) from their former designations. KorPine had formally been an industrial designation. In addition, the Inner Highway 20/Greenwood opportunity area was largely re-designated Mixed Neighborhood (MN).

Comprehensive Plan and Zoning Maps

In 2018, the City completed the Map Alignment Project which worked to match the City's zoning map to the Comprehensive Plan map. The Zoning Map identifies districts that implement the Comprehensive Plan designations. The Development Code then details what uses are permissible in the different zoning districts. Generally, the Comprehensive Plan is the blueprint for how the community of Bend will grow and the zoning districts are the tools that ensure development is consistent with the plan. At the time of the Map Alignment project there were around 1,952 acres in the City that were not in compliance with the Comprehensive Plan map.

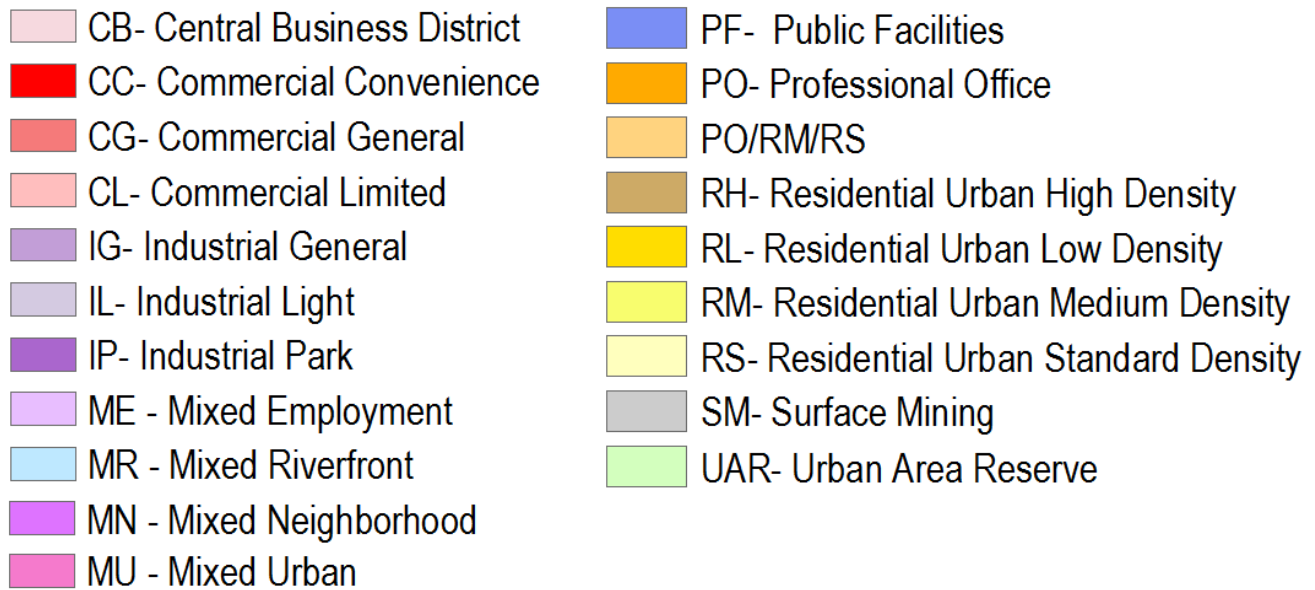
While the Map Alignment Project worked to streamline development for existing owners; property owners that would be affected by the project could "opt out" of the Map Alignment Project. Therefore, there are minor inconsistencies between the Comprehensive Plan Map (Figure 3) and the Zoning Map (Figure 4). Figure 2 details the titles of each land use designation and its associated color on the Comprehensive Plan and Zoning Maps. A more detailed description of the land uses allowed within each of these land use designations is available in the Bend Development Code.

The City created several new land use designations as part of the 2016 Urban Growth Boundary (UGB) process including:

- **Mixed Urban (MU)**
- **Mixed Employment (ME)**
- **Mixed Riverfront (MR)**
- **Mixed Neighborhood (MN)**

These new plan designations were applied to properties within the City's opportunity areas including KorPine, East Downtown, and Inner Highway 20/Greenwood.

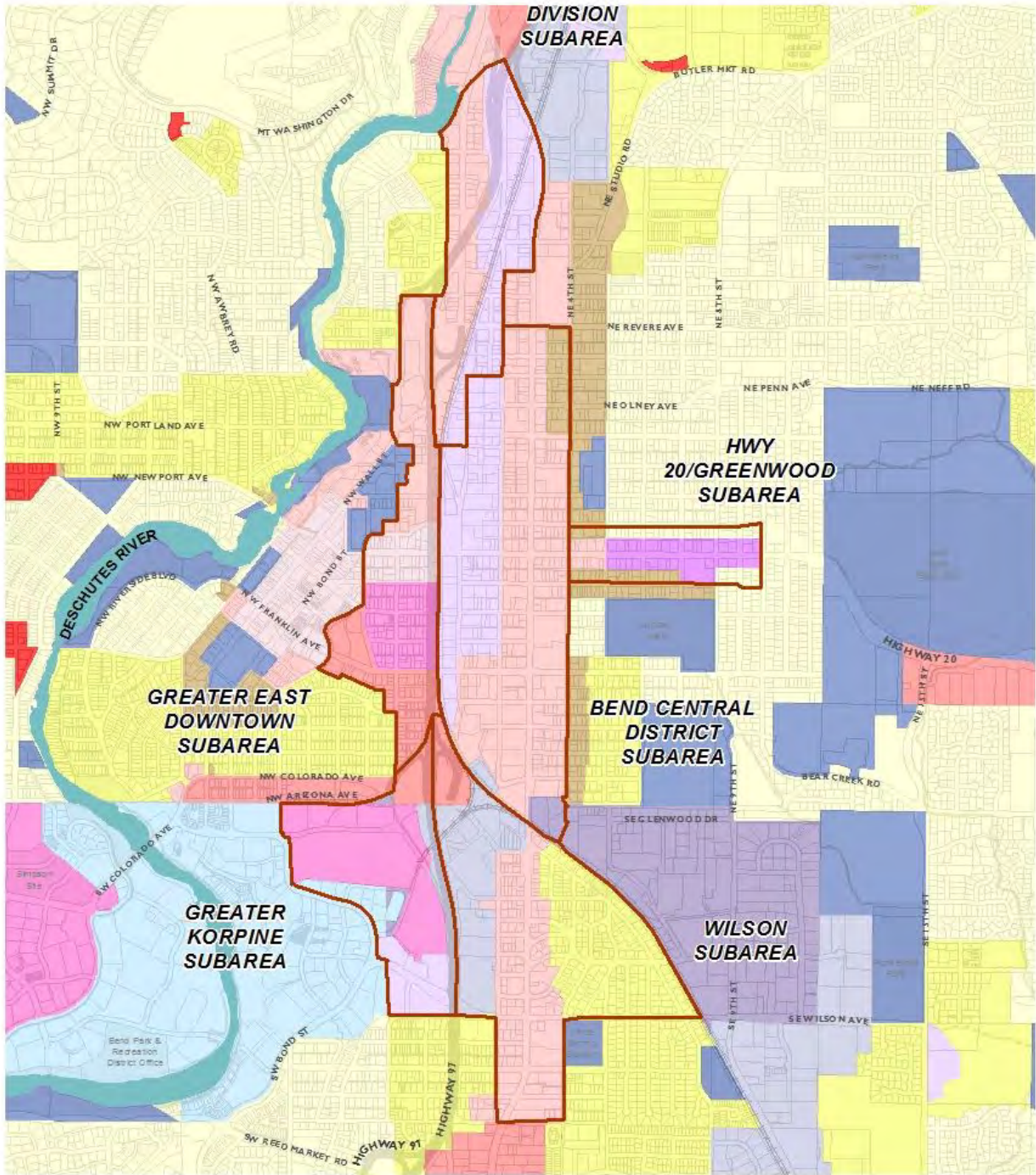
FIGURE 2. CITY OF BEND LAND USE DESIGNATION CODE & MAP COLOR



As demonstrated by the Comprehensive Plan and Zoning maps; the study area consists of a diversity of land uses; primarily Limited Commercial and Mixed Use (Mixed Urban, Mixed Neighborhood, Mixed Employment, and Mixed Riverfront) in addition to residential zones ranging from High Density to Standard Density and some Industrial Light and General Commercial. The following table lists the various land use designations within each project sub-area.

TABLE 1. LAND USE DESIGNATIONS BY SUB-AREA

| Sub-area | Land Uses |
|----------------------------|---------------------|
| Bend Central District | ME, CL, RH, IL, IG, |
| Greater East Downtown | MU, CB, CL, CG |
| Inner Highway 20/Greenwood | MN, CL, RH, RS, CG |
| Greater KorPine | MU, MR, ME, IG |
| Wilson | RM, CL, IL |
| Division | CL, ME |



**BEND CORE AREA
COMPRHENSIVE PLAN
DESIGNATIONS**



- CB
- CC
- CG
- CL
- IG
- IL
- ME
- MN
- MR
- MU
- PF
- RH
- RM
- RS

- Core Area & Subarea Boundaries
- Taxlots
- Parks

3/12/2019



* This data has not been verified by the City of Bend

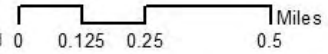
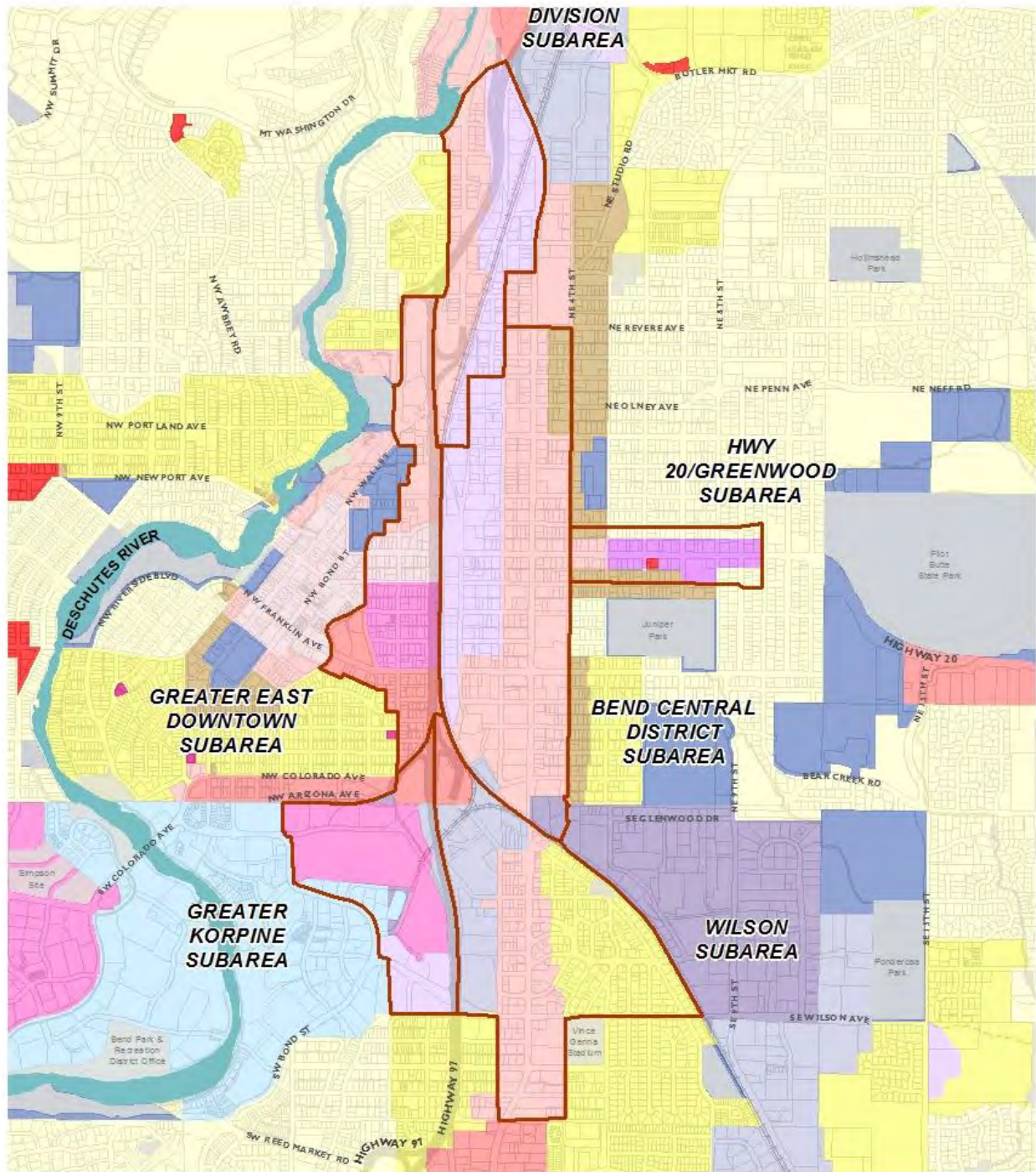


FIGURE 3. BEND COMPREHENSIVE PLAN MAP & STUDY AREA



BEND CORE AREA ZONING MAP



| | | | | | | | |
|--|----|--|----|--|----|--|--------------------------------|
| | CB | | IG | | MU | | Core Area & Subarea Boundaries |
| | CC | | IL | | PF | | Taxlots |
| | CG | | ME | | RH | | Parks |
| | CL | | MN | | RM | | |
| | CN | | MR | | RS | | |

3/12/2019

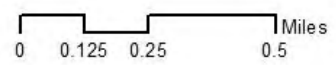


FIGURE 4. CITY OF BEND ZONING MAP & STUDY AREA

Chapter 11

Chapter 11 of the Comprehensive Plan was adopted as part of the 2016 Urban Growth Boundary (UGB) expansion process. The project study contains four of the nine opportunity areas that were identified as appropriate to focus new growth due to their location, zoning (existing or planned), amount of vacant or undeveloped land, and/or proximity to urban services. The study area also falls entirely within what the Comprehensive Plan identifies as Bend's Central Core, shown in Figure 6.

Bend's Central Core

The Central Core is a planning concept; and is meant to be a uniquely livable part of the city that provides proximity to downtown, the Deschutes River, Juniper Park and a variety of regional destinations; a walkable street grid; neighborhoods with historic character; and successful small neighborhood centers and corridors such as 2nd and 4th Streets. The Central Core is meant to provide access to a high concentration of jobs by a variety of mode and transit service. The success of the Central Core is attributed to a blend of the “D” variables (density, diversity, design, and destinations) that are important influences on travel behavior and livability¹ as described in Bend's Integrated Land Use and Transportation Plan (ILUTP).

The project study area provides opportunities for vertical mixed use development and integration of land uses to encourage infill and appropriate redevelopment within the Central Core as well as provide enhanced connectivity between east and west Bend.

Bend Central Core is a uniquely livable part of the city. The central core offers proximity to downtown, the Deschutes River, Mirror Pond, Juniper Park, many other smaller parks, and a variety of regional destinations; a walkable street grid; neighborhoods with historic character; successful small neighborhood centers and corridors (2nd and 4th Streets, 8th and 9th Streets, Newport Avenue, Galveston Avenue, SW 14th Street); access to a high concentration of jobs by a variety of modes; and transit service. This blend of the “D” Variables (Density, Diversity, Design, and Destinations) is the foundation of the area's livability and an important influence on travel behavior.

During the UGB Remand process (2014-2016), the City modeled vehicle miles traveled (VMT) per capita throughout the urban area under different growth scenarios as in indicator (required by the state) of reliance on the automobile. Predictably, the Central Core showed the lowest levels of VMT per capita, and the highest potential for “moving the needle” toward relatively less VMT per capita through infill



¹ See Bend Integrated Land Use and Transportation Plan, which is an appendix to the Bend Transportation System Plan.

and redevelopment to focus growth and further increase the density and diversity of uses in this area.

FIGURE 5. RENDERING OF REDEVELOPMENT OF 2ND STREET & GREENWOOD AVENUE RESULTING IN WALKABLE STREETS AND 3-5 STORY COMMERCIAL AND MIXED USE BUILDINGS



For all of the reasons described above, the Central Core is considered a particularly important part of the City’s growth management efforts. The

success of Bend’s transition to more of an urban community will follow the continued growth, in appropriate areas, of the Central Core. It is important to note that placing a priority on growth within the Central Core does not mean that all areas should redevelop. In this context, “appropriate areas” means development and redevelopment on vacant lands, underutilized lands, and where development is designed to be compatible with adjacent, stable areas.

“Growing up” in appropriate areas within the Central Core, as well as transit corridors and opportunity areas, is a goal for Bend because these areas already have (or will have) the base infrastructure, population density, and urban amenity “completeness” that is needed for their success. They offer the best opportunities to reverse the growth of vehicle miles traveled per capita and increase walking, biking, transit, and linked trips by automobiles.

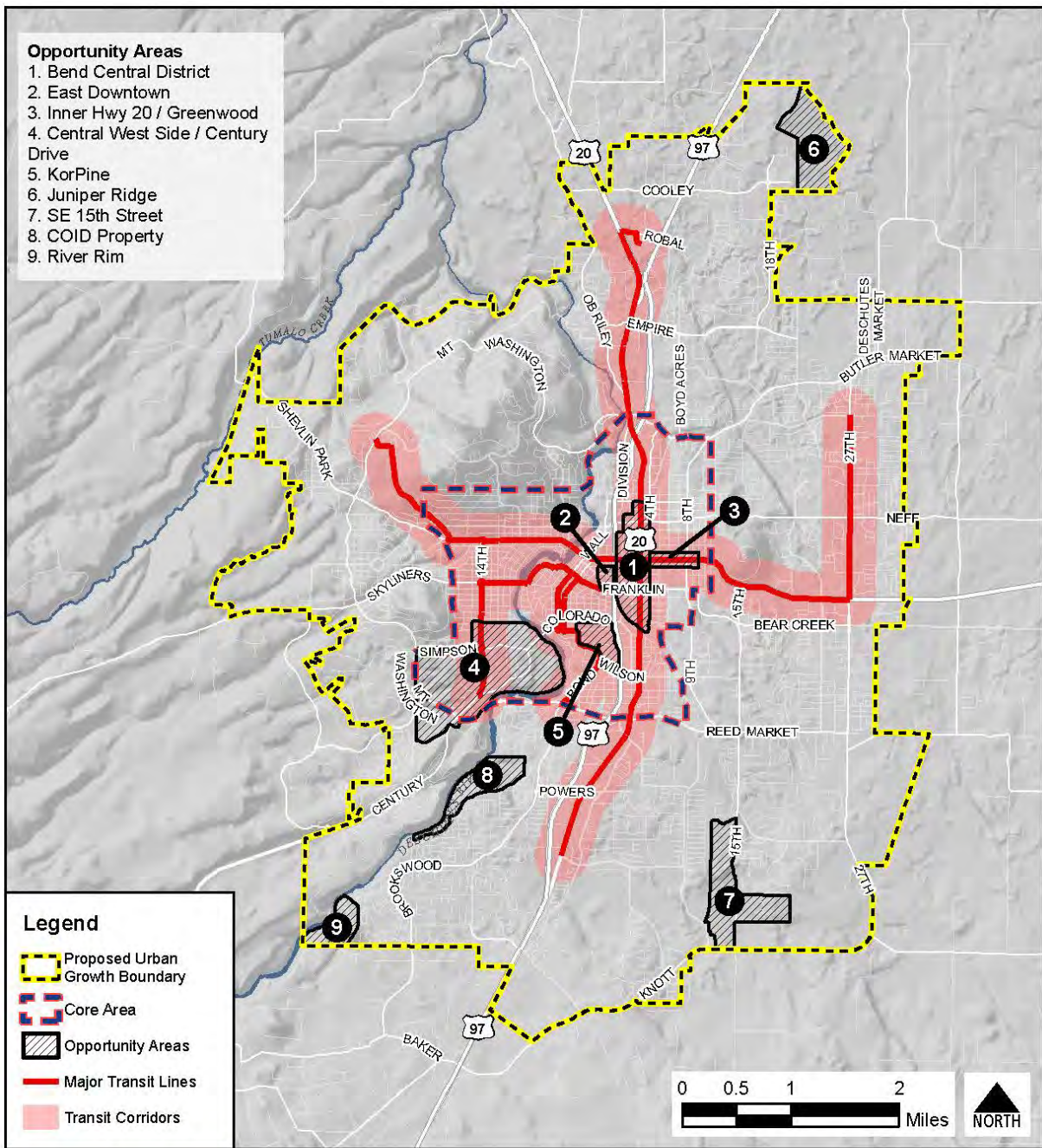
Relevant Comprehensive Plan Policies

Opportunity Area Visions

The Comprehensive Plan identified visions for all of the opportunity areas identified in the 2016 URB process, those within the Core are shown below.

- **Bend Central District** – opportunity for the 3rd Street commercial strip to transition to a mixed use corridor
- **East Downtown** – long-term opportunity for an extension of the downtown
- **KorPine** – opportunity to transform an industrial area into a vibrant urban mixed use district
- **Inner Highway 20 / Greenwood Ave** – opportunity to shift to a more walkable mixed use corridor

In addition, Chapter 11 of the Comprehensive Plan describes the policies that are applicable to the City’s future growth and particularly relevant to the Core Area Project. Policies 11-1 through 11-10 describe the City’s commitment to compact development and integration of land uses to encourage infill and appropriate redevelopment, reduction of vehicle miles traveled (VMT), as well as vertical mixed use development within the Central Core, Opportunity Areas and along transit corridors.



Data Source: Deschutes County GIS (2014)

FIGURE 6. BEND'S CENTRAL CORE, TRANSIT CORRIDORS, AND OPPORTUNITY AREAS

BEND DEVELOPMENT CODE

The Bend Development Code governs all land uses within the city limits of Bend. The titles of the code are used to review land use applications and are organized as follows: Land Use Districts, Design Standards, Applications and Review Procedures, and Exceptions to Code Standards. Title 2 of the Code, Land Use Districts, describes the uses permitted in each land use district which are divided into the following chapters: residential, commercial, employment, mixed-use, industrial, surface mining, public facilities, special planned districts, and the urbanizable area district. Special planned districts, refinement plans, area plans and master plans is a development tool used by the city to describe in more detail the type of development planned for a specific area than is typically found in the Comprehensive Plan, zone map, or public facilities plan. The Bend Central District overlay is an example of a special planned district, which is discussed in the next section.

The following table was developed to illuminate the development code’s application to the residential and mixed-use land use districts within the study area. This table is meant to be a summary and is therefore not comprehensive of the full provisions of the Bend Development Code.

TABLE 2. BEND DEVELOPMENT CODE DESIGN STANDARDS FOR MIXED USES AND MEDIUM/HIGH DENSITY HOUSING

| Land Use District | Min- Max Density allowed | Max Height allowed | On-site parking min* | Min-max front set-back |
|---------------------------------|--|---|---|---|
| Mixed Urban (MU) | 6-10 units/acre | 65 ft | 1 space/ 500 sq. ft 1 space per dwelling unit | Min: None Max: 10 feet |
| Mixed Neighborhood (MN) | 6-10 units/acre | 45 ft | Residential: 1-2 spaces/ unit** | Min: None Max: 10 ft |
| Mixed Employment (ME) | 6-10 units/acre; None if non-residential uses occupy the ground floor | 45 ft | Refer to BDC Table 3.3.300 | Min: None Max: 10 ft or 80 ft when fronting street does not allow on-street parking |
| Mixed Riverfront (MR) | None | 45 ft; 35 ft w/i 100 ft of River high water mark) | Refer to BDC Table 3.3.300 | Min: None Max: None |
| Medium density Residential (RM) | 6-10 units/acre | 35 ft | 1-2 spaces/ unit** | Min: 10ft (garages must be 20 ft) |
| High density Residential (RH) | 21.7- 43 units/acre | 45 ft | 1-2 spaces/unit** | Min: 10ft (garages must be 20 ft) |
| Bend Central District Overlay | Residential uses as part of mixed-use development only | 45 ft (4 th Street) 65-85 ft (1 st -3 rd & South) | Residential: 1 space/unit Retail <5,000sq ft: None Office: 1.5/1,000sq.ft | Min: 5 feet; 10 feet (3 rd Street) Max: 10 feet; 15 feet (3 rd Street) |

* For a comprehensive understanding of off-street parking requirements based on intended use, refer to BDC Table 3.3.300.

** Parking requirements for residential depend on the # of bedrooms and building form (multifamily, duplex/triplex or single family)

Bend Central District Code

The MMA Plan did result in the adoption of the Bend Central District (BCD) special planned district code which can be found in Section 2.7.3200 of the [Bend Development Code](#). The code identified sub-districts (1st & 2nd Street, 3rd Street, 4th Street, and South Sub district) within the Bend Central District that correlate to different conditional and allowed uses.

Table 2.7.3220 of the Bend Development Code lists the permitted uses in the Bend Central District by Sub district.

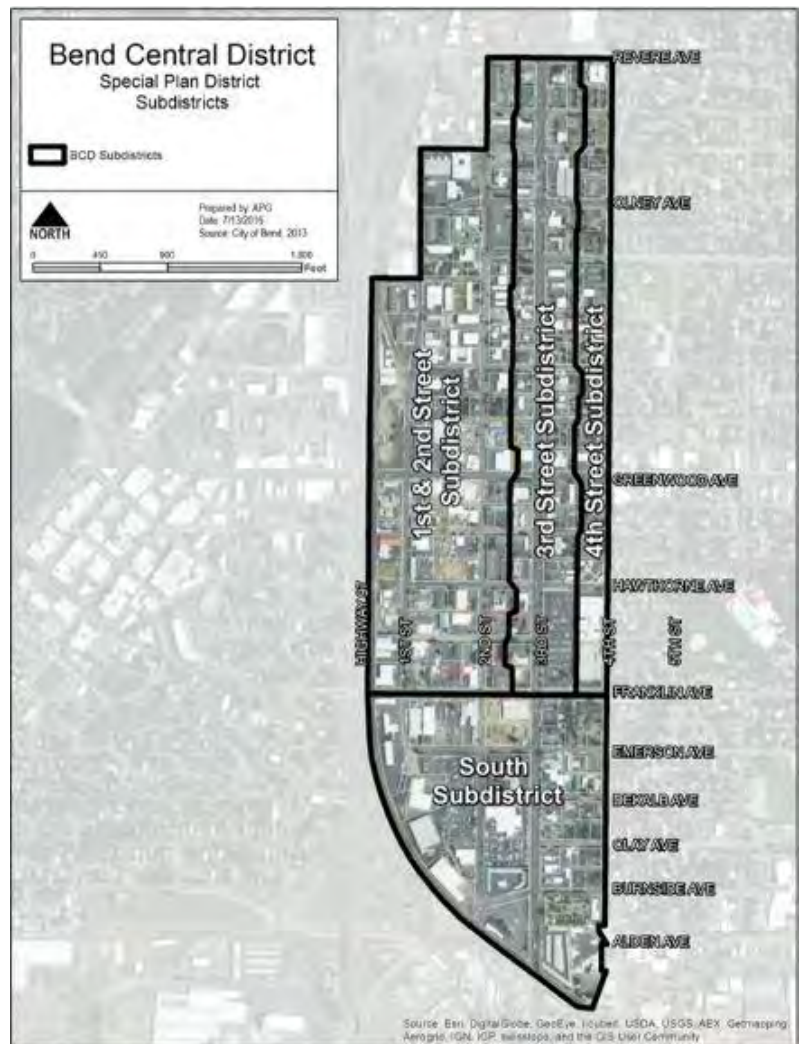


FIGURE 7. BEND CENTRAL DISTRICT SPECIAL PLANNED DISTRICT SUBDISTRICTS

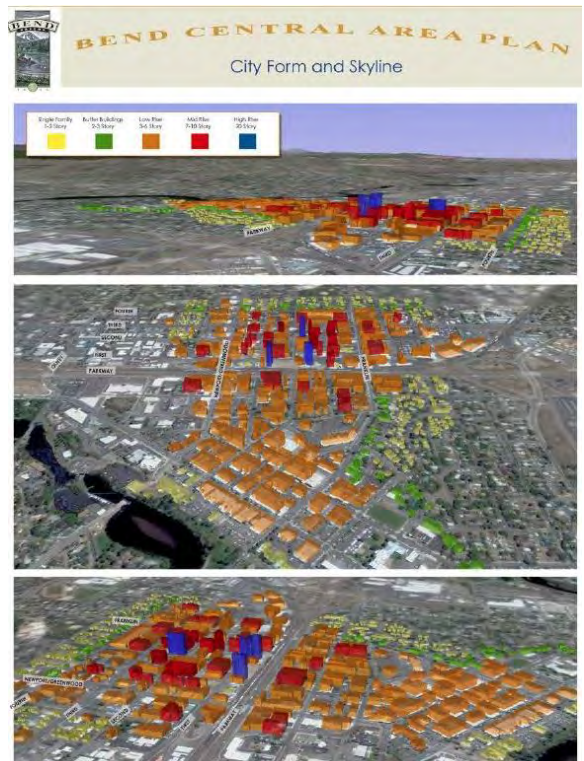
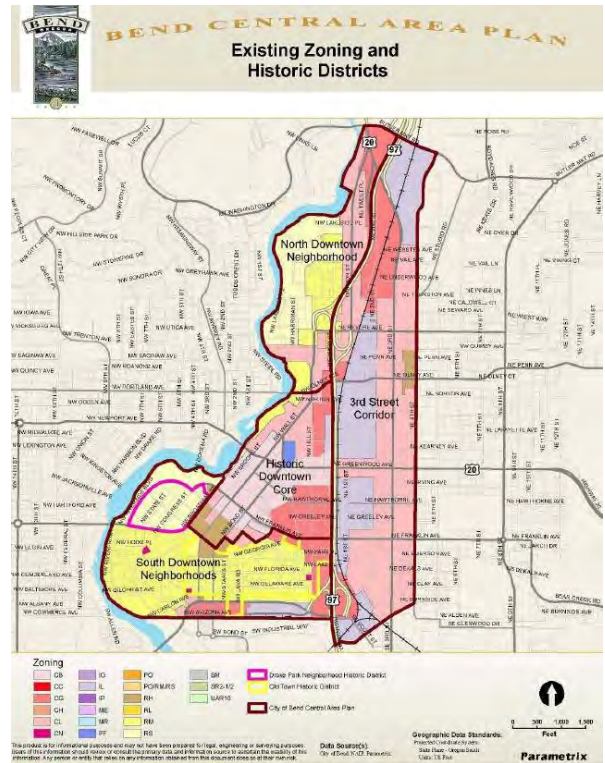
PREVIOUS CENTRAL AREA PLANNING EFFORTS

As mentioned, the project study area is largely inspired by previous planning efforts in addition to the Comprehensive Plan. The two prior planning efforts that have the most relevance to the Core Area Project include the 2004 Central Area Plan and the 2014 Bend Central District Mixed-Use Multi-Modal (MMA) Plan. The 2004 plan looked at a large portion of the project study area in conjunction with the Downtown Core whereas the MMA plan was an effort to encourage multimodal travel and redevelopment within the Bend Central District. Unfortunately, neither plans were ever formally adopted. However, the MMA plan did result in the adoption of the Bend Central District overlay code and identification of the Bend Central District opportunity area in the UGB process. Despite their lack of adoption, the planning work that went into both of these plans provide valuable insight and a foundation to build on for the Core Area Project.

2004 Central Area Plan

This was a planning study that consisted of parts of this project study area in combination with Downtown. With a focus on roadway and street facilities, the plan identified “major traffic streets” (Colorado, Arizona, Oregon, and Hawthorne Avenues) “great streets” (3rd Street, Portland, Olney, Greenwood and Franklin Avenues). The project was led by the City appointed Downtown Advisory Committee (DAC), a Project Advisory Committee (PAC), and the Central Area Plan Advisory Committee (CAPAC). The DAC was primarily focused on the urban renewal district in the downtown core area; CAPAC took their place after the urban renewal projects were completed to look at the broader central area. CAPAC developed vision statements for several Central Area neighborhood districts: The Historic Downtown Core, the Third Street Corridor, the Greenwood Avenue corridor, and the “Bend Central” Neighborhood.

The Central Area Plan looked at various factors in addition to transportation and neighborhood districts for the Central Area including city form/skyline,



gateways, network and open spaces, large-scale development opportunities, and development types. In addition, the plan identified catalyst projects organized into three categories (Transportation, Development/ Redevelopment, and Design/Public Spaces). The full 2004 Central Area Plan is available for reference in Appendix B of this document.

2014 Bend Central District Mixed-Use Multi-Modal Area (MMA) Plan

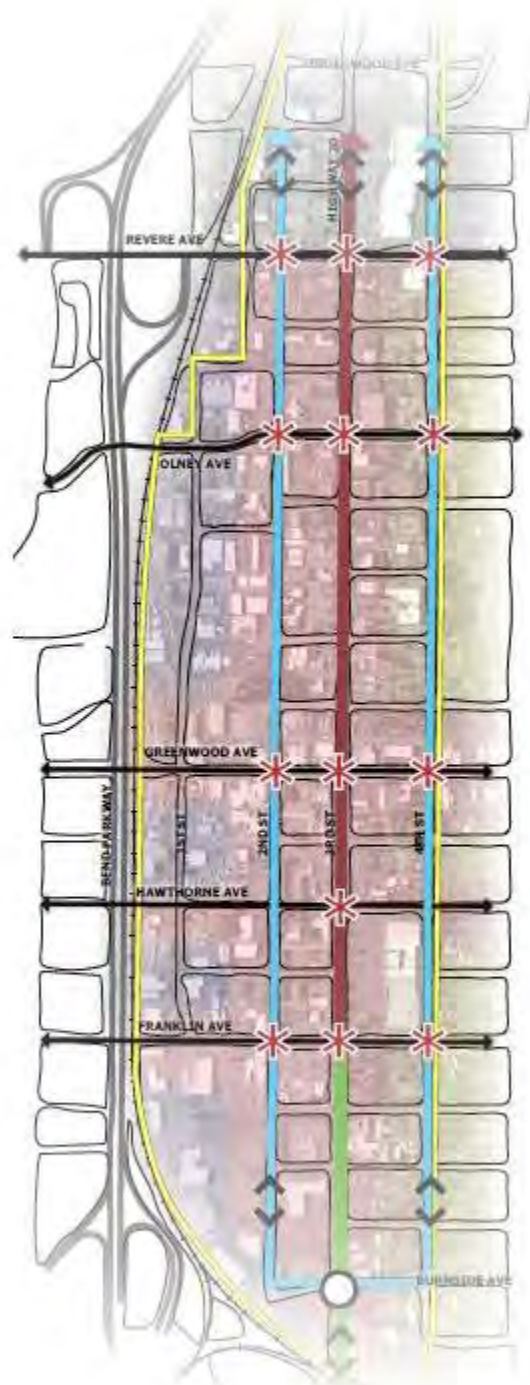
This plan was funded through a grant from the Transportation and Growth Management (TGM) Program. The plan focused on multimodal transportation needs (such as biking, walking and transit) and identified opportunities for improved connectivity, safe access and mobility within the area known as the Bend Central District (including the 3rd Street corridor).

The Multimodal Mixed-Use Area (MMA) project looked at ways to improve connections for everyone traveling in the area by foot, bike, bus, car, or freight truck. The plan examined ways to develop the area in the future to include a combination of housing, businesses and other uses to create a vibrant area.

The plan proposed enhancements to multimodal conditions in the Bend Central District including:

- Near term bicycle and pedestrian projects
- Proposed transportation network including conceptual street designs, intersection controls and pedestrian, bicycle and transit strategies
- Enhanced east-west pedestrian and bicycle connectivity
- Transportation demand management (TDM) strategies
- Policy and code amendments
- Additional implementation strategies

The ultimate goal of this plan was to adopt a Mixed Use Multi Modal Area (MMA), which is a designation that lifts certain requirements in the Transportation Planning Rules (TPR) that apply to automobile congestion standards in the review of certain land use changes. Specifically, a local jurisdiction



does not need to apply local or state congestion performance standards when evaluating proposed plan amendments against the TPR in OAR 660-012-0060. MMA designations must be formally adopted by the Department of Land Conservation and Development (DLCD) with written concurrence from the Oregon Department of Transportation (ODOT) when located near state highway interchanges.

While the City's plan defined the MMA boundary, it was not successful in receiving full MMA designation. The project did result in amendments to the Bend Area General Plan (Comprehensive Plan), Transportation System Plan (TSP) and the Bend Development Code to allow future land use changes and redevelopment in the MMA.

EXISTING CONDITIONS

For the purposes of this project, the study area has been broken into the following six sub-areas, as demonstrated in Figure 1.

1. **Bend Central District:** This area is the same as that studied in the 2014 Bend Central District Multimodal Mixed Use Area (MMA) Plan that resulted in the adoption of the Bend Central District overlay code.
2. **Greater East Downtown:** This includes the East Downtown opportunity area as well as the greater area to the east of Highway 97 between the KorPine opportunity area and the Revere interchange. This area is bordered by downtown to the west.
3. **Greater KorPine:** This area includes the KorPine opportunity area, the site of the former KorPine Particle Board Plant, in addition to the properties between the Box Factory site, Arizona Avenue, and the Colorado Interchange. It also includes properties east of US 97 north of Wilson Avenue and east of the Old Mill District.
4. **Highway 20/Greenwood:** This area consists of the properties along Highway 20/Greenwood Avenue between 4th Street to 10th Street.
5. **Division:** This sub area consists of the properties along Division Street and those that fall between and adjacent to US 97 and the railroad tracks north of Portland Avenue. This sub-area is split diagonally by the railroad and is characterized by primarily industrial users and limited connectivity and transportation access.
6. **Wilson:** The Wilson sub-area consists of the area between US 97 and the railroad southeast of the Colorado interchange and primarily north of Wilson Avenue. A portion of the sub area extends south of Wilson Avenue between 2nd and 4th streets. The area is largely residential however its transitions to commercial and industrial on its western side that abuts the US 97 Parkway.

Physical Conditions

The project study area is large, consisting of 1,798 tax lots and approximately 667 acres. The study area is generally comprised between Wilson Avenue to the south and the US 97/US 20 intersection to the north. Generally, the area lies between Downtown and the Old Mill District to the West and Pilot Butte State Park to East. The study area consists of areas along and adjacent to 3rd Street, US 97, Greenwood Avenue/US 20, and the BNSF Railroad and is divided East to West by US 97 and north to south by Greenwood Avenue/US 20.

TABLE 3. STUDY AREA SIZE BY SUB-AREA

There are differences in the character of each of the study sub-areas that will be described further in the Urban Design Analysis for this project. Despite the study area’s proximity to Downtown and the Old Mill District; there is a great sense of isolation between these areas and the Core Area.

The areas surrounding the railroad, particularly the area between 1st and

| Sub-Area | Size |
|----------------------------|--------------------|
| Bend Central District | 195.7 acres |
| Greater East Downtown | 89.1 acres |
| Inner Highway 20/Greenwood | 38 acres |
| Greater KorPine | 88.5 acres |
| Wilson | 163.7 acres |
| Division | 91.6 acres |
| Total | 666.6 acres |

2nd/3rd Streets has been informally referred to as the “Railroad District”, historically attracting users that located near the railroad for easy freight services.

The majority of the City including the project study area sits above lava rock, making underground construction and infrastructure extremely costly. This provides limitations on development capacity to provide parking or stormwater treatments below ground.

Physical conditions for infrastructure are further described in the Transportation, Sewer, Stormwater, and Water sections of this report.

TABLE 4. POPULATION BY SUB-AREA

| Sub-Area | Population % |
|----------------------------|--------------------|
| Bend Central District | 8% |
| Greater East Downtown | 13% |
| Inner Highway 20/Greenwood | 11% |
| Greater KorPine | 0% |
| Wilson | 66% |
| Division | 2% |
| Total | 666.6 acres |

Social Conditions

It is estimated that there are approximately 618 households, 706 housing units, and 1,341 people that live within the study area. Population data for the area was estimated using the City’s 2014 Building Lands Inventory (BLI) Analysis and the Envision Tomorrow model. The majority of households within the study area (66%) are located in the Wilson sub-area. The next most populated sub-area is Greater East Downtown followed by Inner Highway 20/Greenwood and Bend Central District. Between the 2014 BLI analysis and July of 2017, the Study area only gained 10 residential units.

The study area falls within six census block groups (that do not match the study area boundary). Various demographic factors including households in poverty, senior population, Hispanic households, and households with no cars were analyzed and spatially mapped in comparison the study area using 2016 American Community Survey (ACS) 5-year estimates. The following table summarizes the demographic information that was collected through this analysis and is further demonstrated in the Population Demographic maps included in Attachment A of this document.

TABLE 5. DEMOGRAPHIC ANALYSIS BY CENSUS BLOCK GROUPS

| Census Block Group | Intersecting Sub-areas | % Poverty | % Hispanic | % No Car | % Senior |
|--------------------|---|-----------|------------|----------|----------|
| 5001 | Wilson | 4.8% | 2.5% | 0% | 4.8% |
| 5002 | Wilson | 15.4% | 28.2% | 19.4% | 11.5% |
| 5003 | Wilson | 32% | 4.7% | 1.9% | 3% |
| 5005 | Greater KorPine, South BCD, South Greater East Downtown | 15% | 0.9% | 0% | 11.7% |
| 6001 | Division, North Greater East Downtown | 27% | 4.5% | 26.6% | 13.5% |
| 6002 | Greater East Downtown, Inner Highway20/Greenwood, Bend Central District | 29.6% | 1.5% | 11.6% | 15.4% |

The census block group that makes up the largest portion of the study area is Census Block Group # 6002 followed by #5005. Since census block groups are large in Bend, data derived from this analysis has limitations and should therefore be supplemented with qualitative, on the ground knowledge.

The study area contains properties that fall within five of the City's thirteen neighborhood associations. The Orchard District and Larkspur neighborhood associations comprise the largest portions of the study area. While the western half of the study area is split between the River West, Old Bend and Southern Crossing neighborhood associations.

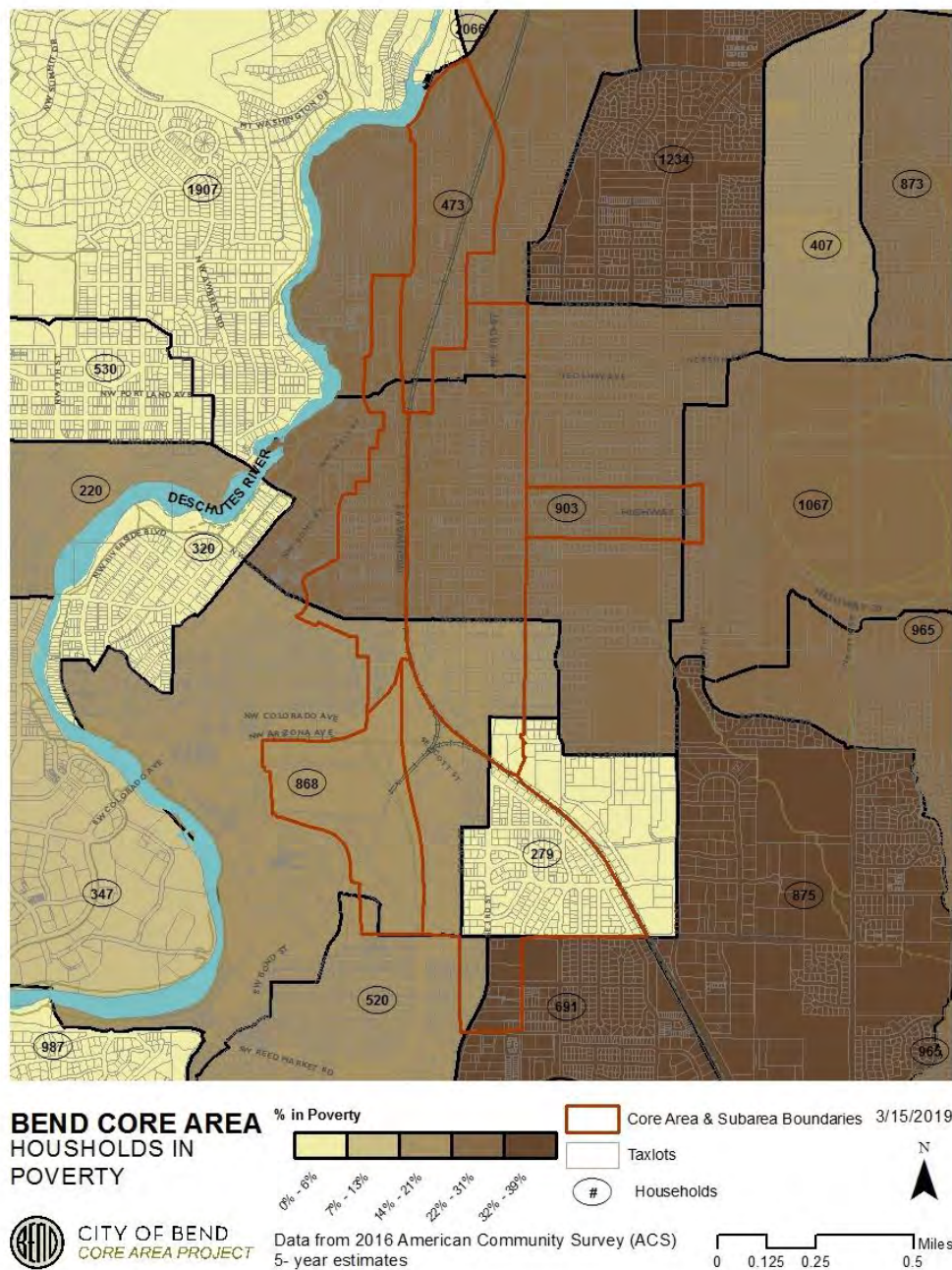
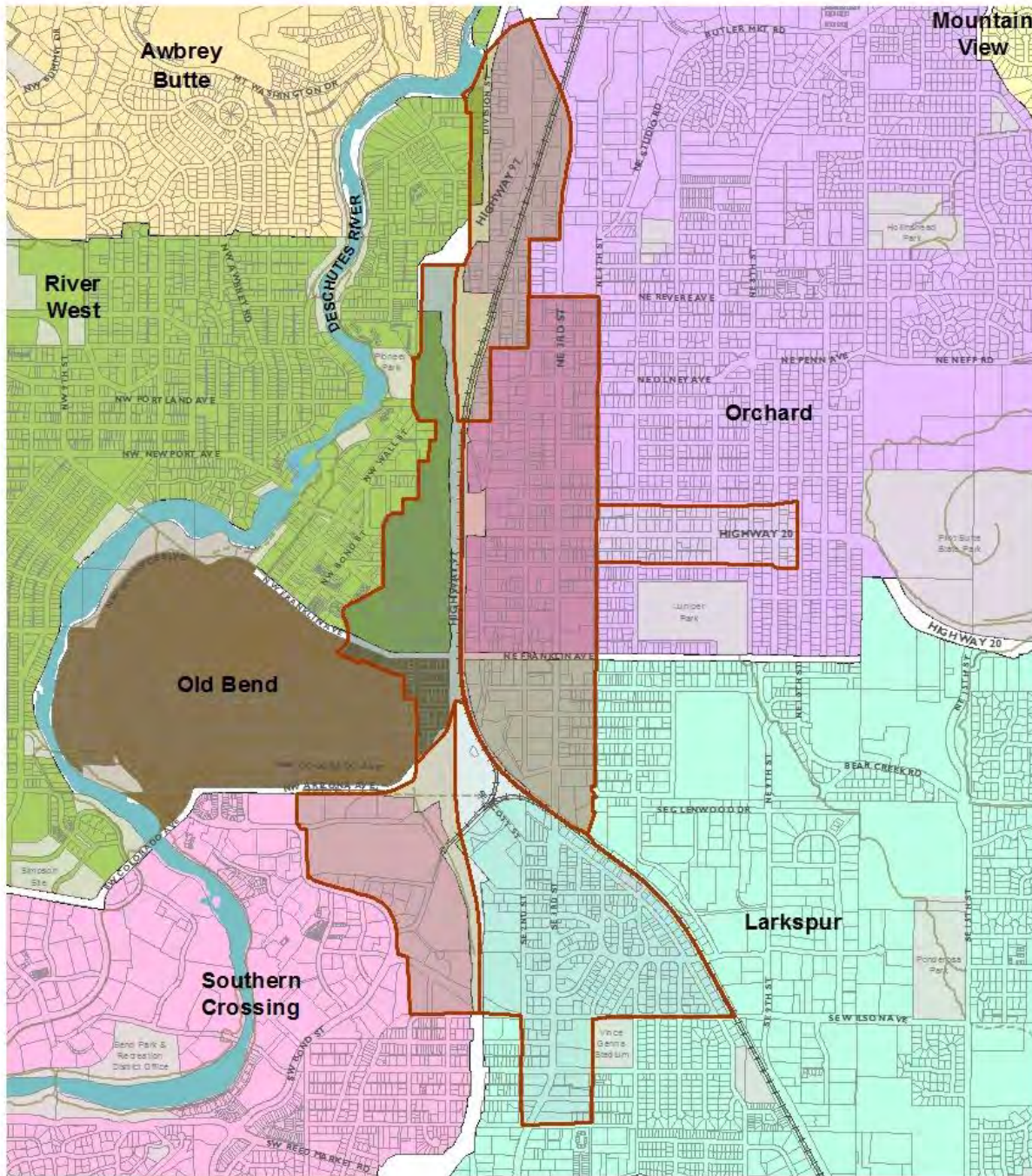




FIGURE 8. HOUSEHOLDS IN POVERTY WITHIN STUDY AREA



**BEND CORE AREA
NEIGHBORHOOD
ASSOCIATIONS**

-  Core Area & Subarea Boundaries
-  Taxlots
-  Parks

3/15/2019

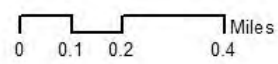


FIGURE 9. NEIGHBORHOOD ASSOCIATIONS IN STUDY AREA

Historic Resources

The area consists of several designated historical landmarks as well as portions of the Old Town Historic District. Designated landmarks within the area are listed below and demonstrated in Figure 10. The majority of the historic resources within the area are located within the East Downtown sub-area

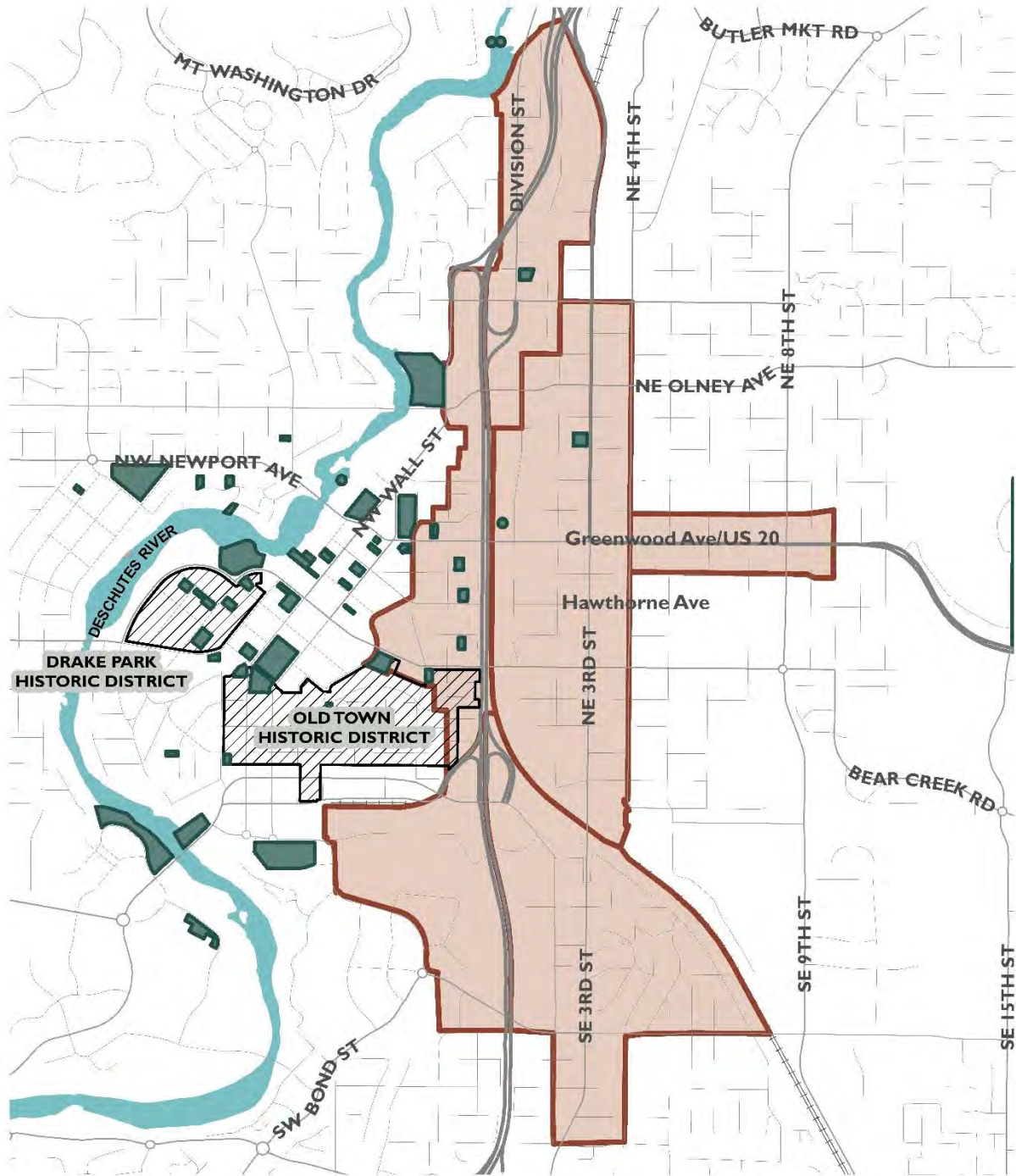
TABLE 6. HISTORIC RESOURCES

| <i>Historic Resource</i> | Location | Sub-Area |
|--|--------------------------------|-----------------------|
| <i>A.C. Lucas House</i> | 42 NW Hawthorne Avenue | East Downtown |
| <i>First Presbyterian Church</i> | 157 NW Franklin Avenue | East Downtown |
| <i>James E Reed House</i> | 45 NW Greeley Avenue | East Downtown |
| <i>C.P. Niswonger House</i> | 44 NW Irving Avenue | East Downtown |
| <i>John I. West Building</i> | 130 NW Greenwood Avenue | East Downtown |
| <i>Hoovers Universal Garage</i> | 124 NW Greenwood Avenue | East Downtown |
| <i>Oregon Trunk Freight Warehouse Site</i> | 0-30 NE Greenwood Avenue | Bend Central District |
| <i>Weist Home Site Landmark</i> | 1315 NE 3 rd Street | Bend Central District |
| <i>Bend Woolen Mill</i> | 1854 NE Division Street | Division |
| <i>St. Francis Catholic Church</i> | 494 NW Lava Rd | East Downtown |

The area also closely borders the following historic resources:

- A.J. Tucker Blacksmith Shop
- Pete Pierson Blacksmith Shop
- Pioneer Park
- Brooks-Scanlon Crane Shed

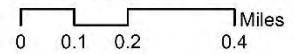
FIGURE 10. CORE AREA HISTORIC RESOURCES & DISTRICTS



BEND CORE AREA Legend
 HISTORIC RESOURCES
 & DISTRICTS

- Core Area & Subarea Boundary
- Historic Resources
- Historic Districts
- Railroad
- Deschutes River

2/10/2020



Economic Conditions

There are 796 active businesses within the project study area, which represent 11% of all Bend businesses². In 2016, there were approximately 6,725 employees in the study area³; the Bend Central District comprises the largest percentage of employees followed by the East Downtown sub-area.

The area presents itself as an area with relatively low rents compared to Downtown and the Old Mill for businesses. While a large portion of the study area was re-zoned in 2016, there has been little redevelopment to date. However, there have been 376 planning applications and 1,072 building permits filed with the City within the project study area. While there is significant development interest within the study area, there is also a sentiment that some of the existing regulations prevent significant redevelopment of the area.

The development potential and market conditions for the study area will be further explored through this project through the Development Feasibility Analysis. Recommendations to address development barriers will be discussed later in the project through the Implementation Framework.

The following list identifies some of the major development projects that have come forward since 2016 within the project study area.

TABLE 7. EMPLOYEES BY SUB-AREA

| Sub-Area | Job Sites | Employees |
|-----------------------|------------------|------------------|
| Bend Central District | 292 | 2,593 |
| Division | 83 | 893 |
| Greater East Downtown | 155 | 863 |
| Highway 20/Greenwood | 74 | 450 |
| Greater KorPine | 34 | 955 |
| Wilson | 85 | 971 |
| Total | 723 | 6,725 |

² Information found using Active Businesses license data on 2/15/2019

³ Data sourced from 2016 Quarterly Census of Employment and Wages (QCEW) data provided by the Oregon Employment Department

Land Use Applications & Developments

- **Elemental Hotel, 1236 NW Wall Street (PZ-17-0065):** Approved 3,000 SF restaurant, 3,000 SF retail space and 4 story hotel with pool.
- **Sunlight Solar, 150 NE Hawthorne Ave (PZ-16-0122):** Approved 3,072 SF two-story metal building with solar.
- **Quimby/4th Street Food Cart Lot, 373 NE Quimby Ave (PZ-18-025, BP 18-3421):** Approved two-story 3,290 square foot (SF) mixed use building with office space, six self-contained portable walk-up food carts, 800 SF of uncovered outdoor seating, 2,600 SF of new lawn/play area and associated parking.
- **Playtpus Pub Redevelopment, 1203, 1225, 1233 NE 3rd Street (PZ-18-0235):** Proposed 2,000 SF coffee shop, 3,305 SF restaurant, and 25 stall parking lot.
- **Hill/Hawthorne, 816-828 NW Hill Street (PZ-17-0123):** Proposed 39 unit, 4 story apartment complex with live/work studios, 1 & 2-bedroom residences.
- **Brooks Resources/ Blue Dog RV Site, 181 NE Franklin Ave:** Brooks Resources bought the old Murray Holt property on Franklin Avenue with the intention to re-develop.

AFFORDABLE HOUSING

Affordable housing is a top priority for City Council and the Bend community. Affordable housing, in Bend, is defined as housing with a sales price or rental amount that is within the means of a household that may occupy moderate- and low-income housing. Affordable housing is considered “affordable” if the interest, taxes, insurance, and condominium association fees constitute no more than 30% of the gross annual household income for a family at 80% of area median income (AMI) for units for sale and for a family at 60% AMI for units for rent. The City is interested in increasing the number of affordable units (<80% AMI) as well as workforce housing (80-120% AMI). Affordable Housing in Bend is further depicted by Figure 10.

The City has an Affordable Housing Advisory Committee (AHAC) and existing policies and programs in place that support affordable housing. These include:

1. **Affordable Housing program:** The City collects one-third of one percent of the total valuation on all building permits submitted to the City, which generates about \$1M per year to leverage state and federal funding to supply affordable housing units in Bend.
2. **Community Development Block Grant (CDBG) funding:** This funding can be used for acquisition, infrastructure, rehabilitation, and social services. The City allocates about \$300,000 per year of this funding.
3. **Density Bonus:** See Bend Development Code, Section 3.6.200
4. **Height Bonus:** See Bend Development Code, Section 3.6.200
5. **Parking reduction:** Bend Development Code, Section 3.3.300.D.1.d states that the parking requirement is one on-site space per affordable dwelling unit.

The City’s has helped to fund several affordable housing projects within the study area including two within the Wilson sub-area and two within the Inner Highway 20/Greenwood sub-area. Currently the City has no programmed affordable housing projects within the study area.

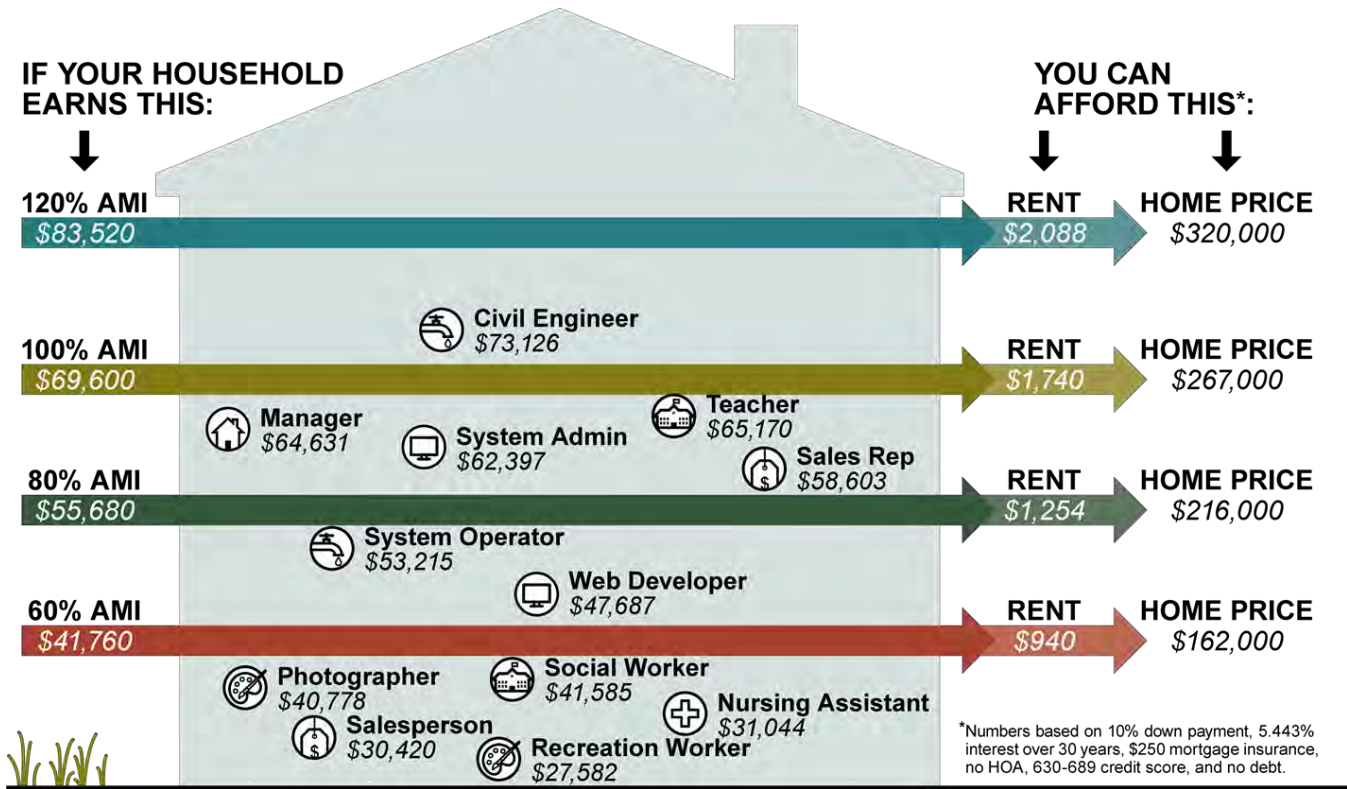


FIGURE 11. AFFORDABLE HOUSING IN BEND DIAGRAM

TRANSPORTATION

The project study area contains 31.6 roadway lane miles, primarily owned and maintained by the City of Bend. The Oregon Department of Transportation (ODOT) maintains two highways within the study area, the US 97 Parkway which runs north/south through the project study area as well as US 20 which runs north to south along NE 3rd Street until the 3rd/Greenwood intersection where it then transitions west towards 27th Street along Greenwood Avenue. There are several private roadways within the study area, all within the Greater KorPine sub-area including SE Aune Street, SW Scalehouse Loop, and SW Industrial Way.

On average the City's Pavement Condition Index (PCI) is 73. The City identifies roadways that have a PCI of less than 25 as needing complete rehabilitation necessitating a capital improvement project. NW Harriman Street between NW Lafayette Avenue to NW Kearney Avenue within the Larger East Downtown sub-area falls within that category. There are two additional road segments just outside the study area in Old Bend that also fall within this category- Lava Road and Staats Street between Florida Avenue and Georgia Avenue.

Right of way, land that is owned by the public for transportation and utility facilities, varies between 35 feet to 95 feet within the study area, apart from the larger right of way areas required for Highway 97, interchanges, and the railroad. The majority of the roadways within the study area have a 60 foot right of way such as 4th Street and Hawthorne Avenue. Greenwood/Highway 20 and 3rd Street maintain primarily an 80 foot right of way. While 1st and 2nd street primarily maintain a 60 foot right of way; there are several right of way "pinch points" along these roads where the right of way is as low as 35 feet such as areas along NE 1st Street near Norton Avenue.

The existing streetscape within the project study area consists of areas with significant missing sidewalks and sidewalk gaps. In addition, the area lacks street trees and a safe, connected pedestrian and bicycle network. Existing pedestrian and bicycle conditions will be further discussed in the Urban Design Analysis and are also being considered as part of the City's Transportation System Plan update.

The study area is largely divided by the Burlington Northern Santa Fe (BNSF) railroad. The City, BNSF, and ODOT all own various portions of some of the key east-west connectivity points within the study area such as the Franklin undercrossing, Greenwood undercrossing, and the 3rd Street underpass. BNSF owns most of the railroad bridges in the City. In 2016, the City hired a consulting firm to conduct a feasibility study for improving pedestrian and bicycle safety across the railroad and parkway at three locations (Franklin, Greenwood, and Hawthorne) , included in Attachment B of this report, which found significant funding barriers to reconstructing existing underpasses - especially for the Franklin underpass which is considered a historic structure.

TRANSPORTATION PLANNING EFFORTS

The following transportation planning and development efforts are being integrated into the work of the Core Area Project.

- 1. City of Bend's Transportation System Plan (TSP) update**
- 2. 2016 Transportation System Plan and Integrated Transportation and Land Use Plan (ILUTP)**
- 3. 2012-2014 Multimodal Traffic Safety Study**
- 4. Oregon Department of Transportation US 97 Parkway Plan**
- 5. Cascade East Transit 2040 Transit Master Plan**

City of Bend Transportation System Plan Update

The City is currently in the process of updating the Transportation System Plan in coordination with the Bend Metropolitan Planning Organization (MPO). A part of this update will also include a Transportation Safety Action Plan (TSAP). The City intends to adopt an updated Transportation System Plan by the Spring of 2020.

There are approximately \$100 million in project needs identified in the Draft Plan within the project study area including bicycle/pedestrian connectivity and key route improvements, intersection improvements, new road extensions, Parkway related improvements, safety improvements, and transit enhancements.

KEY TRANSPORTATION TAKEAWAYS

1. The City of Bend, Cascade East Transit (CET), and Oregon Department of Transportation (ODOT) are all in the process of significant transportation planning studies which will identify projects and future funding priorities. These ongoing planning efforts include:
 - City of Bend Transportation System Plan (TSP) update
 - ODOT US97 Parkway Plan
 - CET 2040 Transit Master Plan
2. The Project Study area requires significant transportation connectivity and streetscape investments to enhance the area and encourage development.
3. The City and ODOT already have existing projects such as signal modernization and pedestrian crossings that are scheduled for construction over the next 2-3 years.
4. This project will require significant coordination with the City's TSP effort.

FIGURE 12. BEND TSP CITYWIDE TRANSPORTATION FRAMEWORK

2016 Bend Transportation System Plan & Integrated Land Use and Transportation Plan (ILUTP)

The 2016 TSP projects are being considered in the current transportation system plan so they are not listed in this document. The Integrated Land Use and Transportation Plan (ILUTP) did identify strategies and projects that are relevant to the Core Area including:

- Land Use Strategies
- Transportation Demand Management (TDM) and Parking Management
- Transit
- Roadway Improvement Management and Policies (including road diets on streets experiencing safety concerns)
- Complete Streets and Connectivity Investments

2012-2014 Multimodal Traffic Safety Study

This project identified problem areas for safety as well as countermeasure solutions. Those identified within the Core Area project study area are listed in the table below.

TABLE 8. 2014 MULTI MODAL SAFETY PLAN IDENTIFIED SAFETY CONCERNS & PROJECT IMPROVEMENTS

| Location | Crash Trend | Countermeasure | Cost | Impact via Crash Reduction |
|---|---|--|-------------|-----------------------------------|
| 1 st Street/Greenwood Avenue | NB EB angle crashes | Curb extensions south side | \$44, 376 | \$22,000 |
| 2 nd Street at Wilson Avenue | Sidestreet crossing (poor visibility) | Improve visibility, do not block intersection | \$18,480 | \$150,000 |
| 3 rd Street at Franklin Avenue | Right turn hook with Bike, red light running | Dutch bike crossings, signal timing & phasing | \$259,256 | \$998,000 |
| Division Street at Revere Avenue | Permitted lefts, rear end in shared left-through, red light running | Protected only phasing, road diet, signal timing and phasing | \$144,259 | \$1,393,000 |
| Greenwood Avenue at Hill Street | Pedestrian/Bicycle crossing safety | Add curb extensions, advance stop bars, illumination | \$167,655 | \$70,000 |

Oregon Department of Transportation (ODOT) US 97 Parkway Plan

The following projects are being considered as part of the US 97 Parkway Plan. The Parkway Plan is expected to be complete and adopted in the Summer of 2019.

Hawthorne & Lafayette On/Off Ramps

All the US 97 Right in/Right out (RIRO) approaches are expected to queue significantly due to increased northbound and southbound traffic on US 97 in the future, causing the intersections to fail to meet mobility targets. Furthermore, increased congestion at these intersections has already resulted in drivers selecting shorter gaps to enter US 97. This may lead to increased crashes.

While closing the RIROs will improve the operations and safety on US 97, the access provided by each intersection must also be addressed. Closing all RIRO intersections without mitigation would likely be detrimental to local business and downtown access.

Therefore, a number of modifications and configurations were explored and particular attention was given to access to key destinations, such as downtown. ODOT is therefore currently looking at two alternatives for the Hawthorne and Lafayette On/Off Ramps.

1. Closing them entirely
2. Converting them from right-in/right-out to right-in only



The second alternative means that drivers would be able to make a right-turn from US 97 onto Lafayette/Hawthorne Avenue but the right-turn onto US 97 would be restricted. This conversion would require the deceleration lanes to be reconstructed to meet ODOT standards where feasible.

Restricting only the right-turn onto US 97 would eliminate the queueing issues projected at Lafayette/Hawthorne Avenue and US 97 in the future but would still allow drivers to exit US 97. Figure 9 shows an aerial of US 97/Hawthorne Avenue with the right-turn onto US 97 closed.

Diamond Interchange at Colorado Avenue

Under future conditions, the US 97 NB and SB ramps at Colorado Avenue will not provide enough capacity to serve the forecasted demand at this interchange. In addition, the US 97 southbound ramp intersection at Colorado Avenue was flagged for safety issues under existing conditions. Reconstructing the interchange as a complete diamond configuration may address some of the operational and safety issues. If sight distance requirements can be met, signaling the intersection of the US 97 NB ramps at Colorado Avenue would also increase the operational and safety benefits of this alternative.

Widen 3rd Street at Colorado Avenue Rail Crossing

As traffic increases on US 97 in the future, so will the need for a reliable alternate route. 3rd Street may provide an alternate route as it runs parallel to US 97 with four lanes for most of its length. However, at the rail crossing near the US 97 Colorado Avenue interchange 3rd Street narrows down to two lanes. This reduction in capacity significantly impacts 3rd Street's ability to carry shorter distance trips in Bend that may otherwise be routed on US 97, or trips diverted to 3rd Street due to an incident.

A possible solution would be to widen 3rd Street from two to four lanes at the Colorado Avenue rail crossing. This would improve operations on US 97 by allowing 3rd Street to provide more effective incident alternate routing and also serve some short distance local trips that might otherwise try to use US 97.

Pedestrian and Bicycle Local System: Parkway crossings and parallel routes

ODOT is coordinating with the City of Bend to identify parallel routes and crossings needed to ensure a safe pedestrian and bicycle system. This is being integrated into the development of the City's Low Stress Network (LSN) concept.

Cascade East Transit 2040 Transit Master Plan

Cascade East Transit (CET), operated by the Central Oregon Intergovernmental Council (COIC), is the public transportation system providing fixed route bus service for the general public, and, pre-scheduled Dial-A-Ride services for qualifying persons with disabilities and seniors who qualify as low income in the Bend area. Additionally, their Community Connector bus service provides Bus service on a fixed schedule and is available between the communities of Bend, Redmond, Terrebonne, Prineville, Madras, Culver, Metolius, Warm Springs, La Pine and Sisters.

CET is in the process of developing their 2040 Transit Master Plan to identify conceptual transit service over the next 25 years which will identify near, mid, and long-term transit service needs.

All of CET's nine transit routes in Bend begin and end service within the project study area at the Hawthorne Transit Station. CET's most popular transit routes are those that serve 3rd Street: Route 4 (North 3rd Street) and Route 1 (South 3rd Street). In addition, Route 7 (Greenwood) that serves St. Charles Medical Center is a highly used route. All three of these routes are being recommended for high-capacity transit through the City's Transportation System Plan (TSP) update. In addition, there are currently pedestrian, bicycle, vehicle, and transit conflicts that currently exist around the Hawthorne Transit Station area that will need to be addressed through CET's planning efforts and the Core Area Project.

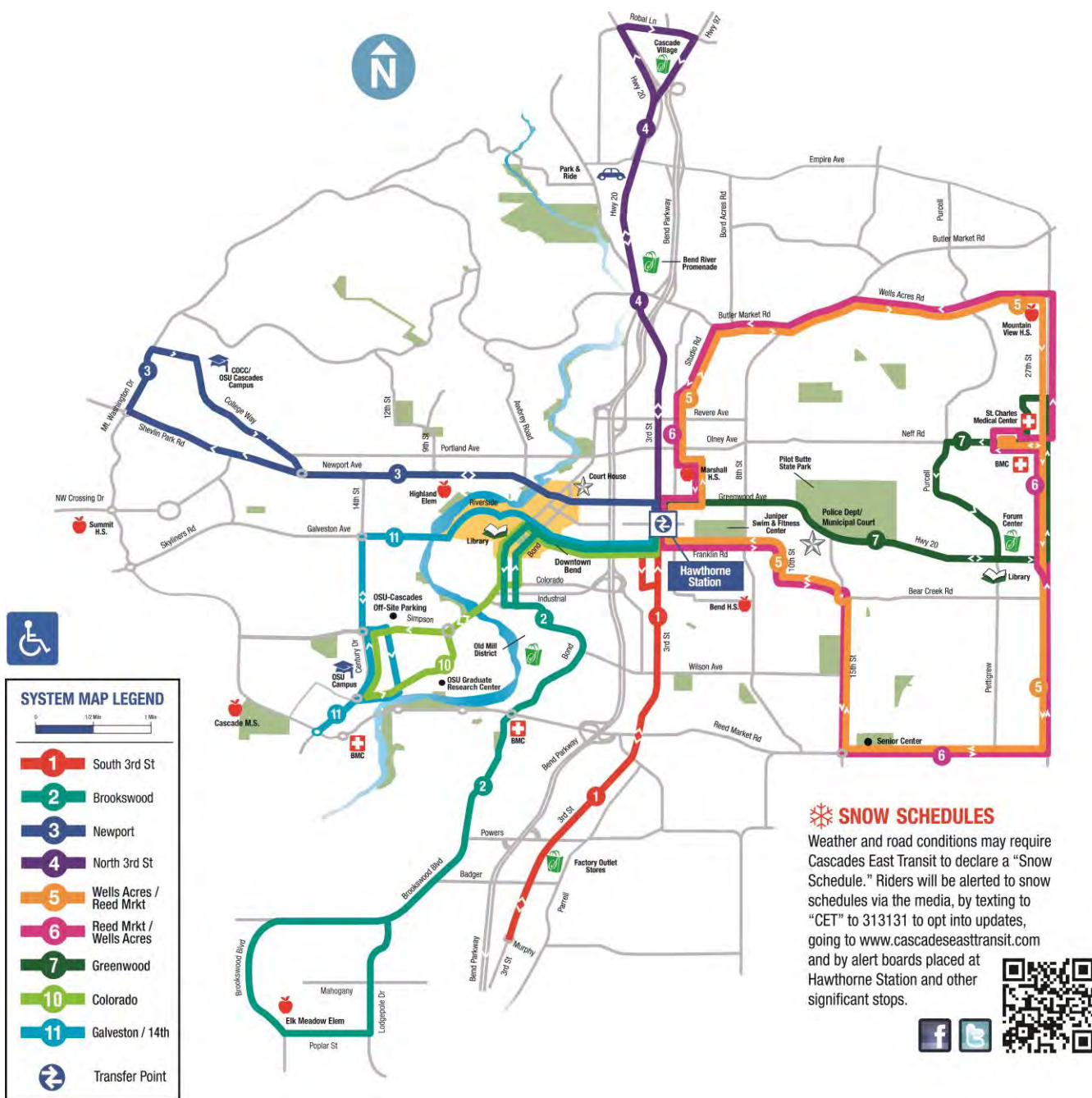


FIGURE 13. CASCADE EAST TRANSIT ROUTES IN BEND

TRANSPORTATION PROJECTS

There are several planned and programmed projects that the City and local agencies currently have programmed for design and construction. A map of all planned and programmed projects within the study area will be available at the May URAB meeting.

City of Bend

Neighborhood Greenways

The City of Bend is in the process of designing and constructing a series of neighborhood greenways broken into four phases. Neighborhood greenway is a term used by many cities across the country to describe a local street that serves as a more comfortable and safe route for walking and biking than nearby busier streets. Several of these phases contain greenway routes that pass through the Project Study Area. The first phase of the Greenways, NE 6th Street and SW 15th Street, will be constructed in Summer of 2019 and subsequent phases will be designed and partially constructed between now and 2019-2023.

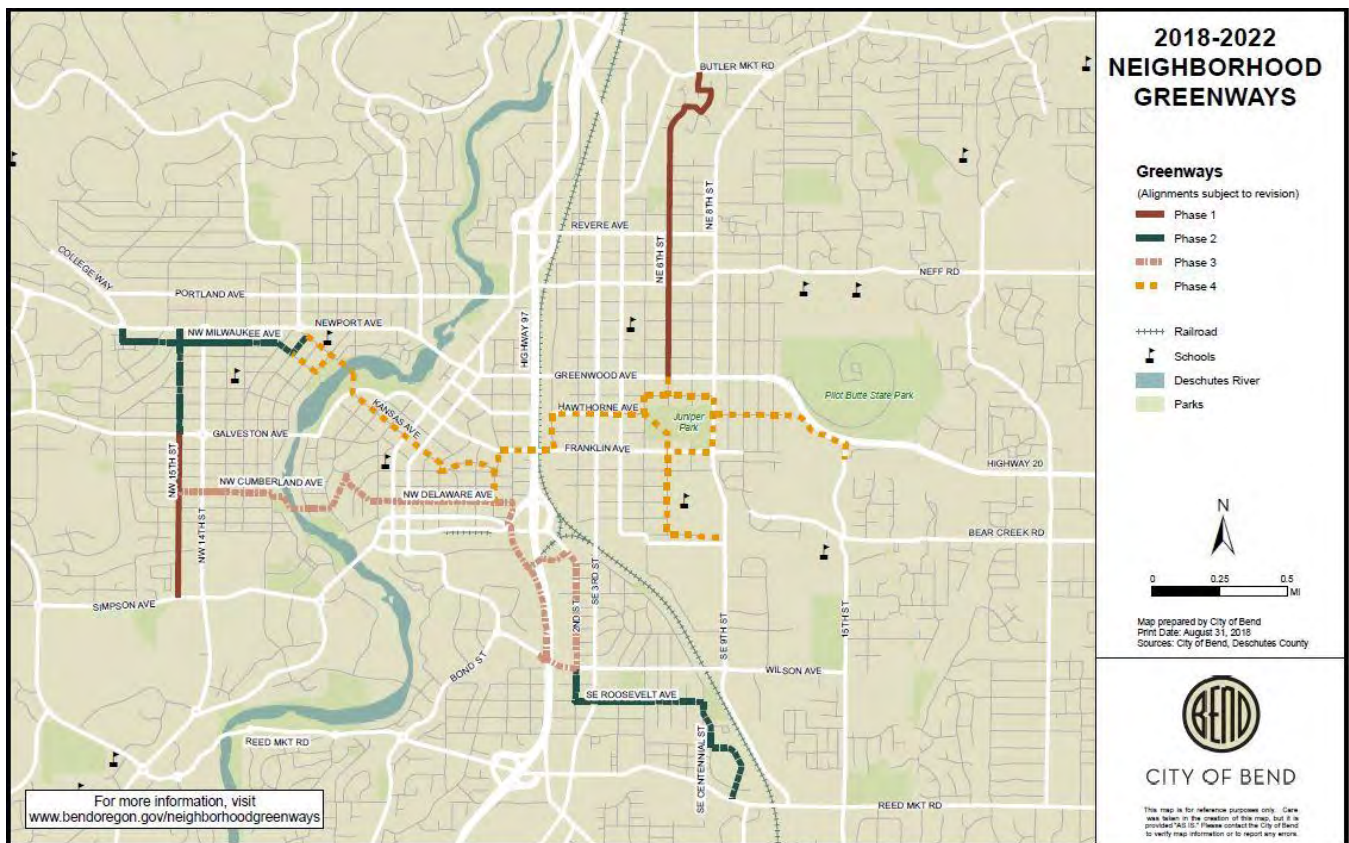


FIGURE 14. CITY 2018-2022 PROPOSED NEIGHBORHOOD GREENWAY LOCATIONS

Citywide Safety Improvements

The following safety projects within and adjacent to the study area are in design and planned for construction by 2021, include:

- 3rd Street/Hawthorne Avenue: Safety island, crosswalk, flashing beacon, street lighting
- 3rd Street/Franklin Avenue: Curb ramp and sidewalk improvements
- Colorado Avenue/US 97 Parkway Ramp: reconstruct corner radii, curb ramps, pedestrian crossings, signal phasing for walking and biking through intersection, improved connections from intersection to NW Harriman Street cul-de-sac and pathway to KorPine site by Crux
- 6th Street/Revere: enhanced pedestrian crossing

ODOT

US20 Empire-Greenwood

Pavement preservation, ADA upgrades, sidewalks, bike lanes, pedestrian crossing, sign and signal upgrades. Consists of many project components within study area including:

1. Greenwood/6th Street crossing, RRFB/median
2. Greenwood/4th Street enhanced crossing/median
3. Potential RRFB @ 3rd Street/Lafayette
4. RRFB at 3rd between Webster and Underwood Avenues
5. Enhanced Crossing at 3rd & Seward
6. Signal reconstruction at 3rd & Greenwood
7. Sidewalk infill, ADA ramps, and push buttons on 3rd
8. ADA ramps and push buttons on Greenwood
9. Task amendment to analyze possible future lane channelization of Greenwood west of 3rd (City of Bend and ODOT coordinating on this task)

Project Cost: \$13,731,739

Goes to Bid: Phase I- July 2020

SEWER

The City recently adopted the 2018 Collection System Public Facility Plan (PFP) which identifies the types and levels of urban sewer facilities and services appropriate for the needs and requirements to ensure future development within the City of Bend's UGB.

The PFP looked at three project implementation timeframes based on the system's capacity constraint: Short-term (1-5 years), Mid-term (6-10 years), and Long-term (11-20 years). The Core Area Project, while not directly affected by any single improvement, is dependent on several improvement projects being completed in order to encourage and support a higher intensity of development and capacity requirements.

The Sewer PFP identified the following projects to serve the Core Area and increased infill and density within the Core of the City. A discussion of the project, timeline it was expected to be necessary and planning level cost estimates are provided below.

- 1. Southeast Interceptor Extension and Diversion – Short-term - \$4,000,000:** The project extends the Southeast Interceptor west from Parrell Road and across Highway 97. The improvement will divert wastewater from the Mahogany/Amethyst trunk sewer and the Central Interceptor System into the Southeast Interceptor allowing for continued development in the City central core. The diversion structure will allow split flow between the Central Interceptor and the Southeast Interceptor.
 - The City is close to completing this project.
- 2. Drake Lift Station and Force Main – Short-term - \$347,000 :** Expansion of the Drake Lift Station and force main capacity will accommodate growth in the KorPine service area. The City is pursuing a project right now that combines elements of this project and Drake Downstream Trunk project to ensure sewer capacity needed to serve the KorPine opportunity area.
- 3. Drake Downstream Trunk – Mid to Long-term - \$3,200,000** –The gravity sewer between Drake Lift Station and the Central Interceptor requires upsizing to serve buildout densities for the KorPine development site. The project is recommended between the mid- and long-term timeframes to accommodate phased development of the site in a 5-15 year period. To minimize traffic disruptions through busy commercial areas, the City is pursuing an alternate improvement route from the Drake Lift Station to an improved 2nd Street Trunk which is being developed through the Drake Lift Station and Force Main project.
 - Due to the City's investment in the Drake Lift Station and force main, this trunk line will only need to be replaced for rehabilitation and operations/maintenance purposes in the future.
- 4. Central Interceptor – Mid to Long-term - \$11,680,000:** The Central Interceptor requires upsizing to accommodate buildout densities in a combination of the West UGB expansion area, Shevlin UGB expansion area, Central Business District, KorPine site, OSU Cascades, and Century Drive area. Similar to the Drake Trunk the interceptor improvement is recommended between the mid- and long-term timeframes to

accommodate phased development in a 5-15 year period. This project could be phased incrementally over time most likely starting from the northeast portion.

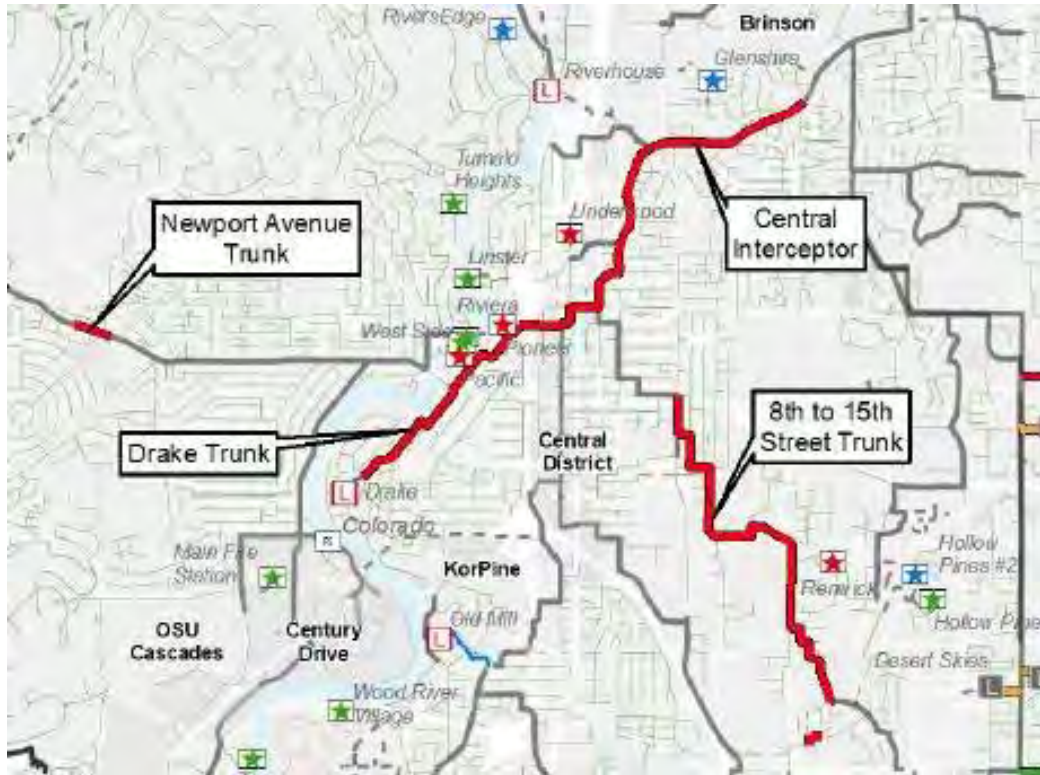


FIGURE 15. 2018 SEWER PFP CORE AREA CAPITAL IMPROVEMENT PROGRAM OVERVIEW

The majority of the project area does not require any near term sewer improvements to support development apart from the KorPine site. Therefore the City initiated a project in early 2019 that combines elements of the Drake Lift Station and Force Main projects, while deferring the Drake Downstream Trunk project, as identified in the PFP, by rerouting the flow to a different discharge location. The Drake Lift Station, upstream gravity main, and downstream forcemain require capacity improvements to meet build-out flows; in addition the lift station is in need of condition improvements. The following components are included in the Drake Lift Station project and shown in Figure 15:

1. The Drake Lift station, forcemain, and gravity main up to the Arizona and Colorado intersection will be designed and constructed by the City, with a goal to be completed by Fall/Winter 2020.
2. The City also plans to complete design work for the gravity main up to the Bond and Industrial intersection that would serve the KorPine site. Construction of this portion of the sewer line is not programmed at this time.
 - The estimated cost to construct the entire upstream gravity main from the existing station location to the Bond and Industrial intersection is \$1,500,000.
 - This portion of the gravity main alignment is currently being evaluated as part of an alternatives analysis.

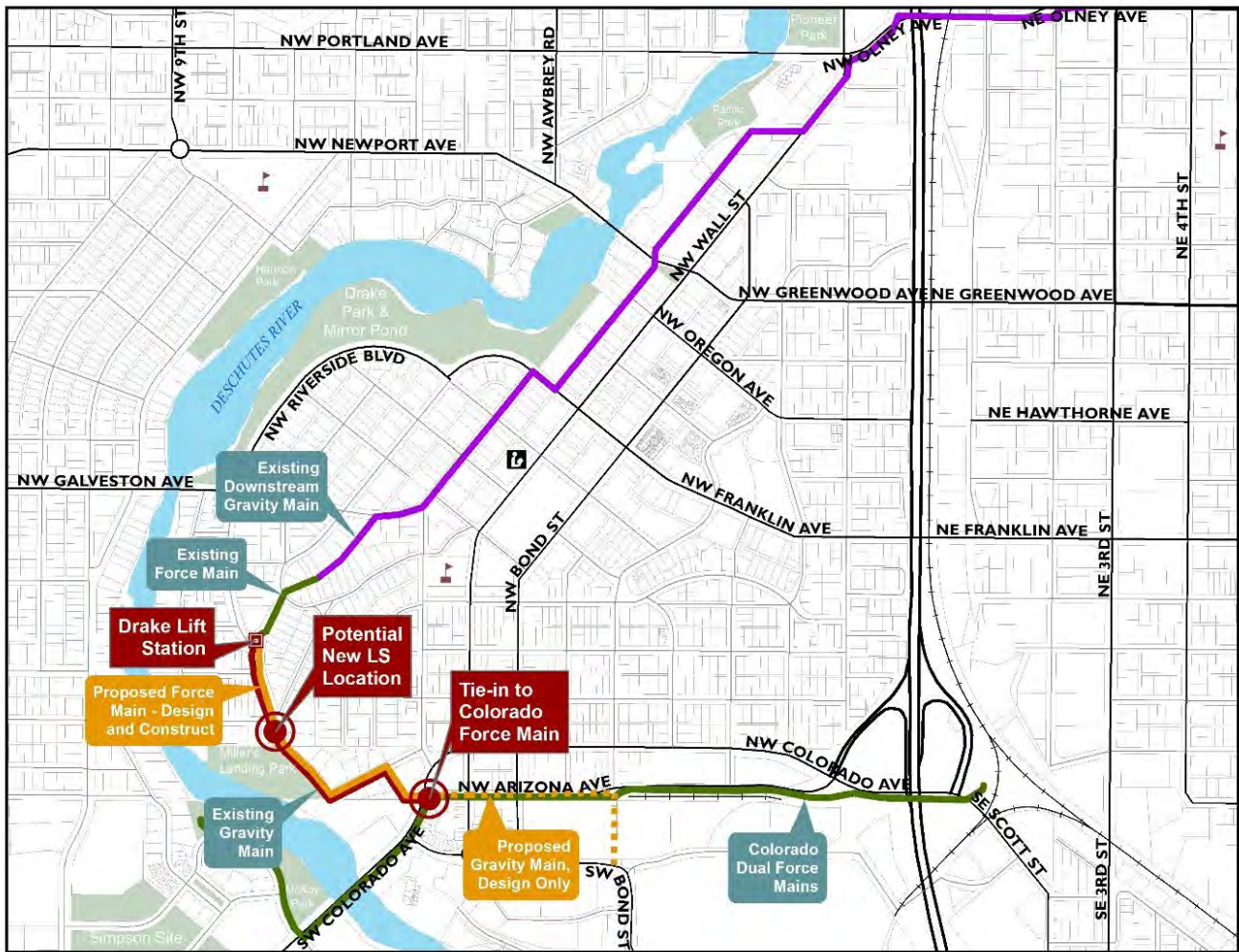


FIGURE 16. OVERVIEW OF CITY DRAKE LIFT STATION AND SEWER IMPROVEMENTS PROJECT

SEWER KEY TAKEAWAY

The project study area is well served with sewer apart from the KorPine site. The City recently initiated the Drake Lift Station Project which will enhance sewer capacity for KorPine. As density increases in the mid to long term, the City will need to invest in the Central Interceptor and the Drake Downstream Trunk.

STORMWATER

The City has a 2014 Stormwater Master Plan that identifies stormwater problem areas and potential solutions. However the City intends to update this plan in 2020. Currently the City has a dispersed system of handling stormwater and primarily uses Underground Injection Control (UIC) stormwater treatments. The City works to minimize the discharge of untreated stormwater run-off from streets into the Deschutes River and Tumalo Creek. For this reason, the city has designated an area of the city near the river as a Municipal Separate Storm Sewer System (MS4) zone, in which stormwater is piped to reduce flows to the river. The project study area does not fall within the MS4 zone or river drainage basins. The project study area does intersect eight stormwater major basins (MB17, 18A, 18B, 37, 8C, 18C, 20, 14B) as shown in Figure 16 below. The Department of Environmental Quality (DEQ) places limitations on stormwater treatments within Drinking Water Protection Areas (DWPA) and environmental clean-up sites. (DWPA). The southeast portion of the project study area, the Wilson sub-area, falls within two of the City's Drinking Water Protection Well areas as demonstrated in Figure 17. This limits the use of UIC treatments in these areas area. DEQ identifies drinking water protection areas by modelling larger wells for their time of travel (TOT) zones. Within Bend, they model the time of travel out to 10 years. For smaller wells, DEQ places a 500 foot protection buffer. There are also approximately thirty five (35) DEQ environmental clean-up sites such as former gas stations or dry cleaning locations within the project study area. A large portion of these sites are clustered along the 1st Street corridor. Around 40% of these sites do not require any further action by DEQ; for others, the majority of the other sites DEQ recommends conducting site screenings. There is only one Resource Conservation and Recovery Act (RCRA) designated environmental clean-up site in the area.

There are 237 city maintained underground injection control (UIC) treatments within the project study area. In addition, the City measures the amount of impervious surface in commercial, mixed use, and high density residential zones within the City in order to develop a monthly stormwater service charge based on impervious surface coverage. This data set, demonstrated in Figure 18, was used to determine that the project study area currently contains 649.7 acres of impervious surface, making it 97.4 % impervious. The City of Bend defines impervious surface as a *hard surface area that either prevents or retards the entry of water into the soil mantle*. Common impervious surfaces include: building roofs, walkways, patios, driveways, parking lots, concrete or asphalt paving, gravel roads, and packed earthen materials.

The City's current design standards requires that stormwater infrastructure be sized to address a 25- year storm event with safe passage for a 100-year 24-hour storm, and water quality for a 6 month 24-hour storm.

The following City of Bend Comprehensive Plan identifies numerous policies related to Storm Drainage Facilities and Systems in Chapter 8. Three of these policies are listed below for reference.

- 8-22 Due to the lack of a defined drainage pattern for most of the urban area, development shall, to the extent practicable, contain and treat storm drainage on- site. In instances where containing storm drainage on-site

would not be safe or practicable, the developer shall enter into a formal and recorded arrangement with the City or a private party to adequately address the storm drainage off site such as a regional control.

8-23 The use of stormwater disposal systems shall be coordinated with the Oregon Department of Environmental Quality and Water Resources Department to protect ground water and surface water.

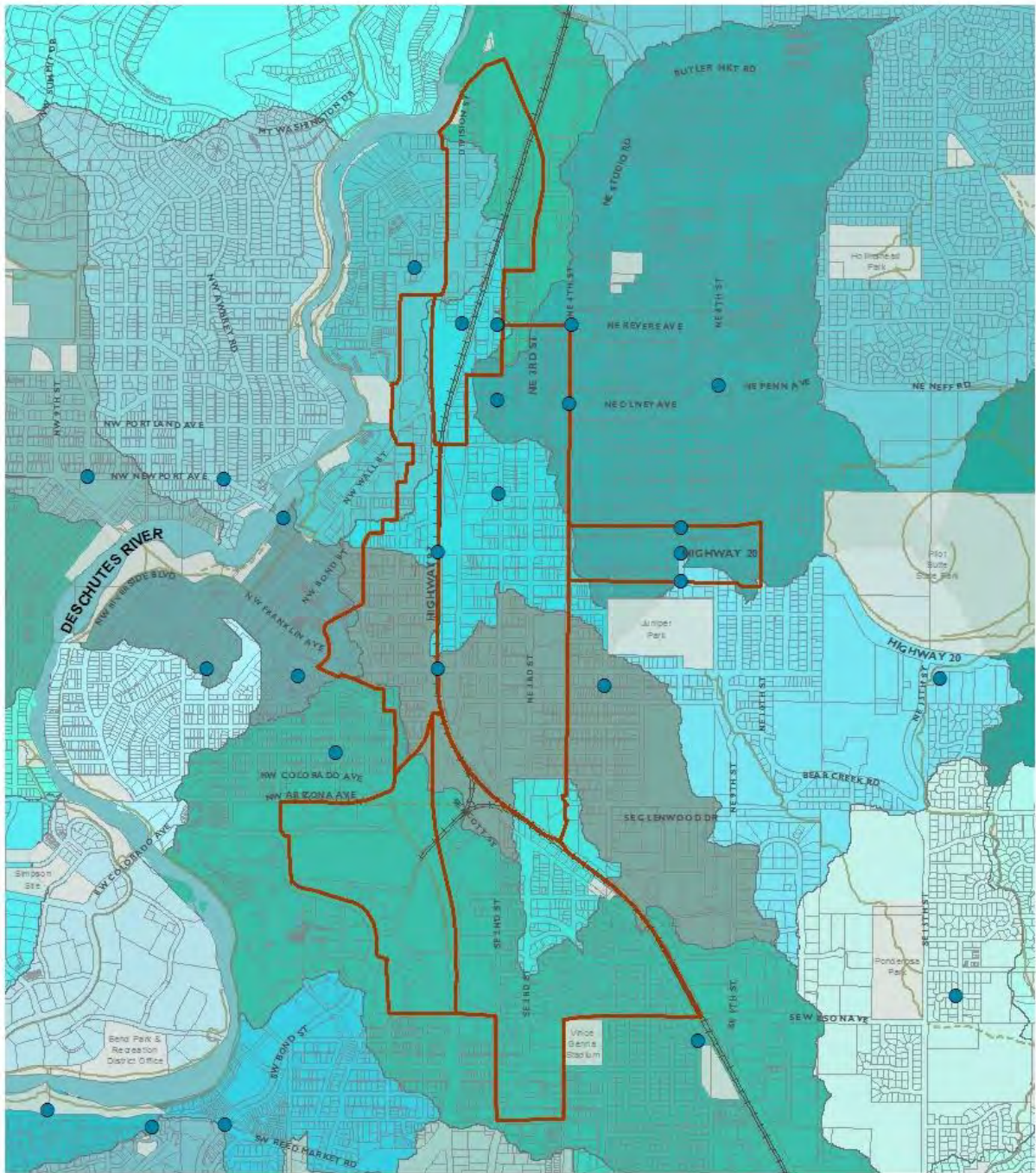
8-24 The City shall work to minimize the discharge of untreated stormwater run-off from streets directly into the Deschutes River and Tumalo Creek.

The City's Stormwater Public Advisory Group has focused the last eighteen months on how to best handle stormwater with increasing density. They have identified a need to look at regional treatment facilities for infill/opportunity areas in combination with other treatment methods including low impact development techniques as well as onsite and streetside improvements. Through the Core Area project, the number of acres needed for a regional stormwater management facility to handle a 25-year stormwater event will be calculated and potential funding strategies will be considered. Regional facility locations and stormwater solutions are likely to be identified and refined through a future update of the City's Stormwater Master Plan.

There are multiple known flooding locations within the study area as demonstrated in Figure 12, the Franklin undercrossing is the highest priority flooding location followed by the Greenwood undercrossing. The City recently completed a project to address flooding concerns in the 3rd Street undercrossing area by adding drainage swales in the 55-acre drainage basin to improve filtration, replacing drill holes in the spill risk area, and constructing a vault pump station and pipe to a regional retention basin at the Colorado interchange. A similar project is imagined to address stormwater concerns for both the Franklin and Greenwood undercrossings. Currently, there are no programmed stormwater improvements within the study area.

STORMWATER KEY TAKEAWAYS

1. The City does not have a traditional stormwater system and instead relies on a dispersed system primarily using Underground Injection Controls (UICs).
2. There are typical flooding locations within the study area. The Franklin undercrossing is the number one priority location to address followed by the Greenwood undercrossing.
3. Treating stormwater on site will be challenging for small parcel owners that are looking to redevelop.
4. The City has identified various stormwater solutions that include the likely need for a future regional stormwater facility within the study area that will need to be further specified through a future Stormwater Master Plan update.



**BEND CORE AREA
STORMWATER
DRAINAGE & FLOODING**



**CITY OF BEND
CORE AREA PROJECT**

-  Core Area & Subarea Boundaries
-  Taxlots
-  Parks
-  Flooding Locations

Basins



3/14/2019

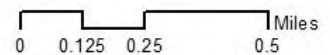
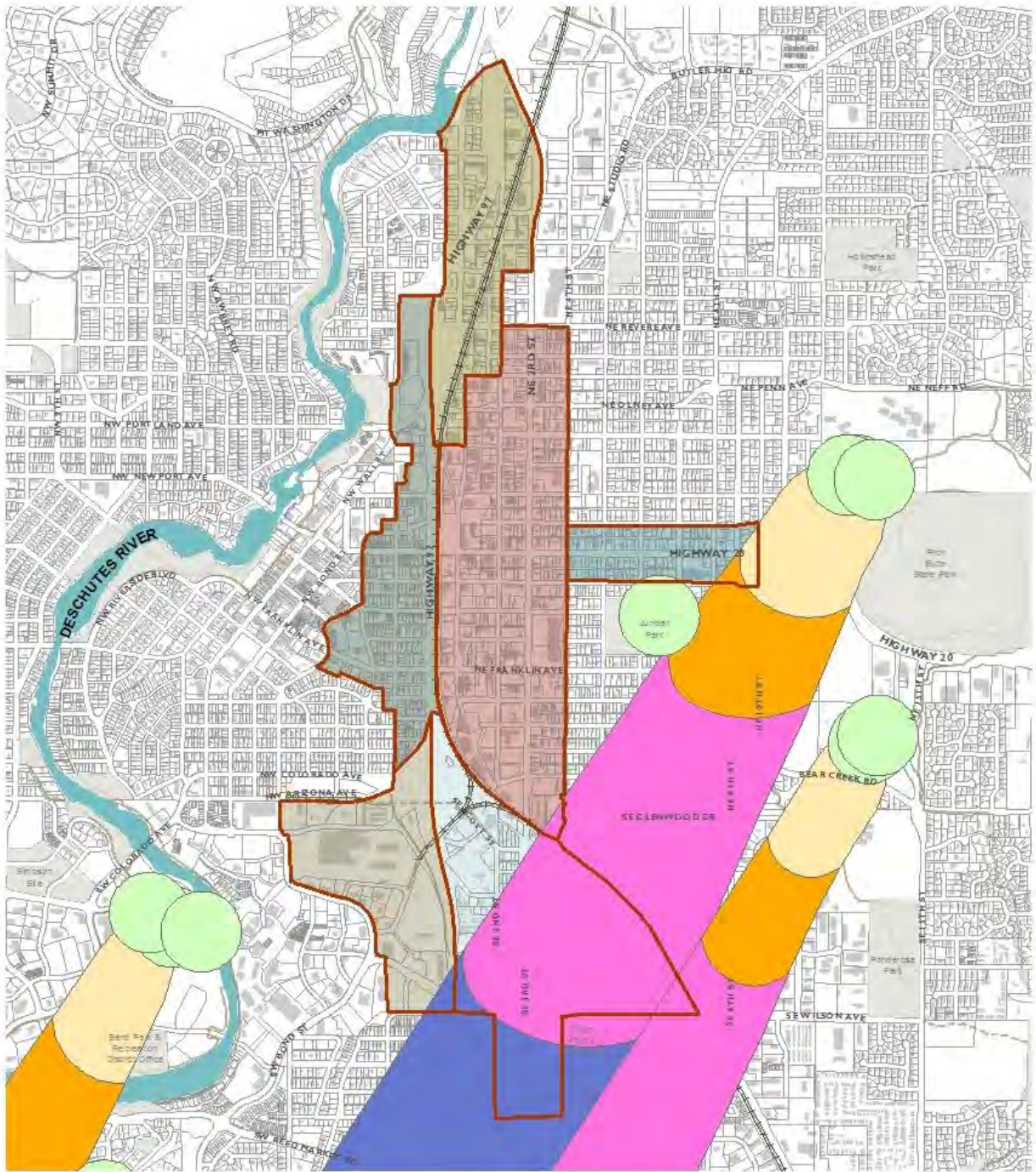


FIGURE 17. TYPICAL FLOODING LOCATIONS & STORMWATER DRAINAGE BASINS



BEND CORE AREA DRINKING WATER PROTECTION AREAS



Time of Travel

- 1 Year
- 2 Year
- 5 Year
- 10 Year
- 500' Buffer

- Core Area & Subarea Boundaries
- Building Footprints*
- Taxlots
- Parks

*This information is not verified by the City of Bend

3/13/2019

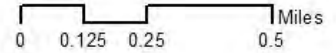
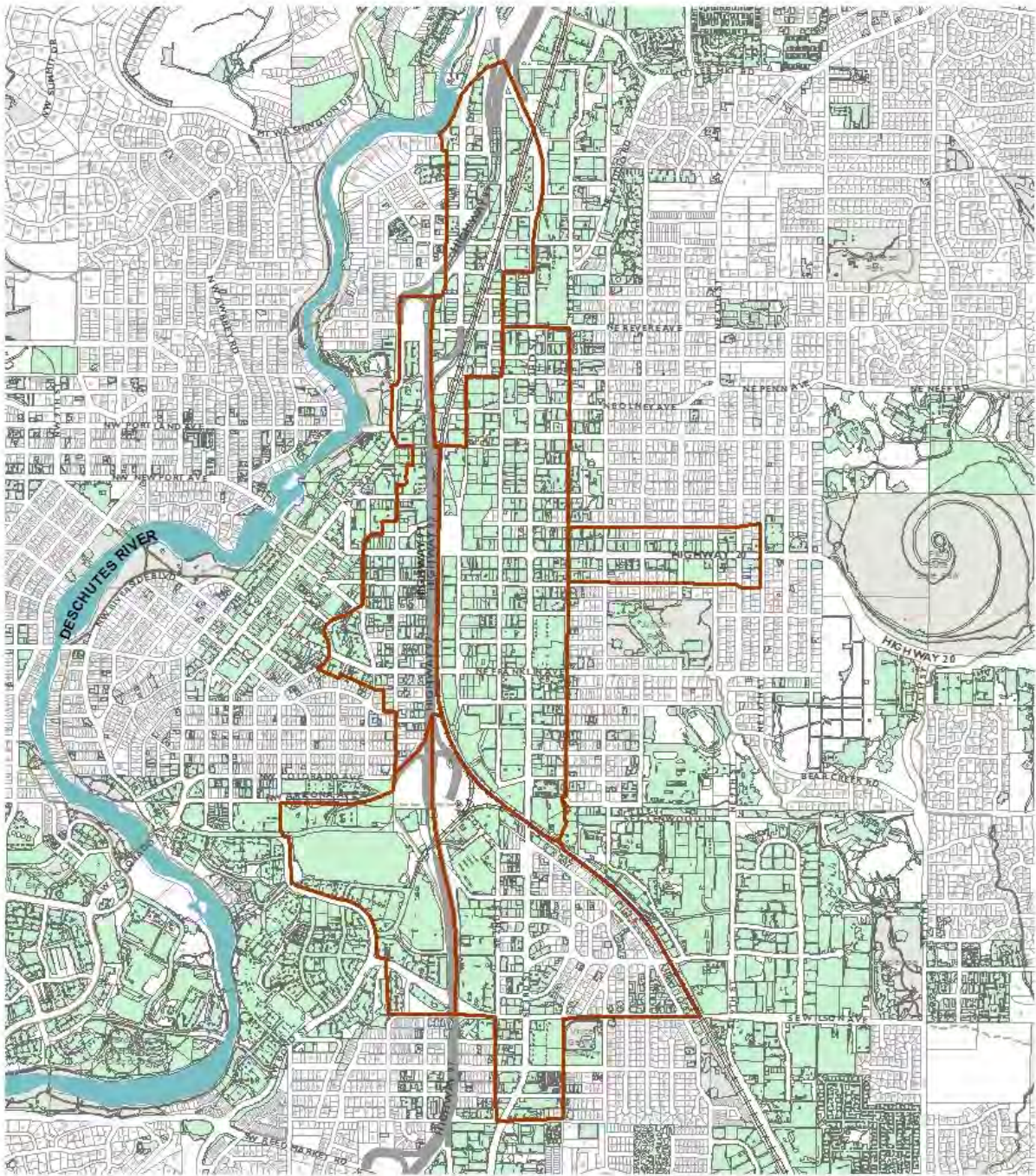







FIGURE 18. DRINKING WATER PROTECTION AREAS



**BEND CORE AREA
IMPERVIOUS SURFACE**



-  Core Area and Subarea Boundaries
-  Impervious Surface
-  Building Footprints*
-  Taxlots
-  Parks

3/12/2019



* This data has not been verified by the City of Bend

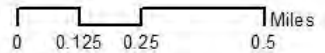


FIGURE 19. IMPERVIOUS SURFACE WITHIN AND ADJACENT TO PROJECT STUDY AREA

WATER

The entire project study area falls within the City of Bend's service territory. The City is in the process of updating the City's Water Master Plan. This effort is expected to be complete by Spring of 2020. The primary concern for the area is the need to replace outdated, galvanized and cast-iron piping. Exact projects have not yet been identified. The City strives to incorporate water line improvements as streets are improved.

PARTNER AGENCY PLANS

BEND PARK AND RECREATION DISTRICT

Bend Park and Recreation District (BPRD) is the urban service provider of parks within the Bend City limits. In the southern section of the project area, Jaycee Park is a neighborhood park with a playground, grassy field, and basketball hoops. Other parks are located just outside the project study area, including Juniper Swim & Fitness Center and Juniper Park, Kiwanis Park, and Pioneer Park. The 2018 BPRD Comprehensive Plan includes a low priority project to secure park land in the central district to develop an urban plaza or parklet to support redevelopment of the area. BPRD has two existing urban plazas totaling .35 acres including Hixon Square located near the Whitewater Park and Brandis Square in Downtown Bend.

The only trail plan for the district in the study area is a Rails to Trails project which is not a project that is foreseeable in the near future since the rail line is still quite active.

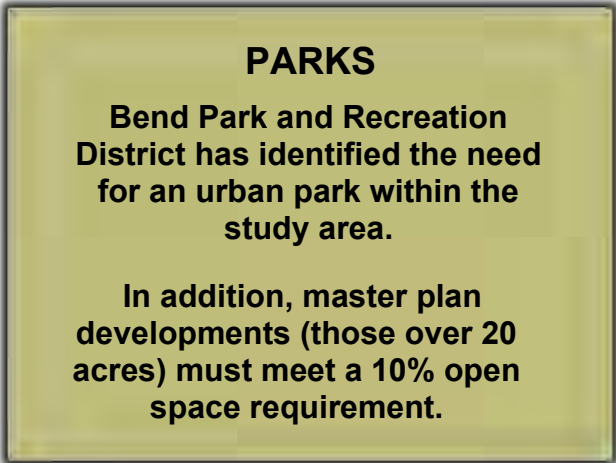
In addition, BPRD has identified the need for a neighborhood park just south of the KorPine opportunity area to serve the neighborhoods to the south of that site.

BPRD plans to improve the Deschutes River Trail (Trail Project 13D) between Drake Park and First Street Rapids Park as well as make improvements to the Juniper Swim and Fitness Center and playground that could provide indirect enhancements to the project study area.

BEND LAPINE SCHOOL DISTRICT

There are no current or planned schools within the project study area, according to Bend-La Pine Schools' 2016 Sites and Facilities Plan. However both Bend Senior High School and Marshall High School are located adjacent to the project study area.

Bend Senior High School is located a little further from the study area on Clay Avenue and NE 6th Street, while Marshall High School is located just east of the Bend Central District on 4th Street and Marshall Avenue. Bend-La Pine Schools is in the process of developing a Master Plan for Bend Senior High. Bend-La Pine Schools is engaged in a curriculum redesign that includes adding Career and Technical (CTE) programming, and aligning core courses to those



PARKS

Bend Park and Recreation District has identified the need for an urban park within the study area.

In addition, master plan developments (those over 20 acres) must meet a 10% open space requirement.

pathways at Marshall High School. However, Marshall High School will continue to be an alternative high school that students from any boundary may choose to attend.

DESCHUTES COUNTY LIBRARY

The Deschutes County Library is looking for a location to house a new regional library facility. They are looking to construct a 100,000 sq. ft. building. There is a desire for this library to serve as a community center with an open space component. The Library district does not have a site within the city identified for this new regional library facility yet.

UTILITY PROVIDERS

The following utility providers have services within the City of Bend: Bend Broadband, Cascade Natural Gas Corporation, Central Electric Cooperative, Fatbeam LLC, Lightspeed Networks, TDS Telecom, as well as Pacific Power.

**ATTACHMENT A: 2016 ACS POPULATION DEMOGRAPHIC
MAPS**

ATTACHMENT B: BRIDGE FEASIBILITY STUDY BY CH2M



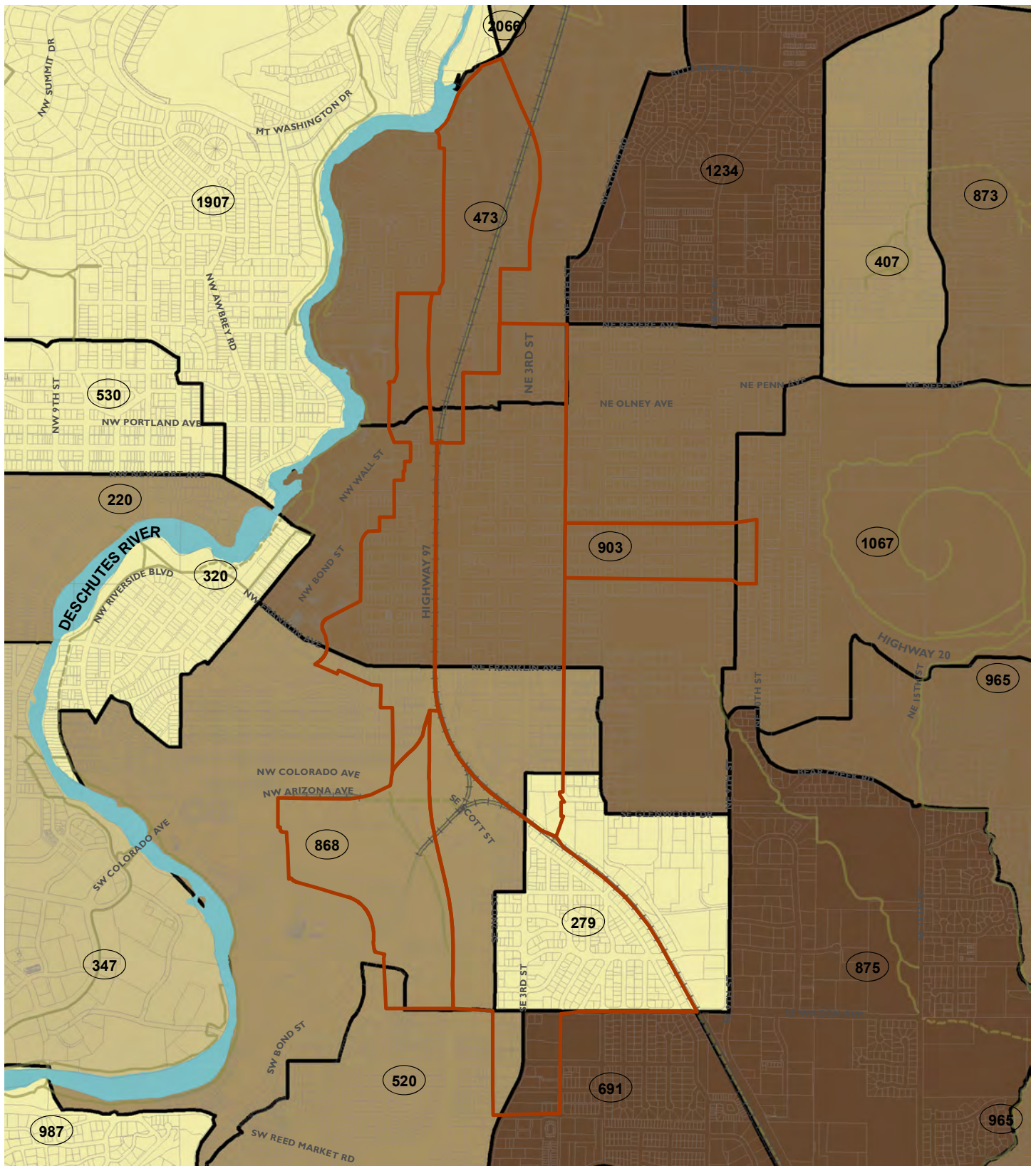
CITY OF BEND

CORE AREA PROJECT

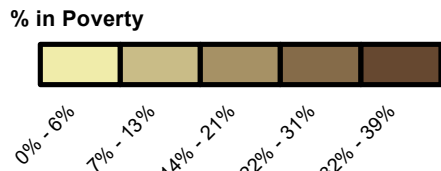


Accommodation Information for People with Disabilities

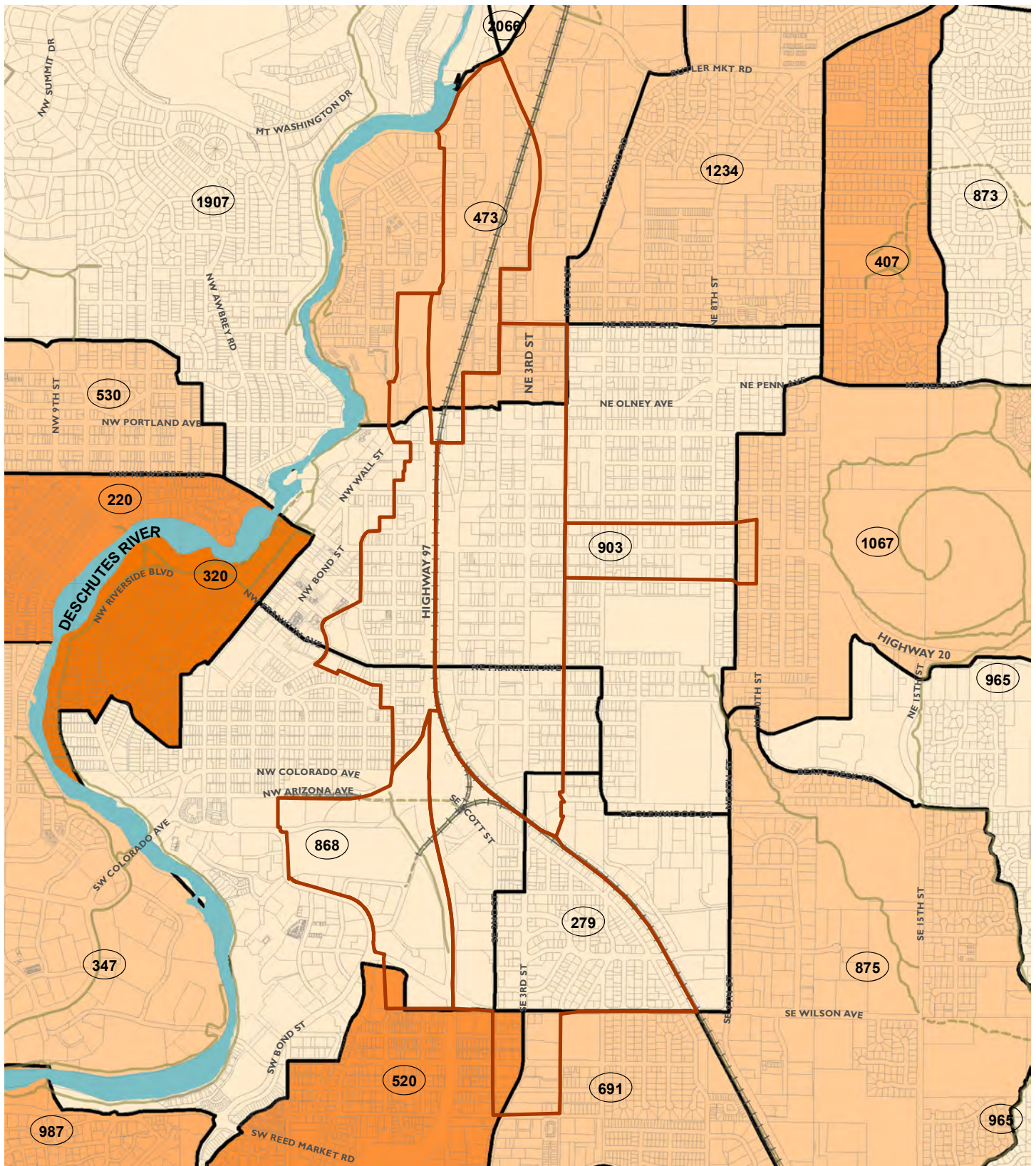
To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Allison Platt at aplatt@bendoregon.gov or 541-322-6394.



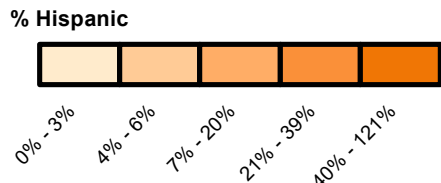
BEND CORE AREA HOUSHOLDS IN POVERTY



- Core Area & Subarea Boundaries 3/15/2019
- Taxlots
- Households

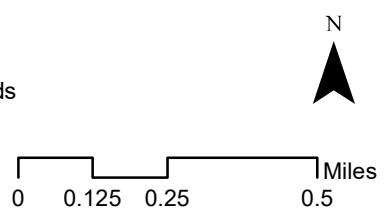


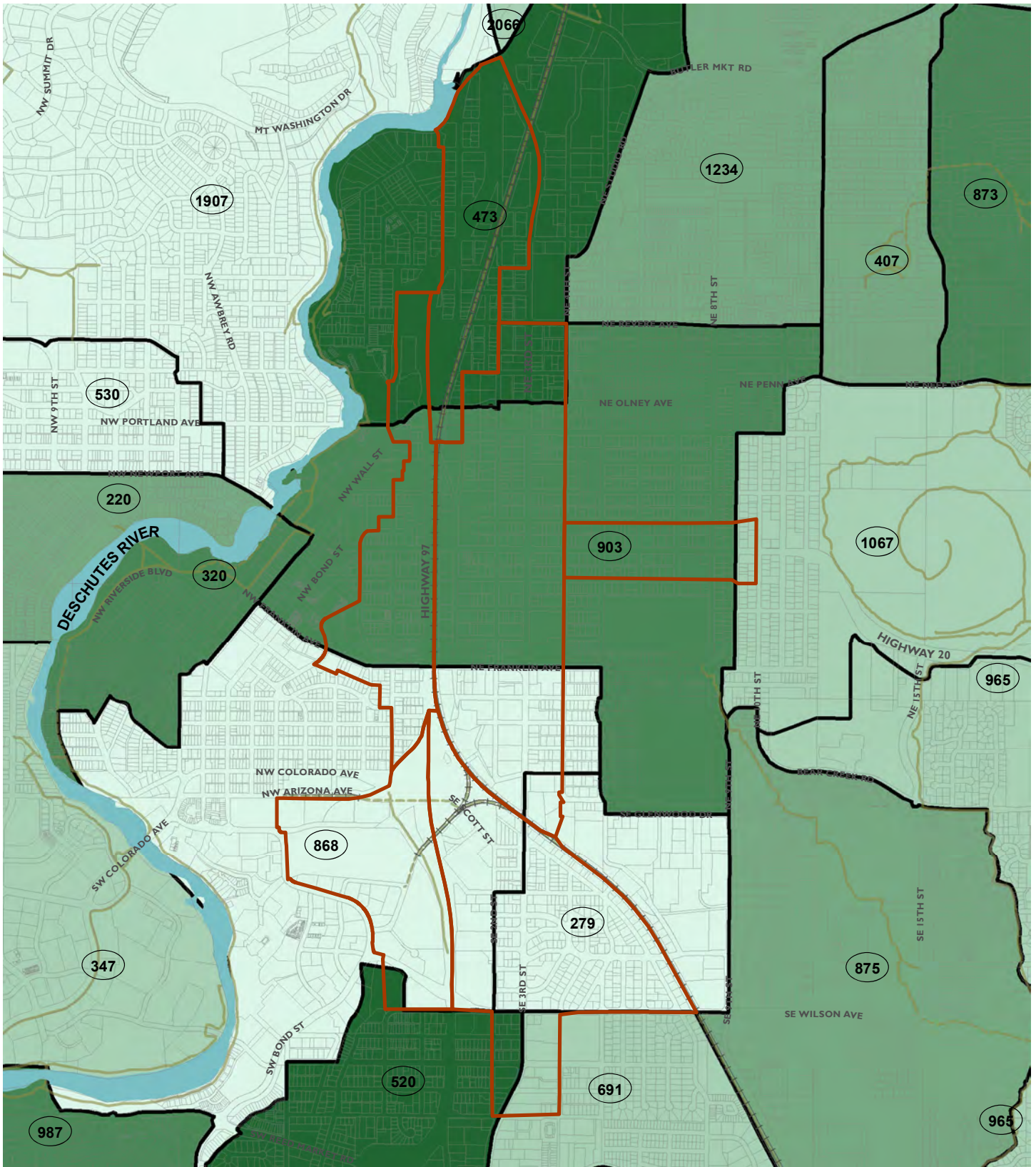
BEND CORE AREA HISPANIC HOUSEHOLDS



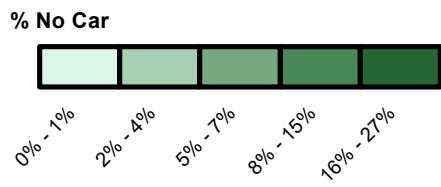
- Core Area & Subarea Boundaries 3/15/2019
- Taxlots
- # Households

Data from 2016 American Community Survey (ACS)
5- year estimates





BEND CORE AREA HOUSEHOLDS WITHOUT A CAR

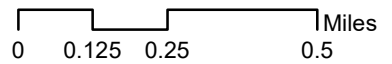


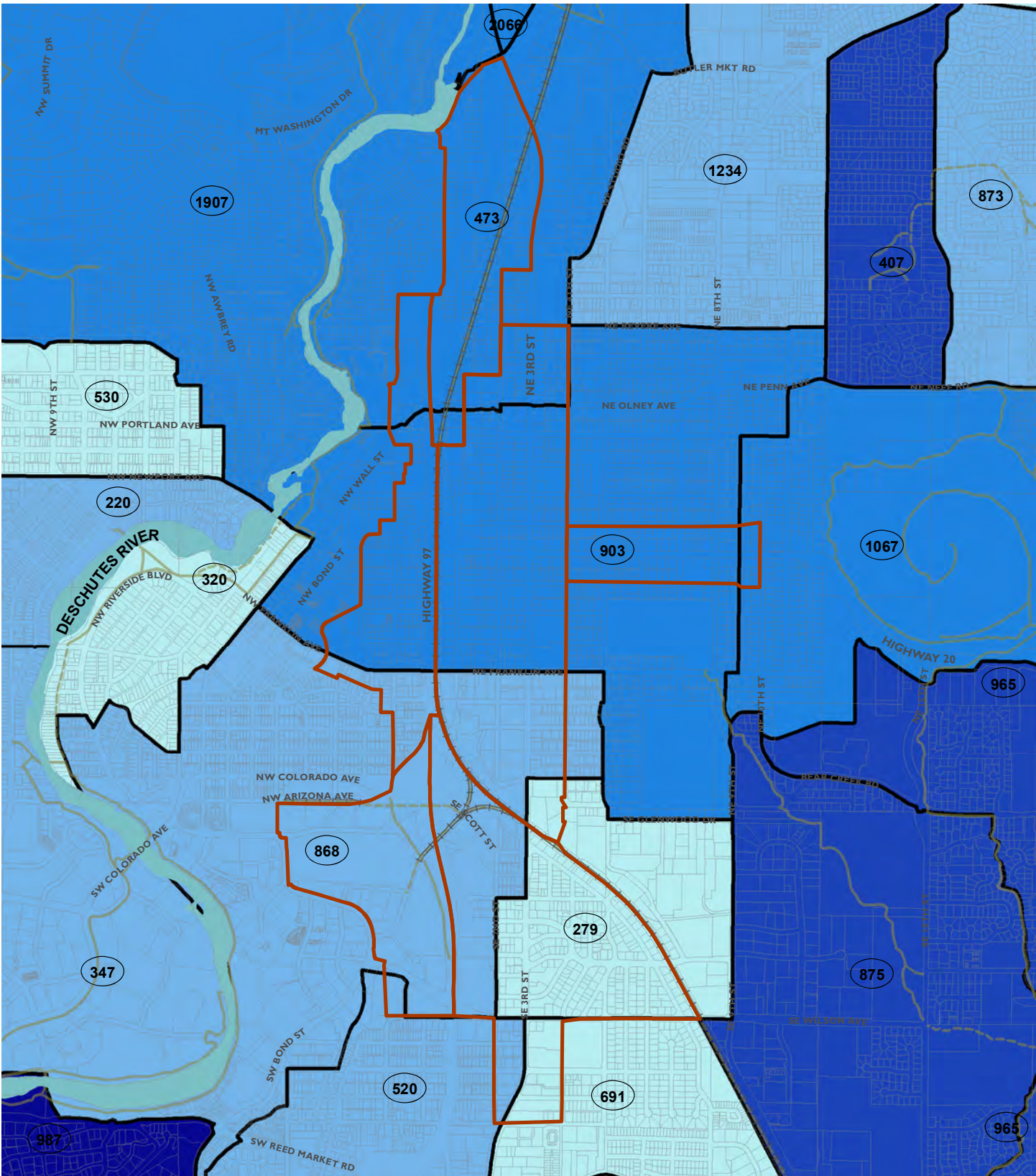
- Core Area & Subarea Boundaries
- Taxlots
- # Households

3/15/2019

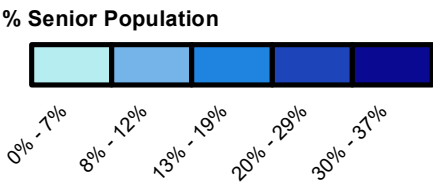


Data from 2016 American Community Survey (ACS)
5- year estimates





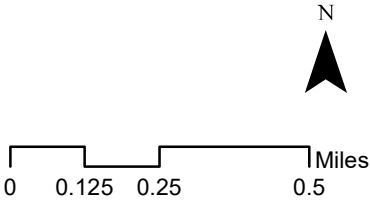
BEND CORE AREA SENIOR POPULATION



- Core Area & Subarea Boundaries
- Taxlots
- # Households

3/15/2019

Data from 2016 American Community Survey (ACS)
5- year estimates



Greenwood Avenue under Railroad

PREPARED FOR: City of Bend, OR
COPY TO: File
PREPARED BY: John Hinman
DATE: August 8, 2016
PROJECT NUMBER: 665109

Greenwood Avenue passes under two parallel two-span steel railroad bridges and a pair of more modern two-span prestressed precast highway bridges carrying Bend Parkway. Greenwood Avenue is a four-lane street with sidewalks on each side. Sidewalks under the railroad bridge are approximately four feet in width; the sidewalks under the Bend Parkway bridge are approximately 8 feet wide. All sidewalks are elevated above the street, and separated from the street by a chain-link fence. The existing bridge abutments constrain widening of the sidewalks away from the center of Greenwood Ave.

Project Purpose

The purpose of a project at the Greenwood Avenue Bridge is to improve pedestrian and bicyclist safety under the railroad and parkway bridges. The capacity and safety may be increased by adding width to sidewalks on each side of Greenwood Ave and by adding bike lanes.

Alternatives Considered

Alternative 1 – Widen Sidewalks Away from the Center of Greenwood Ave.

This alternative consists of leaving the configuration of Greenwood Avenue as it is, and widening the sidewalks under the railroad bridge to match the width of the sidewalks under the Bend parkway.

This alternative requires removing the existing railroad bridge and constructing a new bridge. The existing retaining wall supporting the sidewalks would remain in place, and the profile of the sidewalks would remain as is.

Replacing the railroad bridge involves removing a structure that may be eligible for the National Register of Historic Places because it is more than 50 years old, it uses relatively unusual details, and it is in comparatively original condition. Use of Federal funds for a project that has an adverse effect on a National Register-eligible bridge requires several steps, including investigation of the existing structure and the likely effects on the structure, and demonstration that no feasible alternatives will avoid or reduce adverse effects.

Replacing the railroad bridge will be quite expensive. Both the main line track bridge and the siding track bridge will require temporary bridges, called shoo-fly bridges, and relocation of a substantial amount of existing track. Railroad flagmen are required, controlling train movements and limiting access to the site by the bridge contractor.

The combination of effects on the potentially historic railroad structure and the cost of replacing a railroad bridge greatly increase the time required and the cost required to widen the sidewalks away from the centerline of Greenwood Avenue. These costs are likely to be prohibitive, as just the shoo-fly alone could be in excess of \$1 million.

Alternative 2 – Widen Sidewalks toward the Center of Greenwood Ave.

This alternative consists of reducing Greenwood Ave. from four lanes to two through lanes with a Greenwood Avenue “Road Diet” between approximately NW 2nd Street and NW Harrison Street. This provides the opportunity to provide 6-foot buffered bike lanes on Greenwood Avenue and widen the sidewalks to 8 feet under the existing railroad bridge. A minimum of 20 feet clear between the faces of the barriers must be provided for emergency access along Greenwood Avenue.

The widening would include new retaining walls at the inside edge of the new sidewalks. The existing fences, sidewalks slabs, and the top one to two feet of the existing retaining walls would be removed. Fill between the new and existing retaining walls would be placed, and a new sidewalk slab and fence installed. Modifications to the existing abutment wall transitions may be included to improve sight lines and to remove potential blind spots along the sidewalks.

Pavement, signing, and striping on Greenwood Avenue would be restored. Proposed striping includes a 6-foot buffered bicycle lane between the vehicular lanes and the sidewalk retaining walls.

Traffic restrictions would be required while construction is in progress.

Cost of this alternative is approximately \$829,000, including design, construction, and construction engineering and inspection.

Recommendation

The recommendation is to pursue widening the Greenwood Avenue “Road Diet” concept that allows sidewalks towards the center of Greenwood Avenue. This includes reducing Greenwood to two lanes, and striping bicycle lanes between the sidewalk and the vehicular lanes.

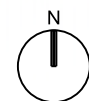
Basis of Costs

Cost estimates included are Class 5 estimates as defined by ASTM E2516, *Standard Classification for Cost Estimate Classification System*. Class 5 estimates can be expected to have an accuracy range of approximately +100% to -50%.



KEY NOTES:

- 1 REMOVE EXISTING 4' WIDE SIDEWALK AND CONSTRUCT 8' WIDE SIDEWALK.
- 2 CONSTRUCT NEW RETAINING WALL.
- 3 TRANSITION WALL TO EXISTING.
- 4 STRIPE 6' WIDE BIKE LANE.


PLAN
 1"=60'-0"

**GREENWOOD AVE,
UNDER BNSF**

Hawthorne Avenue Bridge

PREPARED FOR: City of Bend, OR
COPY TO: File
PREPARED BY: John Hinman
DATE: August 8, 2016
PROJECT NUMBER: 665109

The BNSF Railroad and the Bend Parkway cut through the City of Bend, limiting east-west movement of vehicles, bicycles, and pedestrians to a series of existing undercrossings. Many of these undercrossings have either substandard bicycle/pedestrian facilities or none at all.

No provisions are currently available for crossing at Hawthorne Avenue. 0.3 miles north of Hawthorne Avenue, the Greenwood Avenue undercrossing has only 4-foot-wide sidewalks, constrained between guardrail and the bridge abutments. The next undercrossing is NE Olney Avenue, 0.47 miles north of Hawthorne. NE Olney has bicycle lanes and narrow sidewalks.

0.27 miles south of Hawthorne Avenue, the Franklin Avenue undercrossing has narrow (5-foot-wide) and short (7-foot-tall) pedestrian tunnels and no bike lanes. The next undercrossing is Cascade Lakes Scenic Byway, 0.44 miles south of Hawthorne Avenue. Cascade Lakes Scenic byway has both sidewalks and bicycle lanes.

Project Purpose

The purpose of a project at Hawthorne Avenue Bridge is improvement of pedestrian and bicyclist safety by providing pedestrian and bicycle access across the BNSF Railroad and the Bend Parkway.

Alternatives Considered

Alternative 1 – Construct a Pedestrian Tunnel

This alternative consists of constructing a pedestrian underpass under both the BNSF right of way and the Bend Parkway. This tunnel would be approximately 200 to 210 feet long, portal to portal. Extensive ramps would be required to transition from existing ground to the tunnel invert.

Pedestrian tunnels are not viewed favorably in the United States. They are frequently isolated from view, which contributes to a perception that users may not be safe. The width of the tunnel can range from 10 feet to 14 feet, not including shy distance from the main path to the edges. Considering the length of the tunnel, a wider passageway would be desirable. The tunnel would have a clear height of 10 feet. The roof of the tunnel would be at least a few feet below the grade of the Bend Parkway and railroad.

Undercrossings at railroads are much more expensive than overcrossings, due to the need to construct shoofly structures and to rebuild tracks. Even without railroad involvement, excavation and construction of tunnels costs more than do bridge structures.

Underground structures require more maintenance than do overcrossings. Lighting, cleaning, security, drainage and dewatering, and ventilation are required. All of these elements add to construction costs and require on-going maintenance and operations costs.

Access to the tunnels would involve ramps with switchbacks get from the existing ground to the tunnel portals. Ramps must comply with the Americans with Disabilities Act (ADA). The ADA requires ramps to be constructed with 30-ft horizontal runs separated by horizontal landings that are at least 5 feet long. Each run can rise no more than 2.5 feet. Over multiple runs, this is an average slope of approximately 7%. To descend 18 feet below grade would require horizontal runs of ramps totaling at least 275 feet at each end.

Vacant lots are available to construct stairs and ramps. The lot on the west side is only about 0.10 acres, making it difficult to fit the necessary ramps into the available space. The lot on the east side is much larger, providing more options for layout of the ramps.

Tunnels can be extremely expensive per square foot of plan area. In addition, the involvement of the railroad increases engineering, agency review, and construction time and costs. However, the ramps leading to the portals would be less expensive per square foot than the tunnel. Cost of this alternative is over \$10,000,000, including design, construction, rail road involvement, and construction engineering and inspection.

Alternative 2 – Construct a Pedestrian Overcrossing

This alternative consists of constructing an overcrossing, or bridge, to provide for bicycle and pedestrian traffic. A combination of ramps and stairs would be provided for access to the bridge deck. Screens and barriers would be provided to protect the railroad and the Bend Parkway from objects thrown by pedestrians.

The overall length of the overcrossing would be approximately 200 to 210 feet. A minimum width of 12 feet clear is recommended, and a width of 14 to 16 feet is preferred. The bottom of the structure would be a minimum of 17'-6" feet above the Bend Parkway, and 23'-6" above the railroad tracks. A pier would be constructed between the Bend Parkway and the railroad. Additional piers would occur at each end of the main crossing and as needed to support the ramps.

As with the tunnel, ADA mandates the use of ramps to meet accessibility requirements. Ramps adjacent to the Bend Parkway must total approximately 275 feet in length in order to provide clearance over the street. Ramps adjacent to the railroad must total approximately 345 feet in order to provide clearance over the tracks. This normally requires switchback ramps and would require acquisition of the adjacent lots same as for the tunnel alternative.

Given the length of ramps and switchbacks required, some of the ramps will have to be only 10 feet wide, especially over the west lot. ADA does allow the ramps to be less wide than the main bridge. The plan view shows a possible scheme where the overcrossing is longer than needed for crossing the parkway and railroad. The additional length allows the ramps to occupy as much of the lot at the west end as possible.

Cost of this alternative is approximately \$5,000,000, including design, construction, rail road involvement, and construction engineering and inspection. This assumes that the square footage of the ramps would require structures comparable to the main spans (i.e., similar unit cost).

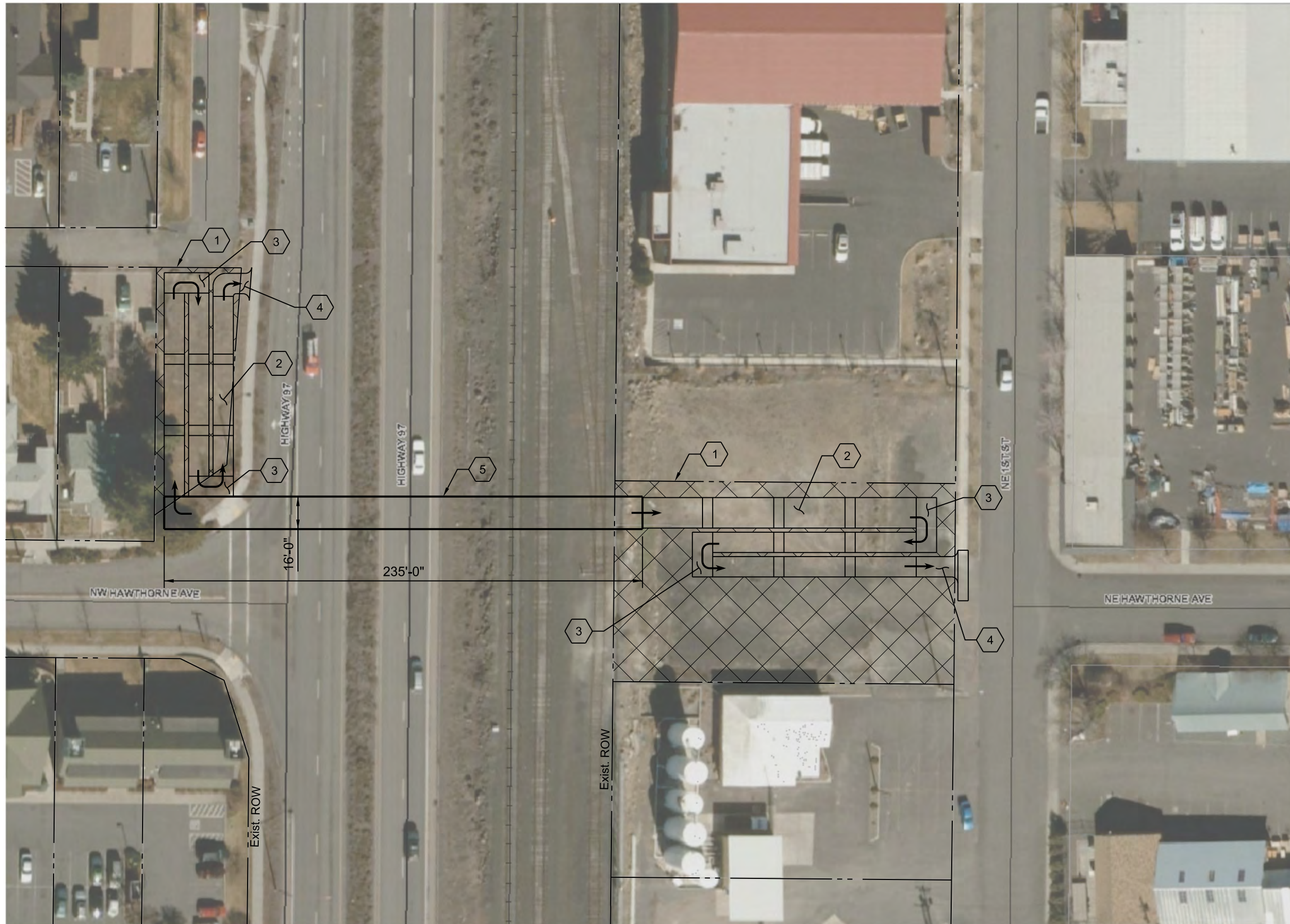
Recommendation

An overcrossing structure will be less costly to build and to operate than an undercrossing, and will be more likely to be used than an undercrossing. In the event that a pedestrian facility is proposed for the Hawthorne location, an overcrossing is the recommended approach.

As each alternative is expensive, further study of pedestrian/bicycle movement is warranted. Improvements of alternative routes, such as the Greenwood Avenue undercrossing, may be more cost effective.

Basis of Costs

Cost estimates included are Class 5 estimates as defined by ASTM E2516, *Standard Classification for Cost Estimate Classification System*. Class 5 estimates can be expected to have an accuracy range of approximately +100% to -50%.



KEY NOTES:

- 1 ACQUIRE RIGHT-OF-WAY.
- 2 INSTALL ACCESS RAMP.
- 3 SWITCH BACK FOR ACCESS RAMP.
- 4 CONNECT SIDEWALK TO ACCESS RAMP.
- 5 INSTALL BICYCLE/PEDESTRIAN OVERPASS.

N
 **PLAN**
 1"=50'-0"

HAWTHORNE AVE.

Franklin Avenue Bridge

PREPARED FOR: City of Bend, OR
COPY TO: File
PREPARED BY: John Hinman
DATE: August 8, 2016
PROJECT NUMBER: 665109

The existing Franklin Avenue Bridge carrying the Burlington Northern Railroad is a concrete and steel underpass. As was typical for these structures, the main span over vehicular traffic uses steel girders. Separate concrete pedestrian tunnels behind the primary abutments are monolithic with the abutments.

The existing pedestrian tunnels are approximately 5 feet wide and 7 feet tall. The sidewalks leading to the pedestrian tunnels from the east curve horizontally and vertically, so that there is no direct line of sight into the tunnels from the east until users are at the entrance to the tunnels.

A newer Bend Parkway bridge was built parallel to and west of the railroad bridge; this new structure includes sidewalks along Franklin Avenue. The new sidewalks are wider, are open to view from Franklin Avenue, and align with the pedestrian tunnels under the railroad tracks.

Project Purpose

The purpose of a project at the Franklin Avenue Bridge is to improve pedestrian and bicyclist safety by increasing the vertical and horizontal clearances in the pedestrian tunnels, and by re-aligning the approaches to the pedestrian tunnels from the east so that any occupants of the tunnel can be seen from the roadway.

Alternatives Considered

Alternative 1 – Expand the Pedestrian Tunnels

This alternative consists of replacing the pedestrian tunnels with wider tunnels, and increasing the vertical clearance from 7 feet to 10 feet. The sidewalks approaching from the east would be re-aligned to promote visibility into the tunnel from the east approach.

The construction of the original bridge and tunnels makes it infeasible to widen the pedestrian tunnels or to change the vertical clearance. Rail traffic would be disrupted during construction, and costs for removing the tunnels and constructing new abutments would be very high. Any changes to vertical clearance would require lowering the sidewalk profile, which would affect the nearby highway bridge.

The existing bridge appears to be in fairly original configuration. A Federal nexus, such as use of Federal funds or need for Federal permits or approvals, would require coordination of any modifications with the State Historic Preservation Office (SHPO).

Alternative 2 – Retain the Existing Pedestrian Tunnels and Re-align the East Approach Sidewalks

This alternative consists of removing the existing sidewalks and constructing new sidewalks aligned with the pedestrian tunnels. This would improve visibility into the tunnels, which is likely to increase the perception of personal safety for tunnel users. The existing tunnels would remain as they are.

The location and size of the pedestrian tunnels will make it difficult to see from Franklin Avenue into the tunnels with any approach sidewalk configuration. The benefit of re-aligning the approaches would be limited to visibility into the tunnels from the east approach only.

The east elevation of the bridge appears to be in fairly original configuration, including the original fabric of the ornate concrete rails. A Federal nexus, such as use of Federal funds or need for Federal permits or approvals, would require coordination of any modifications with the SHPO.

Alternative 3 – Improve drainage and lighting

This alternative leaves the existing structure as is, and upgrades existing lighting and sidewalk drainage for the comfort of pedestrians. Screening or fencing could also be installed at the transitions between tunnels to improve sight distance and eliminate blind spots in the tunnel. Such work, if a Federal nexus is present, requires coordination with the SHPO.

Recommendation

Modification of the tunnels themselves is not feasible, due to the high cost of construction and the high cost of affecting the railroad operations. Modification of the east sidewalk approaches to the tunnels will be costly and will have limited beneficial effect on tunnel use. Painting, lighting, screening, and drainage improvements would provide minor safety improvements and improve the user experience.

DEVELOPMENT FEASIBILITY



DEVELOPER INTERVIEWS

PREPARED FOR: Urban Renewal Advisory Board (URAB)
PREPARED BY: Cascadia Partners LLC
DATE: 03/26/2019

Developer Interviews Summary

Cascadia Partners (CP) interviewed 5 land owners and developers active in the Bend market. The developers interviewed include two seasoned, Bend-based developers; two relative newcomers to the Bend market with extensive experience outside of this market; and one motivated property owner / aspiring developer. All interviewees own land within or very near the study area and are very interested in the process outcomes.

The developer interviews focused on gathering insights on the strengths and weaknesses of different parts of the study area, from a market (desirability) and infrastructure perspective. The interviewees were also asked about the real estate cycle, construction costs, rents and the likelihood of new construction making financial sense in certain areas. A few common themes emerged, and these are explained below.

The only real diverging points of view related to the size of the current study area, which was viewed by 2 of the 4 interviewees as too large. The other two interviewees did not have an opinion on that question.

Residential is Driving Market Currently

Four of the five developers interviewed are exploring projects within the study area that are predominately driven by rising residential rental rates. The one developer not currently exploring a residentially-focused development project within the study area said they would if and when construction costs declined (see next take-away). Only two felt that other uses, such as retail and co-working office, could be strong enough financially to be successful—and these two have sites that are particularly well-situated for these highly location-dependent uses.

Historically High Construction Costs

Construction costs, both labor and materials, are at historically high levels currently. This requires achievable rents that are not feasible in many areas, and at levels untested in other areas. Certain developers were willing to “bet” on achieving these rents in untested areas, like the BCD, but others are less willing in the near term. Since there have been no major mixed-use projects constructed in the study area, it is hard to know for certain how high achievable rents could be – and developers and lenders like certainty when making decisions.

There is some speculation that the current high construction costs could cause a slowdown in new construction broadly, and that this slowdown could lead to a gradual reduction in cost—particularly labor cost. But this remains to be seen. High costs provides some advantage to those with low land costs. Conversely, those who recently purchased land within the study area have paid historically high prices and they are much more dependent on top-end rents to be successful. In summary, areas with longstanding and/or low-cost property ownership could see the nearest term feasibility—assuming these owners are motivated.

Infrastructure Off-Site Costs a Challenge

The required off-site infrastructure upgrade costs are a major barrier to development feasibility. Interviewees mentioned off-site sewer and transportation costs as particularly high. There is significant hope that TIF can help spread the cost burden of these needed improvements. The current model penalizes early investors because the cost burden of these upgrades can fall disproportionately on their shoulders if they have to carry the cost for initial improvements that go beyond their proportionate share and they are not reimbursed for costs beyond that share for an extended period of time.

Absence of Urban Amenities and Connectivity Hurt Feasibility

The quality of the streetscape environment and the lack of connectivity to downtown and other parts of the study area are major barriers, physically and psychologically, to investment. Developers and property owners interviewed are hesitant to make substantial investments in some of the more industrial portions of the study area because they are “relatively untested markets” for new construction, mixed-use compared to downtown and the west side.

Zoning Tweaks Needed in Most Areas – Some More Extensive than Others

While the UGB process and adoption of the BCD Overlay Code resulted in major improvements in aligning the zoning allowances with the market and the City’s vision for these areas, interviewees noted that other areas that have not had such a detailed planning effort are still misaligned. For instance, the commercial zones have front setbacks, high parking standards and prescriptive use mix requirements that make mixed-use or apartment construction cost infeasible.

There was support among the interviewees for zone standards that enable and encourage the development of mixed-use buildings on small lots—many of the issues identified were particularly acute on small lots.

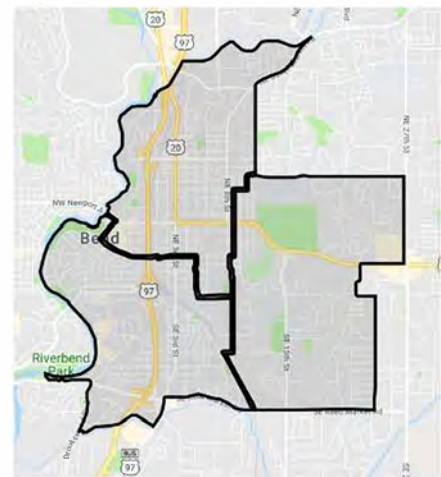
High System Development Charges

Two of the interviewees specifically mentioned that System Development Charges (SDCs) were undermining the financial feasibility of projects they were evaluating. Both suggested that the ability to finance these fees with a subordinated (2nd position) City loan would have benefit to them. Oregon allows cities to establish SDC financing programs. Several cities, such as Hillsboro and Milwaukie in the Portland metro area, have successfully implemented this tool.

Opportunity Zones Could Equal Less Expensive Equity

The majority of the study area is within Opportunity Zone designated Census Tracts (right). Opportunity Zones are a select number of federally-designated Census Tracts that have special tax benefits for investors who agree to invest specific funds in either development projects or businesses within the tracts. In order to be eligible, the investment funds need to be capital gains derived from a sale of property, stocks, or other assets whose sale results in a capital gain.

According to the interviewees, there has been an uptick in interest from outside equity investors to invest in development projects within these areas. The tax benefits associated with Opportunity Zones means that equity invested in these areas should, in theory, require a lower return rate to make the investment competitive with other, higher performing areas. None of the developers and owners interviewed had actually secured these funds (or volunteered that detail) so the impact the Opportunity Zone designation could have remains to be seen.





ECONOMIC DRIVERS OF REDEVELOPMENT

PREPARED FOR: Urban Renewal Advisory Board (URAB)
PREPARED BY: Cascadia Partners LLC
DATE: 03/22/2019

Summary

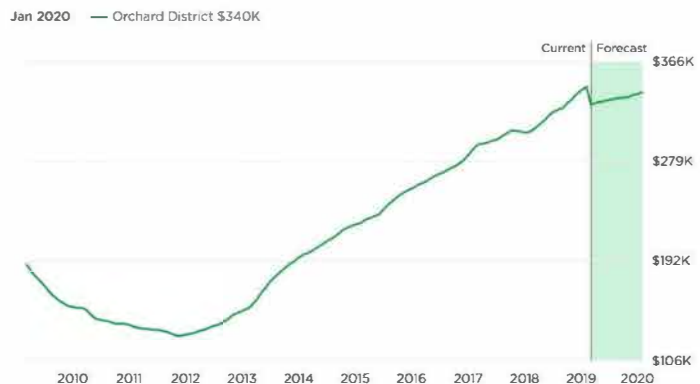
Cascadia Partners has detailed below several economic drivers that influence redevelopment. In summary, Bend and large portions of the study area are well positioned to capture future investment. Bend is a fast-growing community with the potential to see significant redevelopment if certain investments and policy changes can take place. The missing ingredients in several areas are: upgraded infrastructure - including safe, walkable streets that connect different parts of the study area and adjacent amenities; and strategic zoning changes that better align with the market potential.

Key Economic Drivers of Redevelopment

Demand and Supply Imbalance

The most basic driver of redevelopment feasibility is when the demand for a development type exceeds the supply. The most recent development cycle followed the Great Recession which saw construction slow dramatically, particularly in Bend, even though in-migration continued to grow. Housing demand has acutely outpaced supply. As a result, the strength of residential demand has underpinned redevelopment in Bend, and many other markets.

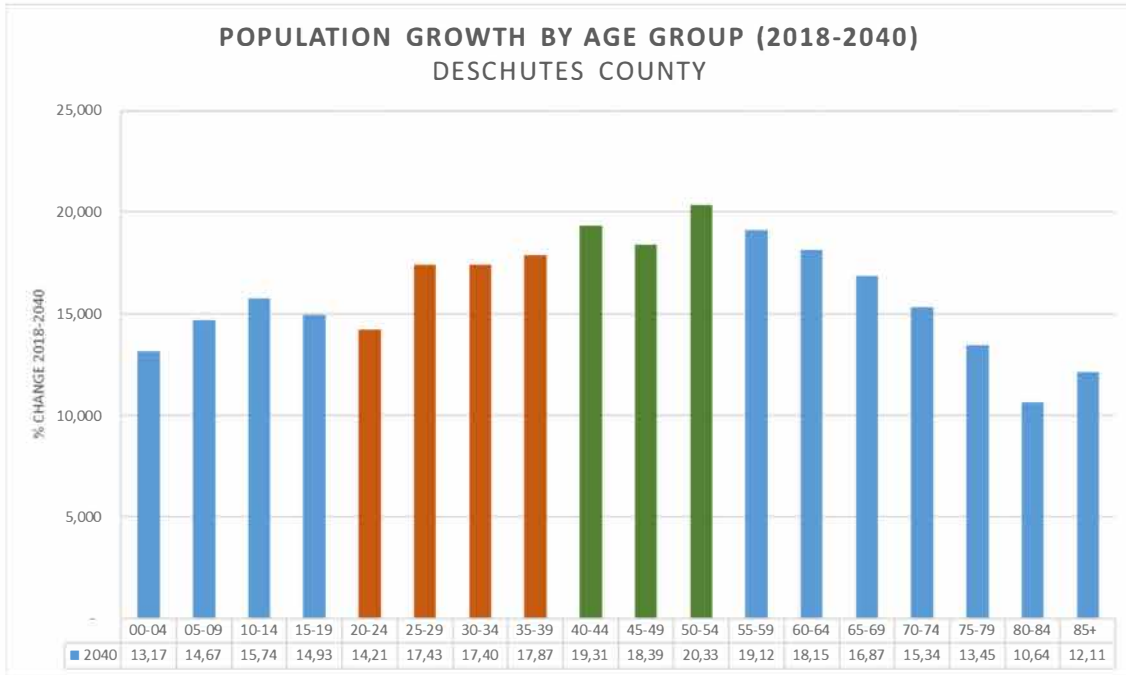
Home sale prices have escalated quickly within existing neighborhoods of Bend as there are more buyers than homes on the market. The Orchard District borders the eastern edge of the study area and the Zillow Home Price Index graph (right) shows a steep upward price trend within that neighborhood.



Demand for new retail and office space has been less intense and much of that can be met by upcycling the existing supply. Lower achievable rents in these two product types means that new construction is not feasible, except in very select locations. This has resulted in fewer newly constructed retail and office space within the study area. The new retail that is being contemplated by our interviewees is mostly secondary to residential, which is the main source of revenue.

Demographic and Population Changes

Bend is one of the fastest growing mid-sized metro areas in the entire country. Demographic and population change trends are influencing consumer and housing preferences locally. The two largest demographic groups driving housing demand nationally are Baby Boomers and Millennials. By 2040, the PSU Center for Population Research Center forecasts that 43% of all residents in Deschutes County will be either Millennials or Baby Boomers (graph below: orange bars represent Millennial age groups and blue bars represents Baby Boomer age groups).



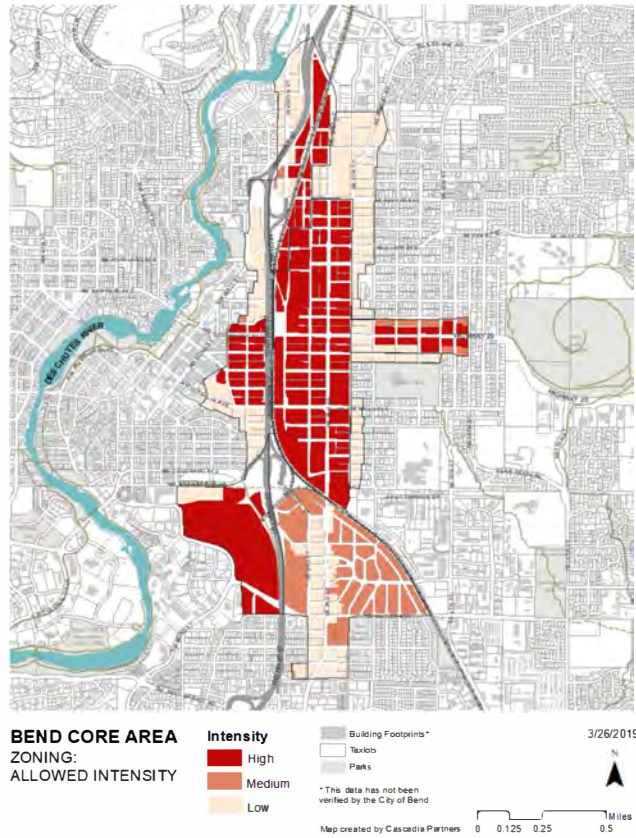
Bend has long been a popular relocation destination for retirees and is increasingly a destination for young families. According to state enrollment figures, Bend-La Pine School District is one of the fastest growing school districts in the state since the Great Recession with the influx of Millennial families.

Importantly for the study area, Boomers and Millennials have a strong preference for walkable, high amenity living. Bend’s growth in these demographic groups would seem to suggest the study area is well positioned to succeed with the right mix of public and private amenities and walkable enhancements.

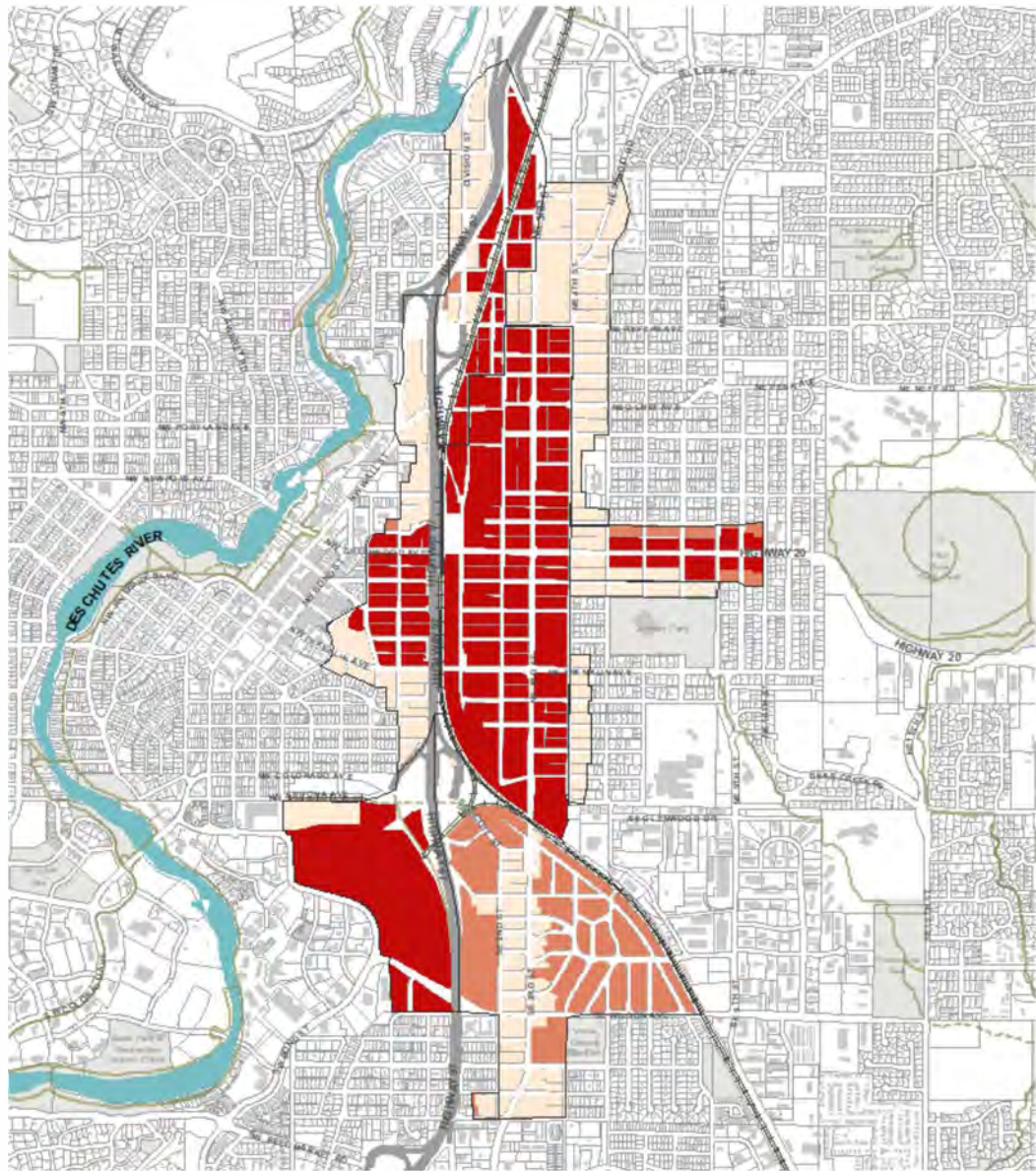
Zoned Potential

A key factor in redevelopment potential is what someone can do with their property (zoning). Development is risky, costly and time consuming. Generally, the future use must be substantially more valuable than today's use in order to make redevelopment appealing or feasible. Increased value is typically associated with increased intensity or density of uses.

The zoning landscape is not the same across the study area. In areas like the KorPine or the Bend Central District (BCD) sub areas, where recent changes to zoning have substantially increased the intensity of what is allowed, activity and interest is highest. Whereas, in areas with more general commercial or residential zones that have not been substantially updated recently, the market interest is lower. Zoning is not the single determining factor for redevelopment, but without the right zoning, redevelopment is not likely.



Map: Relative Allowed Intensity of Zoning



BEND CORE AREA ZONING: ALLOWED INTENSITY



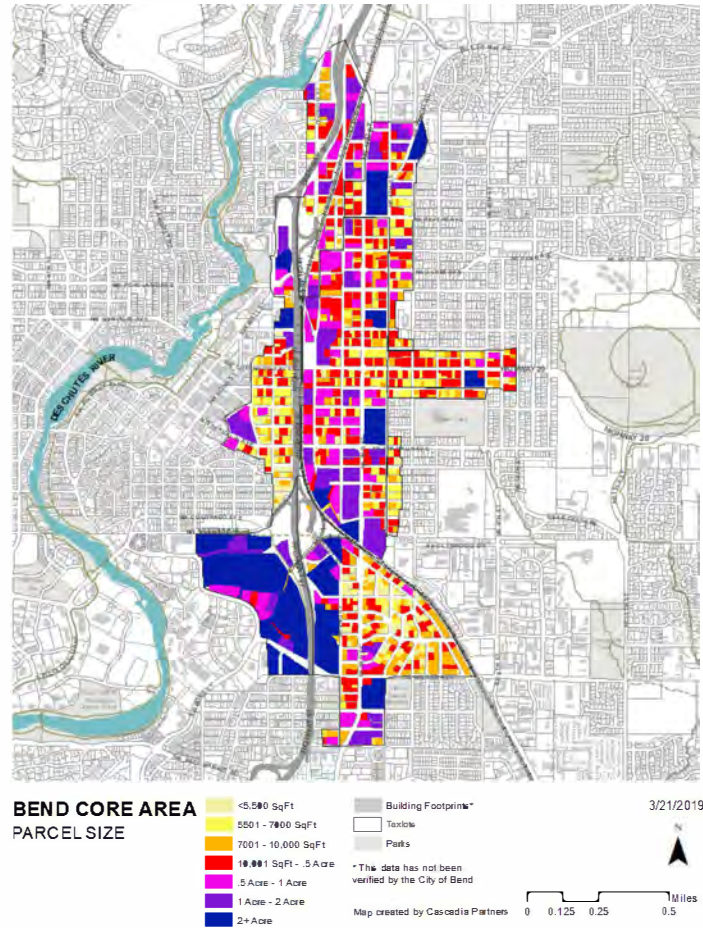
* This data has not been verified by the City of Bend

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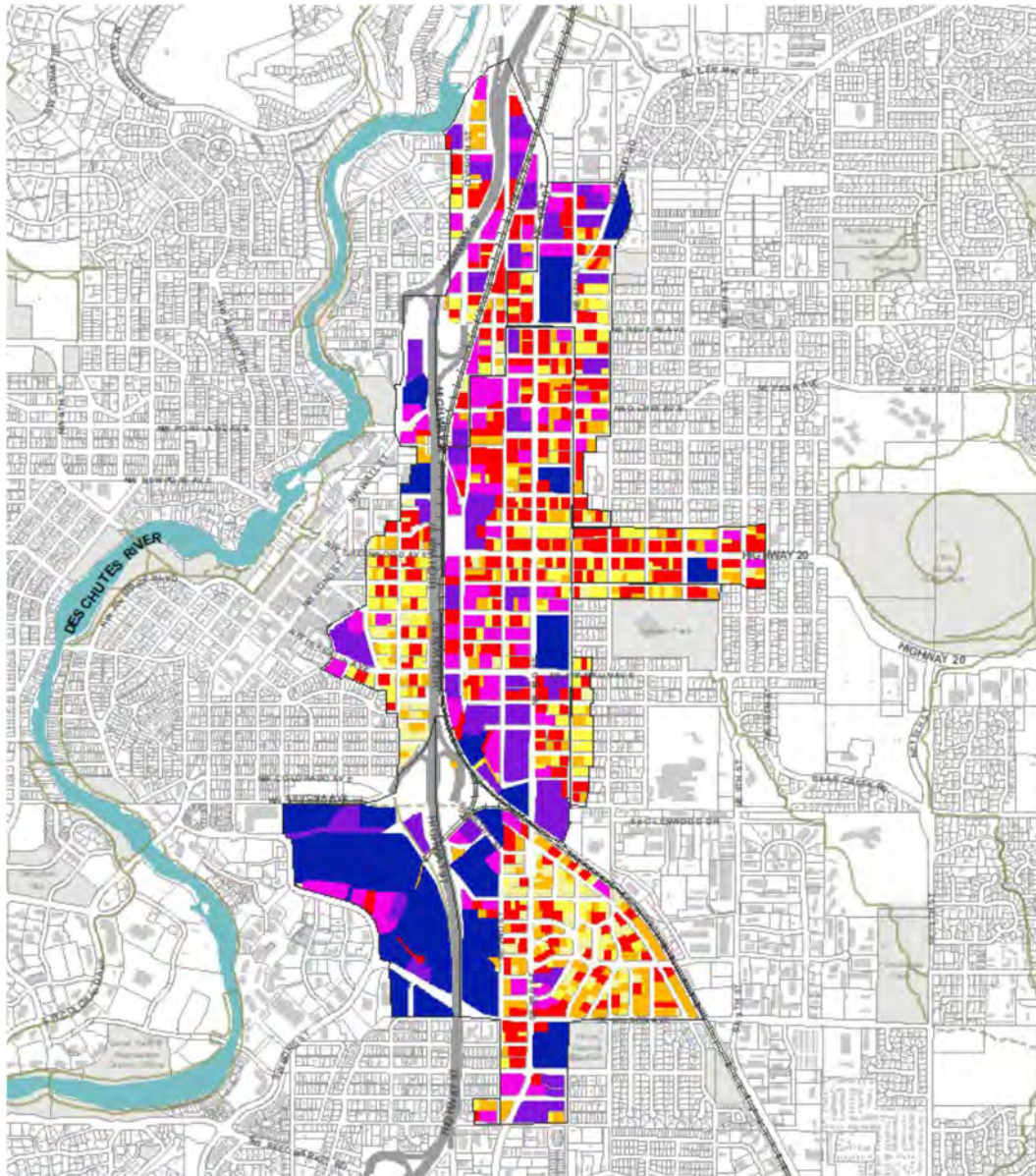


Parcel Sizes

Parcel size is often listed in factors impacting redevelopment, and there is some level of efficiency in building construction that can be achieved on parcels over a certain size (half acre or more). More often than not, however, the real challenge in redeveloping small sites relates to zoning standards that are not compatible with smaller footprint buildings. Accommodating off-street parking is the single most significant design hurdle for small sites. In cities and neighborhoods where zoning standards have been liberalized (in particular off-street parking requirements greatly reduced or eliminated), small sites are developed far more easily and quickly.



Map: Parcel Sizes



**BEND CORE AREA
PARCEL SIZE**

- <5,500 SqFt
- 5501 - 7000 SqFt
- 7001 - 10,000 SqFt
- 10,001 SqFt - .5 Acre
- .5 Acre - 1 Acre
- 1 Acre - 2 Acre
- 2+ Acre

- Building Footprints *
- Taxlots
- Parks

* This data has not been verified by the City of Bend

Map created by Cascadia Partners

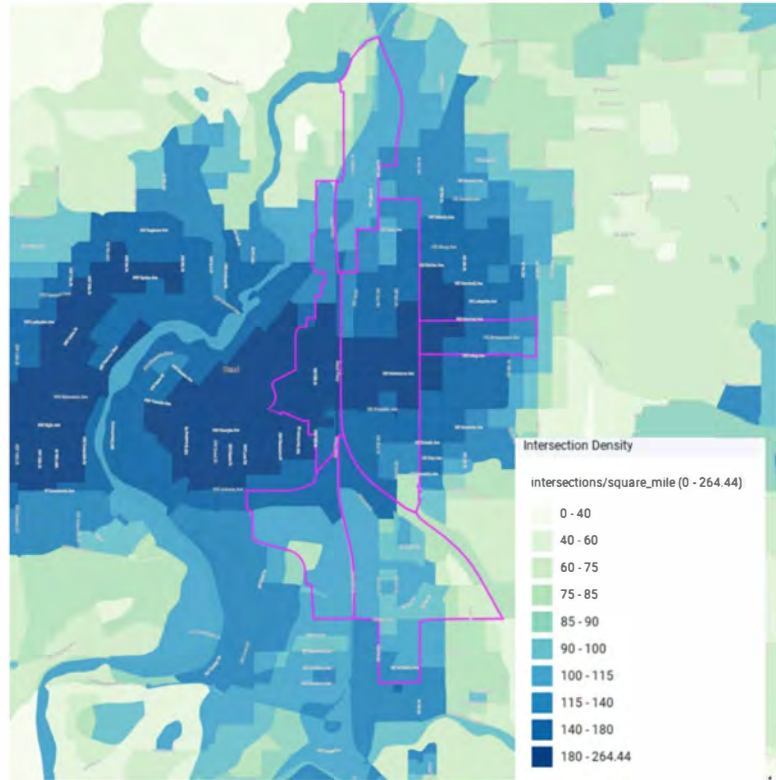
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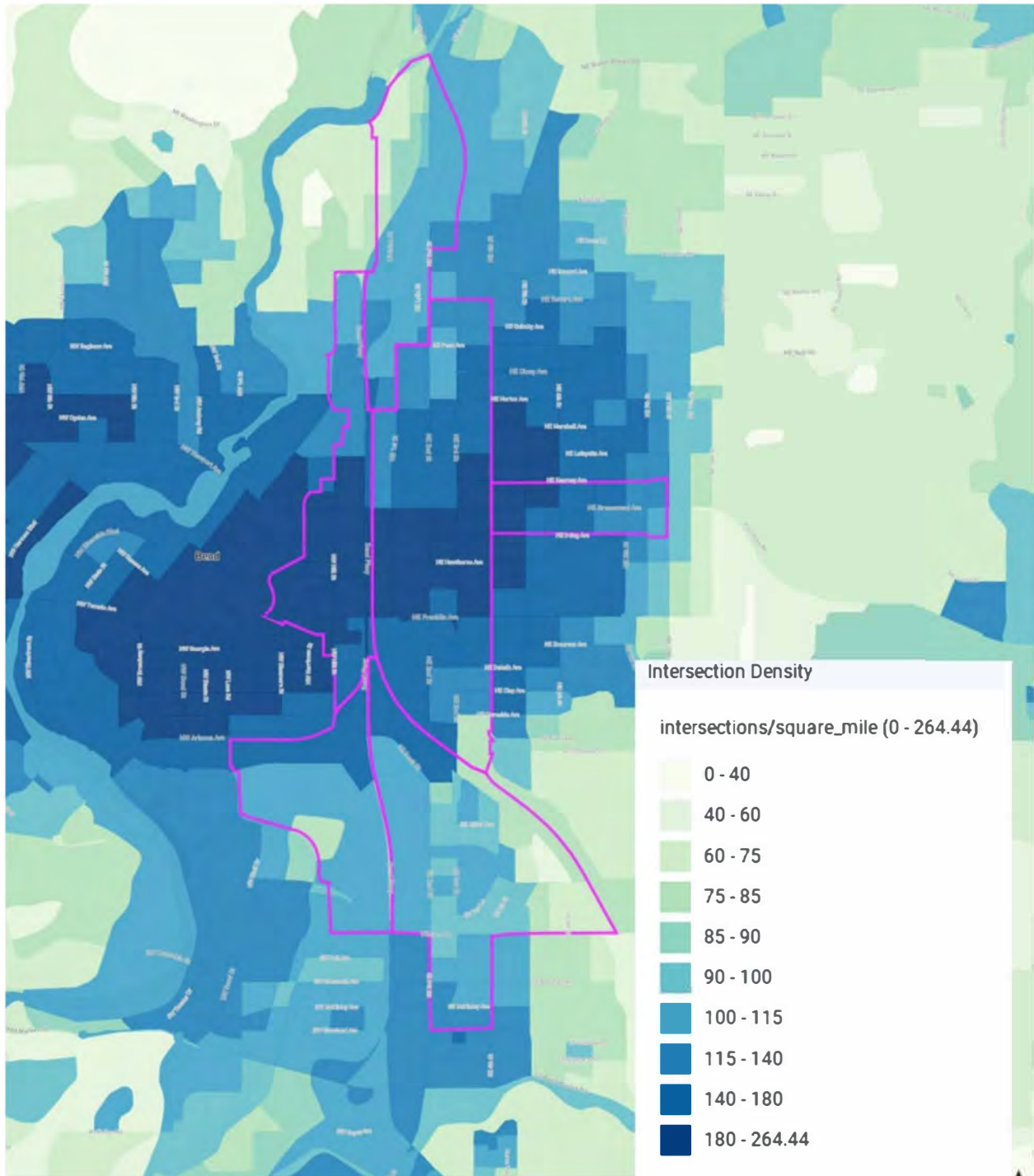
Walkability

Areas with walkable and bikeable streets with limited major pedestrian barriers are more desirable than isolated and unwalkable places. As the intersection density map to the right shows, the East Downtown and BCD sub areas show up as the most well-connected areas outside of downtown and the Central Westside.

Within the close-in areas of Bend, the Central West Side and Wilson areas offer a case study comparison. Both areas have a wide range of housing types, including many missing middle types, and relatively connected internal street grids. But there are fewer sidewalks within or around Wilson and very few amenities accessible without crossing a major barrier.



Map: Intersection Density



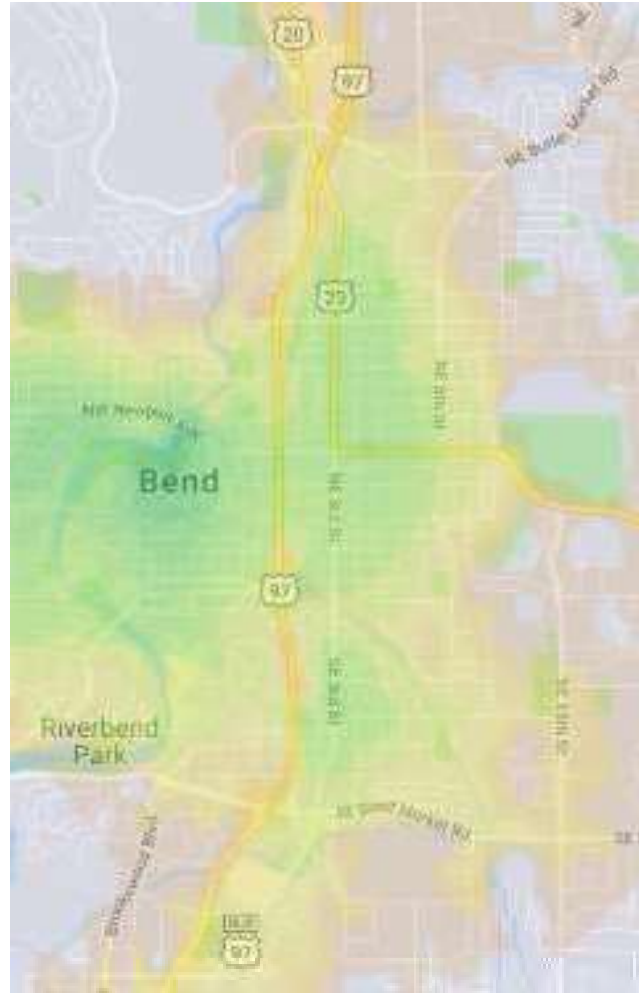
Close Access to Amenities – Public and Private

Safe and easy access to major centers of activity or community anchors drives desirability and market demand. Areas close to downtown and other major community amenities, such as grocery stores, parks, trails, breweries, and neighborhood business districts, are more desirable, which translates into higher achievable rents, which results in more feasible development. Close proximity alone is not enough, the access must be safe and convenient—particularly on foot or by bike.

The Walk Score map to the right highlights that there are pockets of well-connected and amenitized areas, but they are relatively isolated from one another.

Areas that have the best access to these types of amenities are:

- **East Downtown** – short walk to downtown, not separated by major transportation barrier
- **KorPine** – close walk to many private amenities, such as Old Mill, Crux, Box Factory and a grocery store; not separated from downtown by any major transportation barriers
- **Greenwood and surrounding residential zones** – while not as strong as the two areas above, there is an emerging set of local and neighborhood business amenities on Greenwood; walking distance to Juniper Swimming and Fitness center and Pilot Butte State Park.



Map: Walk Score



Ownership

The ownership of parcels can influence redevelopment potential in a variety of ways. The owner must be interested in development for redevelopment to be possible. The cost basis (or amount money the owner has “into the land”) land is important in a City like Bend where land prices have escalated rapidly in a relatively short period of time. Those owners with a low-cost basis (often long-term owners) can leverage that “land equity” into a development project. And since they are not paying current market prices for land, they are less reliant on top-end rents and less vulnerable to high construction costs compared to others just entering the market.

Sites with longstanding or low-cost basis property owners who are motivated to develop have a distinct advantage to those buying land at market rates today. The KorPine area has several such longtime/low basis and seemingly motivated land owners. The Bend Central District, East Downtown, and Greenwood are more mixed, with several recent (relatively high priced) land sales but also a mix of longtime land owners.



DEVELOPMENT FEASIBILITY ANALYSIS

PREPARED FOR: Urban Renewal Advisory Board (URAB)

PREPARED BY: Cascadia Partners LLC

DATE: 03/22/2019

Introduction

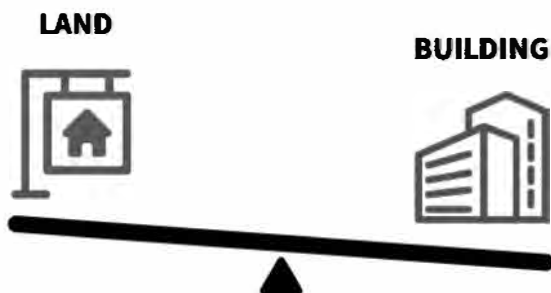
Cascadia Partners (CP) performed a market-driven assessment of current redevelopment feasibility within the Core Area Project boundary. The assessment started with a review of recent development trends within the study area (building permit data) and was informed by both the Developer Interviews and Economic Drivers Analysis that are summarized in companion memos.

The purpose of the redevelopment feasibility analysis is to determine which parcels within the study area would be likely to redevelop given a combination of current factors: land cost, the value of permitted building types (zoning) and specific locational factors, such as walkability, access to amenities and land ownership (described in more detail in the Economic Drivers memo).

Note: This assessment evaluates an area slightly larger than the Core Area Project boundary, for study purposes only. The study area for this memo includes 15 blocks located east (one block) and north around the Bend Central District subarea in order to evaluate redevelopment indicators in that area. See Appendix, Item 2 for boundary comparison map.

The Redevelopment “Tipping Point”

Whether a parcel is likely to redevelop can be understood as a balance between the cost of land and the price a building can afford to pay for land. If the land is too expensive for a given building type, the redevelopment is unlikely to happen. If the land cost is low enough for a developer to be able to afford and still achieve the needed financial returns, the redevelopment could happen.



*The “tipping point” balance:
If the building is feasible and can afford the land, the project “tips” into feasible. If not, redevelopment doesn’t happen.*

Tipping Point Analysis Process

The tipping point analysis involves combining several data layers to arrive at a map of areas with likely redevelopment potential. These individual steps are described in more detail in sections below. The graphic to the right is an attempt to summarize how each of these important pieces of the analysis fit together—and result in a redevelopment potential map.

A first step is to understand the relative strengths and weaknesses of certain sub-markets within the study area. Many of these “economic drivers of redevelopment” are explored in more depth in the accompanying Economic Drivers memo. An analysis of recent permit and construction activity was conducted below and confirms many of these strengths and weaknesses.

Assessing the different zone districts and their unique standards, such as allowed intensity and required parking, allows us to build pro forma models for buildings that can be permitted within the study area. Zoning can be more or less aligned with underlying market strength. A deeper analysis of zoning-related barriers will be presented in a next phase of CP work.

The pro forma analysis allows us to estimate the maximum land price that these building types can afford to pay—which is called the “tipping point.”

We can then filter the parcels within the study area based on which are “affordable” to a given, permitted building type. The parcels that are affordable are assumed to be feasible for redevelopment—and the map of those parcels is our redevelopment feasibility map.

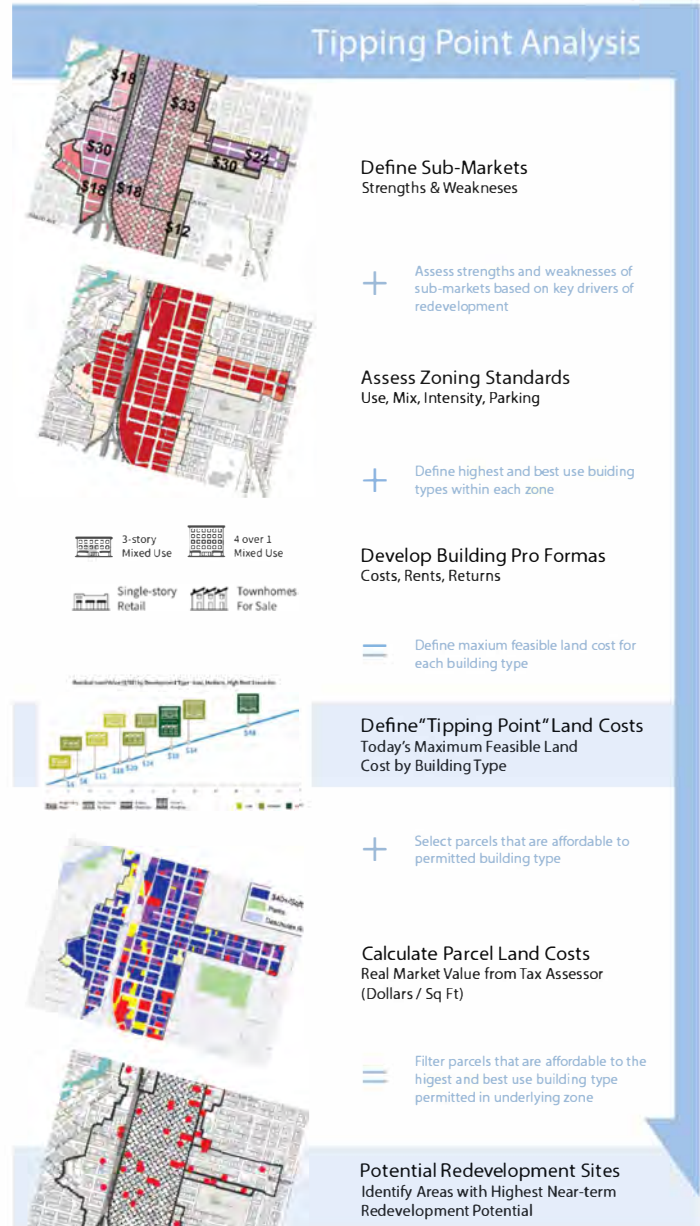
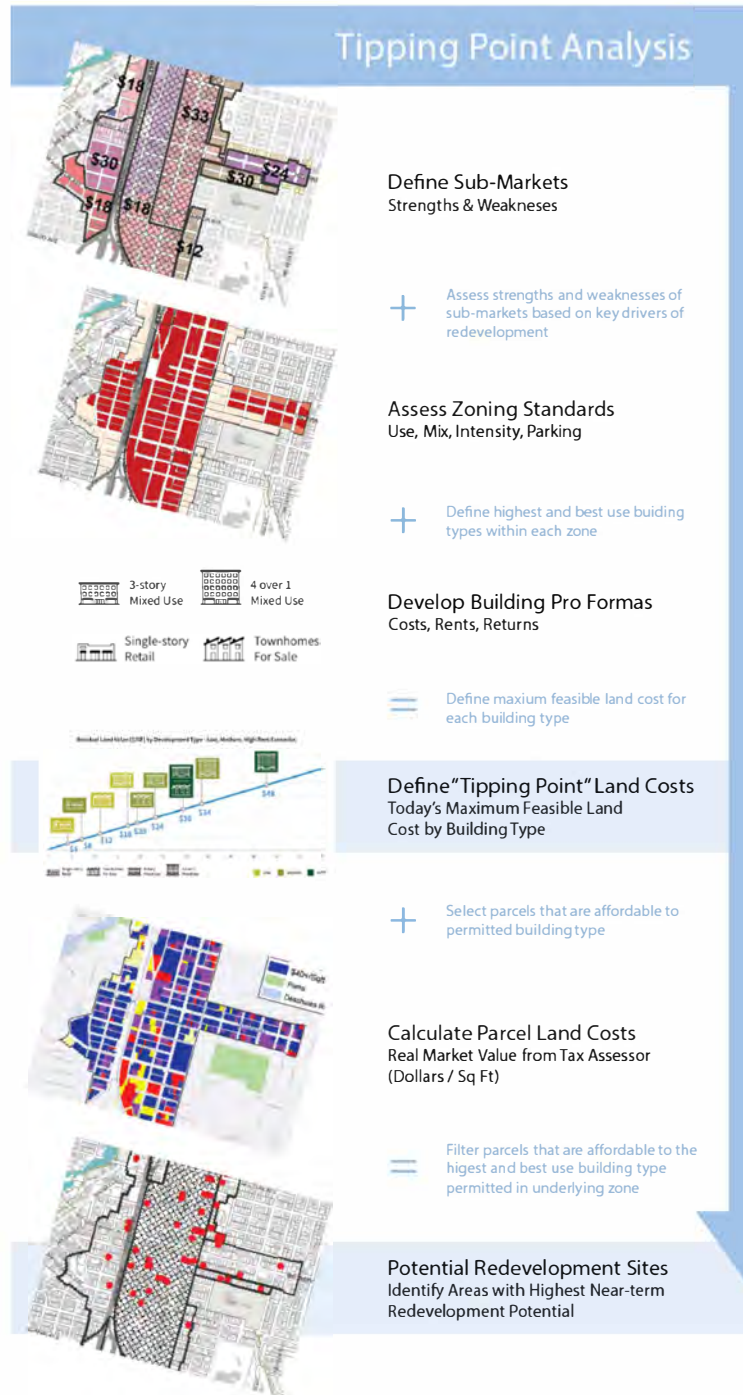


Figure: Key Steps in Tipping Point Analysis



Analyzing Recent Construction

An analysis of permit data in the study area from 2007-2019 reveals several interesting findings.

New “Ground-up” Construction is Limited – and Mostly Single-Story Retail

There have been relatively few new construction projects (35) within the study area since 2007, compared to 87 remodel permits. The new construction projects that have occurred are largely single-story retail buildings, often with national chain retail tenants, such as Walgreens and Jack in the Box, or owner-occupied new buildings.

The only substantial new vertical construction project is the Elemental Hotel site at the corner of NW Wall St and Olney Avenue, currently under construction.

Meetings with City planning staff indicate there are several projects in the pre-application stage that have yet to officially submit permit documents.

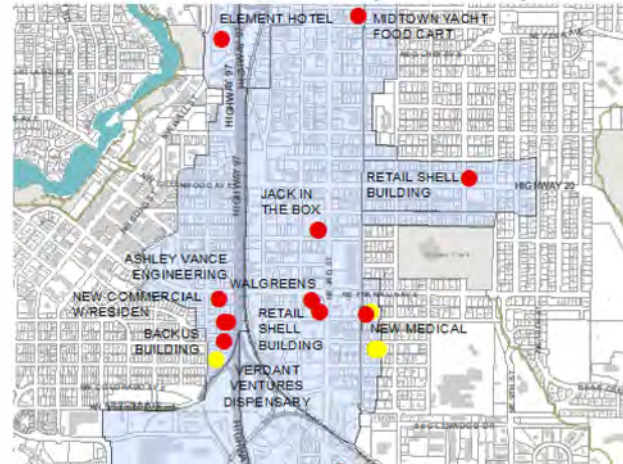
More Investment in Remodels

Over the same period of 2007 to today, there were twice as many remodel permits than new construction permits within the study area. The study area has a large amount of older retail space. The cost to remodel is less than the cost of new vertical development.

This large amount of relatively low-cost retail space limits achievable retail rents and thus limits the viability of newly constructed retail space, except in very select locations and/or with a national tenant in-hand. Many of the remodels realized within the study area are to accommodate auto-oriented retail and service chain stores, such as fast food.

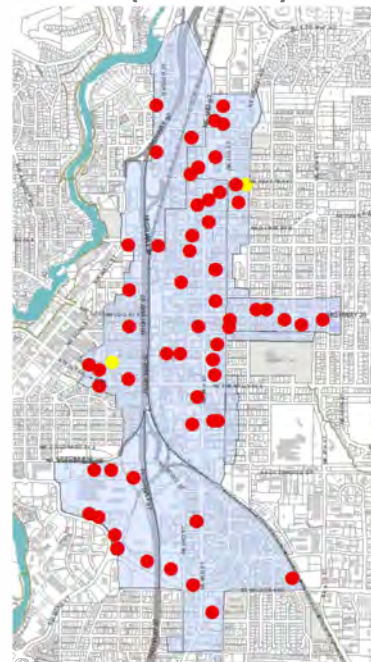
The viability of residential can help tip the scales of feasibility of vertical mixed-use, by helping to overcome relatively low retail rents, but that is only beginning to happen and only in areas with zoning that supports more dense building forms

New Construction Permits (2007-2019)



See larger image below

Remodel Permits (2007-2019)



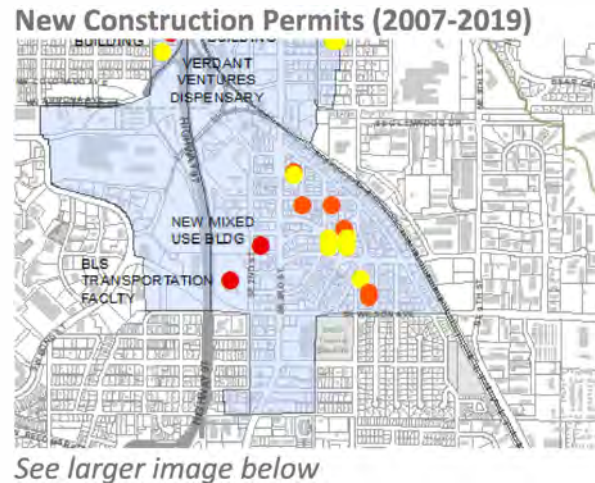
See larger image below

(e.g. Urban Mixed Use). Building permits for true mixed-use development are being processed in other higher amenity parts of the City, such as the Central West Side.

Wilson Area Seeing Mostly Single Family (Re)development

Of the 14 new construction permits issued in the Wilson area since 2007, 9 were for single family homes. Only 5 were for duplexes. The orange dots to the right represent new duplex permits, while the yellow dots represent new single-family permits.

The zoning in Wilson technically allows multifamily, duplex and triplex dwellings, but the combination of parking and FAR limits greatly diminish the potential for this type of “missing middle” housing construction. Single family and some duplex buildings are the most likely outcome. The townhome building type used in this analysis is not viable in this area. The risk of a continuation of the single family (re)development is that the low-cost housing stock in this area will begin to disappear being replaced on a 1-to-1 basis with relatively expensive single-family homes.

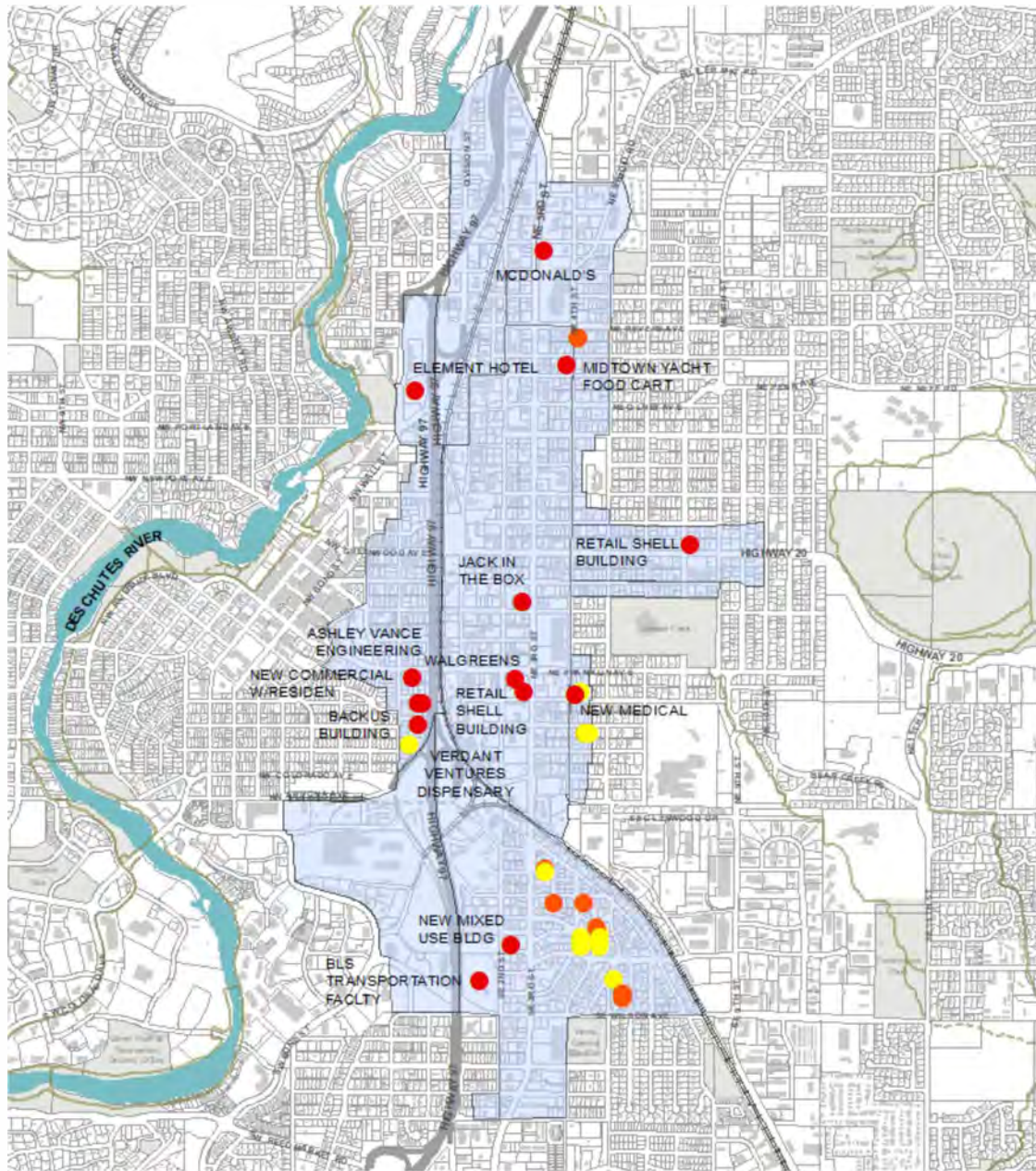


Conclusions – Recent Construction

The study area is experiencing significant investment, but mostly in the form of remodels of existing retail spaces and some newly constructed single-story retail. Construction of new mixed-use buildings is not yet widespread. This would suggest that the area does not yet have all the ingredients necessary to enable mixed-use buildings to be financially viable—or to “tip.” However, there are indications from planning staff and interviews with land owners and developers of increased interest in vertical mixed-use development within the study area.

Pairing the conclusions of this analysis with those summarized in our Developer Interview Memo and the Economic Drivers Memo, we conclude that a focus on infrastructure upgrades (placemaking and streetscape enhancements) and zone standard changes could make the feasibility of mixed-use development a reality.

Map: New Construction Permits (2007-2019)

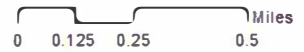


**BEND CORE AREA
NEW CONSTRUCTION
2007-PRESENT
OVER \$100,000**

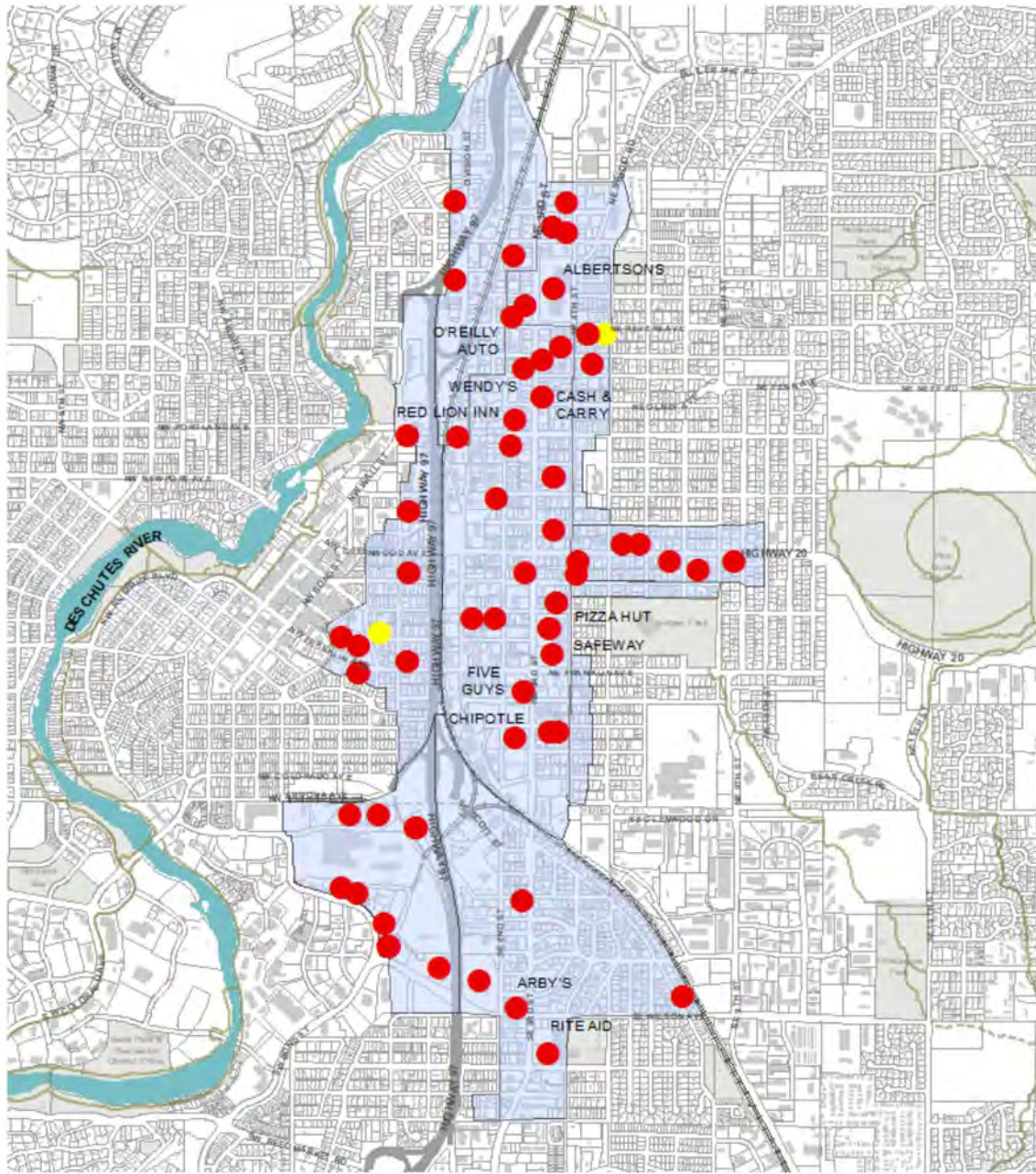
- Commercial
- Residential Attached
- Residential Detached

■ Study Area
■ Building Footprints*
3/12/2019
■ Taxlots
■ Parks

* This data has not been verified by the City of Bend
 Map Prepared by Cascadia Partners



Map: Remodel Construction Permits (2007-2019)

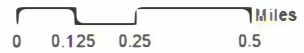


**BEND CORE AREA
REMODELS 2007-PRESENT
OVER \$100,000**

| | | | |
|---|------------|----------------------|-----------|
| ● Commercial | Study Area | Building Footprints* | 3/12/2019 |
| ● Residential | | Taxlots | |
| | | Parks | |

* This data has not been verified by the City of Bend

Map Prepared by Cascadia Partners

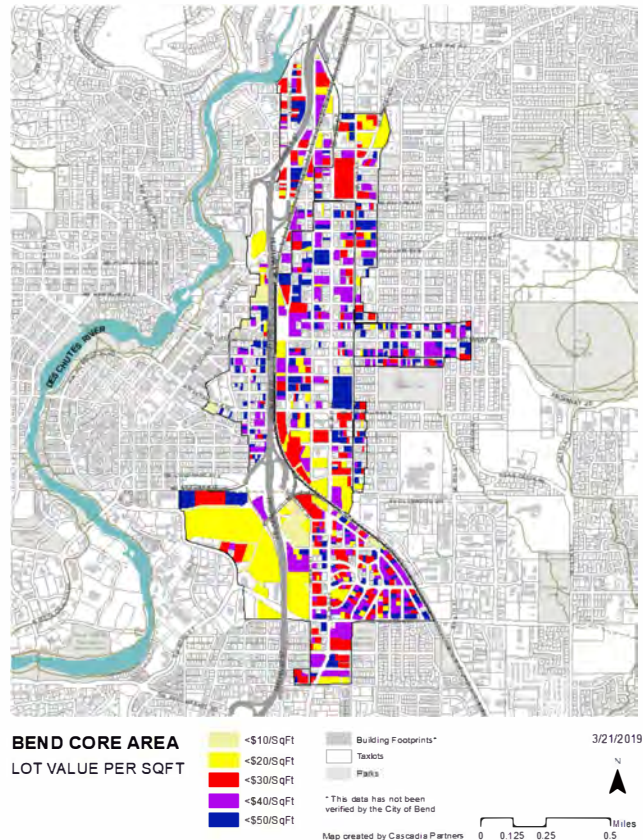


Defining Land Cost

The Deschutes County Tax Assessor maintains a parcel-based dataset of Real Market Values (RMV) for all property within Deschutes County, including within the City of Bend and CAP study area, excluding publicly owned properties not subject to property taxation. For this analysis, we used this RMV as the assumed “purchase price” for parcels. We derived an average dollar per square foot of “cost” by dividing the Total Real Market Value (of buildings and land) by the lot square footage.

While the RMV from Tax Assessor data is the best available data, it has limitations. The RMV is not a formal appraisal and the amount someone is willing to pay for land depends, in part, on their unique circumstances, such as their cost of capital or tax liabilities.

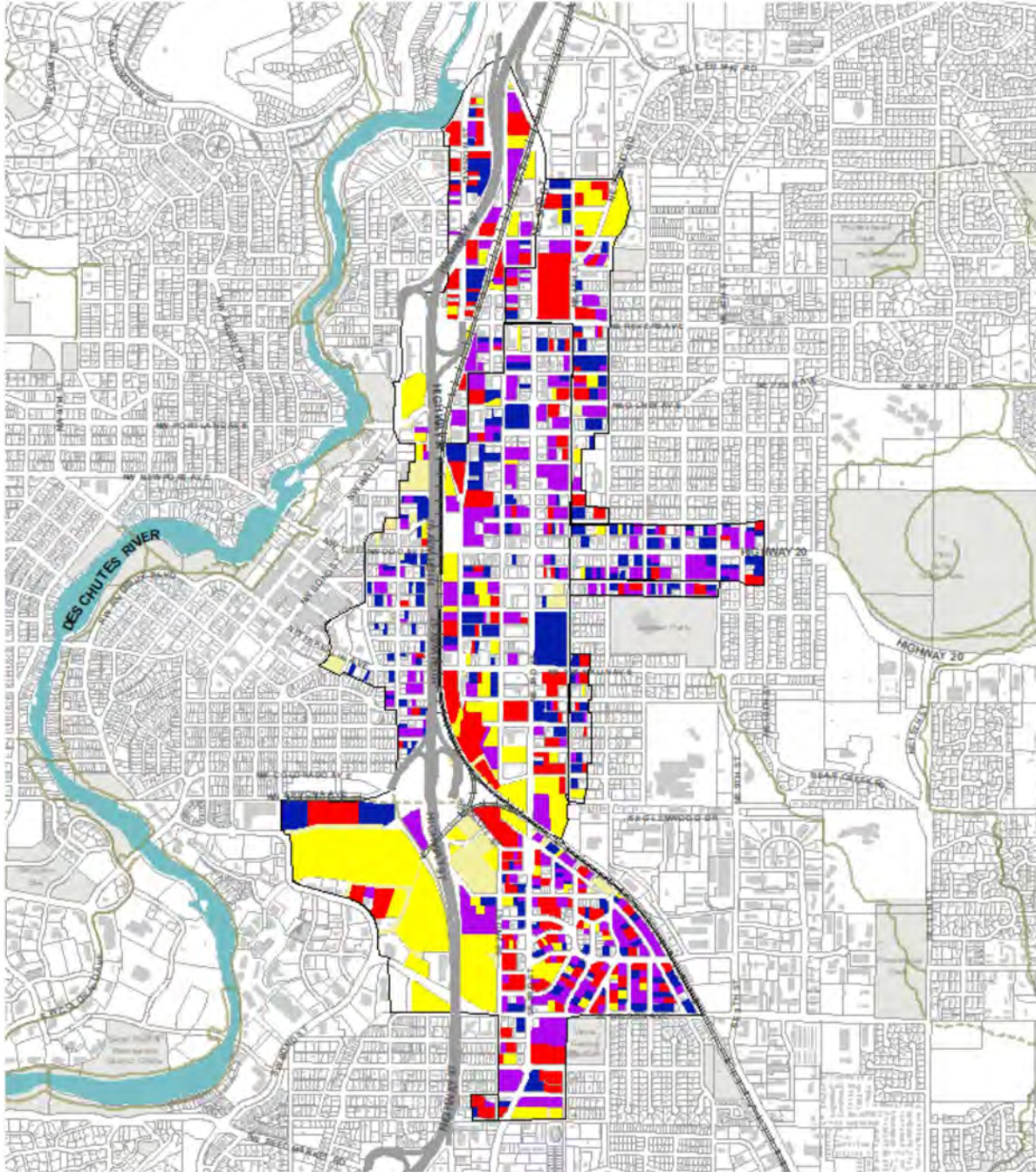
The map to the right and below display the study area parcel costs colored by RMV per square foot (less than \$10 and \$20 per square foot respectively). The red parcels represent \$20-30 per square foot, purple are \$30-40, and the blue are above \$40. One can see that there are many small parcels with values at or above \$40 per square foot. As the next section of this memo explains, that is a relatively high cost for most buildings to pay for land.



Key Notes and Assumptions

- Publicly owned lands and parcels with no Real Market Value listed were excluded from this analysis.
- Condominium sites are represented as many small parcels within the parcel dataset, and the data is not compatible with this analysis and was not used – they are high value and unlikely to redevelop anyway.
- Several duplicate parcels exist in the study area – we did not “clean” up the data and remove these parcels since it does not appear to be a widespread issue but is worth noting.

Map: Total Value per Square Foot of Lot Area (Square Feet)



**BEND CORE AREA
LOT VALUE PER SQFT**

- <\$10/SqFt
- <\$20/SqFt
- <\$30/SqFt
- <\$40/SqFt
- <\$50/SqFt

- Building Footprints*
- Taxlots
- Parks

* This data has not been verified by the City of Bend

3/21/2019



Map created by Cascadia Partners 0 0.125 0.25 0.5 Miles

Defining a Building's "Tipping Point" for Land Cost

The key assumption in a tipping point analysis is that redevelopment is only likely on parcels that are affordable for a developer to pay and still achieve their financial return objectives. In other words, if it is too expensive to purchase and redevelop a parcel and still make an acceptable return, then that parcel is unlikely to be redeveloped.

The "tipping point" value is not static but varies based on the desirability of a given location (the achievable rents) and the type of buildings allowed by zoning. For example, a parcel with high visibility, a pleasant pedestrian environment and with easy access to nearby amenities is likely desirable and can likely achieve relatively high retail and residential rents. If the zoning of that parcel also allows both retail and residential in a cost-effective building form, that could allow a developer to pay a relatively high land cost. However, if the zoning is not well aligned with the market and allows only retail or industrial development, or requires high levels of costly on-site parking, a developer is greatly limited in their ability to pay high prices for land.

The maximum dollar amount for land that a given building can afford to pay is known as the "tipping point." Under that cost, the parcel is assumed to be redevelopable. Above that cost, a parcel is assumed not to be redevelopable.

Limits of Estimating Redevelopment

Whether a parcel redevelops or not is dependent on many factors, several of which are impossible to quantify in this type of analysis. Ultimately land owners control the destiny of parcels, no matter how strong the market is. For instance, each owner has unique motivations, financial constraints, tax liabilities, etc. For the purposes of this analysis, we must assume all property owners act "rationally" and decide to redevelop when it would appear to make financial sense.

Building Library for Analysis – Pro Formas

CP developed four pro forma models for a representative range of likely building types. These models are used to establish the range of maximum land prices that could be paid by different building types. CP also modeled a high, medium and low "market strength" version of each building. Several zone districts cover subdistricts that have higher or lower market strength. These different submarkets are assumed to have higher or lower achievable rents. Certain building types, such as the mixed-use types, are not permitted in all zones within the study area. In the analysis, buildings were only paired with parcels on which they could be permitted under today's zoning.

Buildings Based on Today's Zoning

It is important to note that these building pro formas conform to existing zoning standards. There are code-related challenges within several of the zone districts within the study area that reduce the land price. CP will be producing a more detailed assessment of zoning-related barriers in a future phase of work, but below are a few examples of key zoning-related issues identified thus far.

- MU, BCD zones are most flexible, especially in height and parking
- Small sites are still impacted by on-site parking and certain ground floor use restrictions

- ME has prescriptive land use limits in vertical mixed-use that make vertical mixed-use challenging
- MR has a relatively restrictive maximum height (45')
- RH works for small lot single family and townhomes, but not well for multiunit buildings even though permitted due to low density limits and high parking
- RM works for small lot single family, but not for 2-3 unit buildings even though permitted also due to low density limits and high parking
- CG, CL, IL is furthest from market-feasible due in part to high parking, front setbacks, and no horizontal mixed-use allowed

Building Types

Below is a description of each building type and a graph showing how much land cost the different market-strength versions of these buildings can afford to pay. Table 1 lists the types of buildings or uses that were tested in each zoning district.

- **Mixed-Use 5-story:** 5-over-1 podium style construction is a relatively cost-effective type of vertical mixed-use building. This type of building is allowed and technically feasible within the BCD and MU zone districts. There are current zoning standard challenges that make this type of building very difficult to permit within the CL and CG zones. For instance, front setbacks and high parking standards limit the feasibility of vertical mixed-use projects in these commercial zones.
- **Mixed-Use 3-story:** 3 story mixed-use buildings have a few advantages in medium strength market areas. First, they can be constructed fully with wood frame (cost effective) and they can be surface parked (instead of structured parking) in areas with relatively low parking standards.
- **Townhomes:** Two versions of for sale townhome pro formas were created: low and medium strength versions. Home sale prices in Bend are very strong and townhomes are feasible to be built in the RH zones on the east side of the BCD where residential sales prices have been escalating rapidly in recent years.
- **Stand-alone Retail:** For stretches of 3rd Street outside of the BCD overlay area, the streetscape and other amenities limit the viability of residential uses. Retail rents are also relatively low and there is ample existing building area that is cheaper to rent, compared to potential rental or sales values of new construction. These building types have low relative tipping points.

Residual Land Value

The term “residual land value” used in the graph below is a real estate industry term that refers to the value of a given piece of land based on the development potential. Land that has a higher development potential, where a developer can pay more for the land and still achieve their financial return goals, has a higher residual land value.

Table 1: Building Types Tested in Each Zoning District

| Zone Districts | Tested Building Types | | | |
|----------------|-----------------------|------------|---------------------|---------------------|
| | Townhome - For-sale | Hwy Retail | Mixed-Use - 3 Story | Mixed-Use - 5 Story |
| BCD | | | | |
| MU | | | | |
| CB | | | | |
| ME | | | | |
| MR | | | | |
| CG | | | | |
| CL | | | | |
| RH | | | | |
| RM | | | | |

Graph: Maximum Feasible Land Price by Building Type

Residual Land Value (\$/SF) by Development Type - Low, Medium, High Rent Scenarios



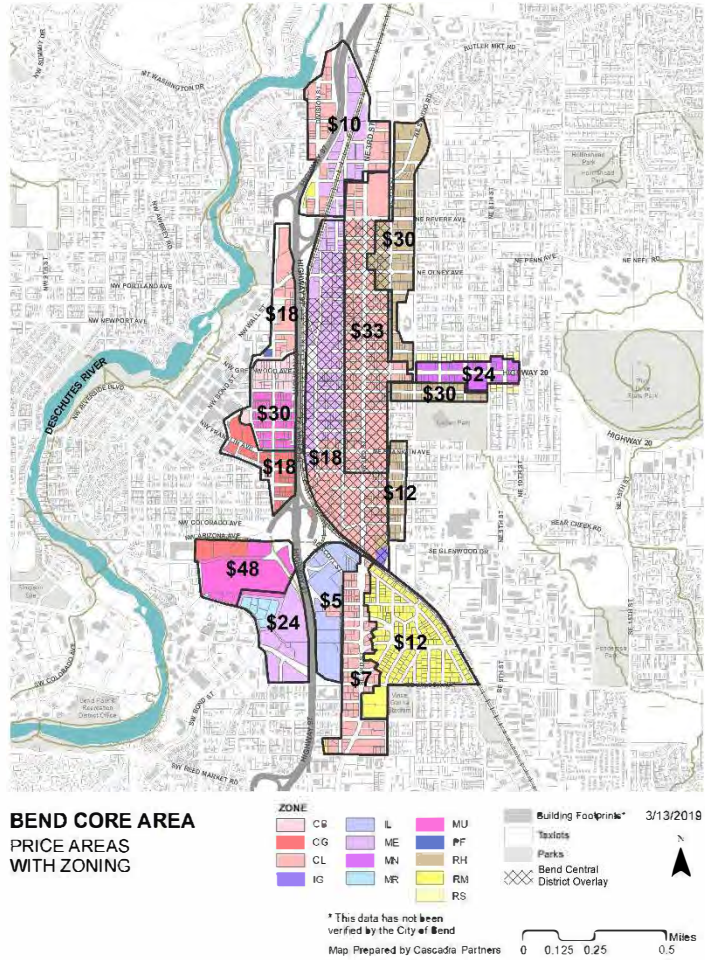
Defining Sub-Area Market Strength

The market strength is not created equally across the project area. Nor is the viability of residential vs. retail the same across the project area.

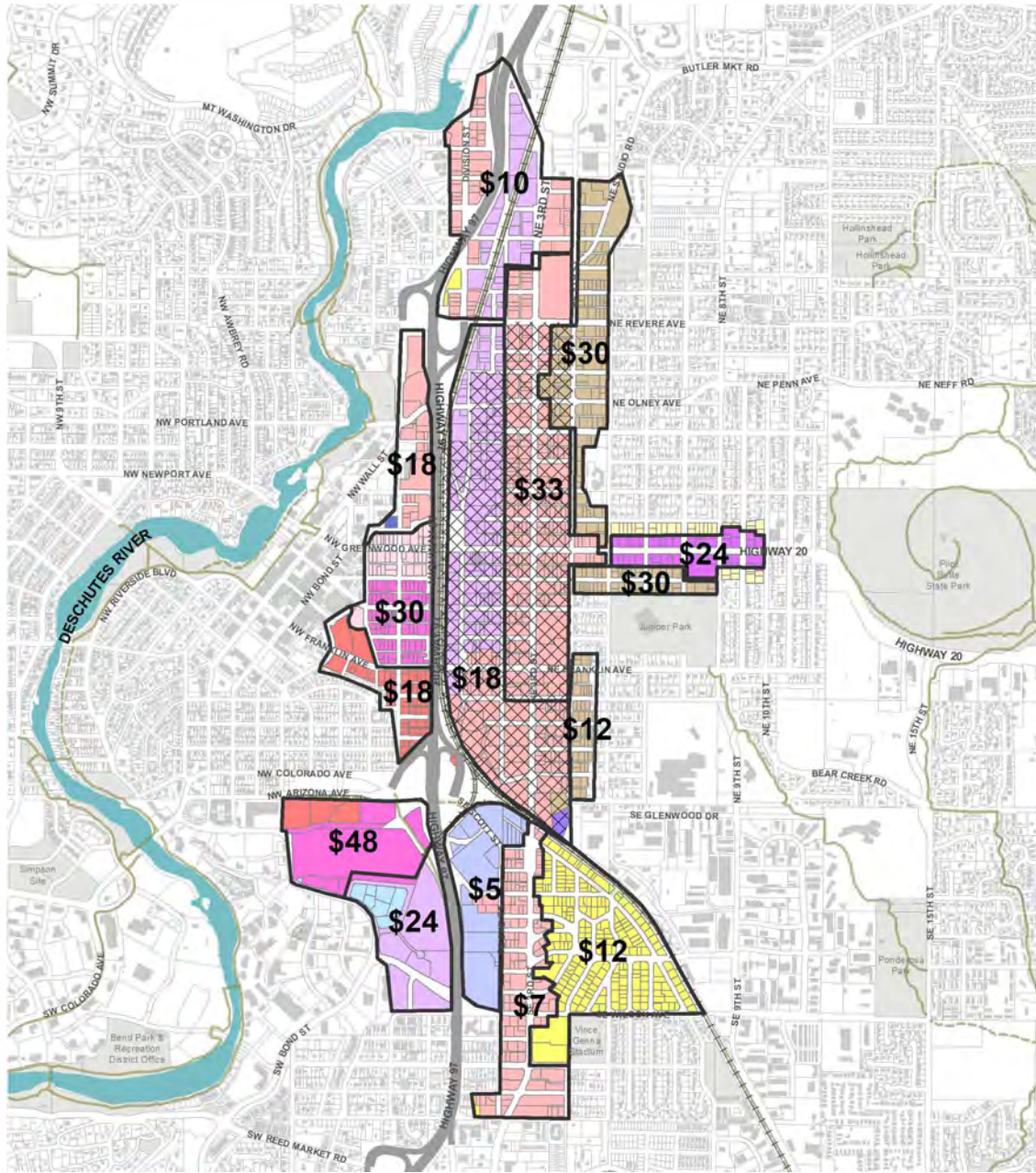
The zone districts impact the viability of development but other characteristics, such as walkability to amenities both public and private, also influence feasibility.

For the purposes of this analysis we have divided the study area into sub-markets that were relatively strong or weak candidates for retail and residential. According to several developers interviewed, speculative office development is not feasible in any large areas outside of downtown proper although they are allowed and envisioned in the future in some of the sub-area planning documents (e.g., the BCD).

The map to the right and below shows the sub-markets and the maximum dollars per square foot of land cost that new buildings could afford to pay and be viable. The range of maximum land costs are quite wide, between \$5 and \$48 per square foot, which represents the wide range of building types that are of highest and best use in these areas. The land costs shown are related to the building types described in the previous section, including those tested in each zone, as summarized in Table 1.



Map: Maximum Land Price for Feasible Development by Submarket Overlayed on Current Zoning

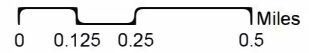


**BEND CORE AREA
PRICE AREAS
WITH ZONING**

| ZONE | | | | Building Footprints* | 3/13/2019 |
|------|----|----|--|-------------------------------|-----------|
| CB | IL | MU | | | |
| CG | ME | PF | | Parks | |
| CL | MN | RH | | Bend Central District Overlay | |
| IG | MR | RM | | | |
| | | RS | | | |

* This data has not been verified by the City of Bend

Map Prepared by Cascadia Partners



Results Highlights

The results of the analysis show that based on today's zoning and submarket strengths and weaknesses, a current low-to-moderate level of redevelopment potential across most of the study area. For an expanded description of analysis methodology, please see Appendix, Item 3.

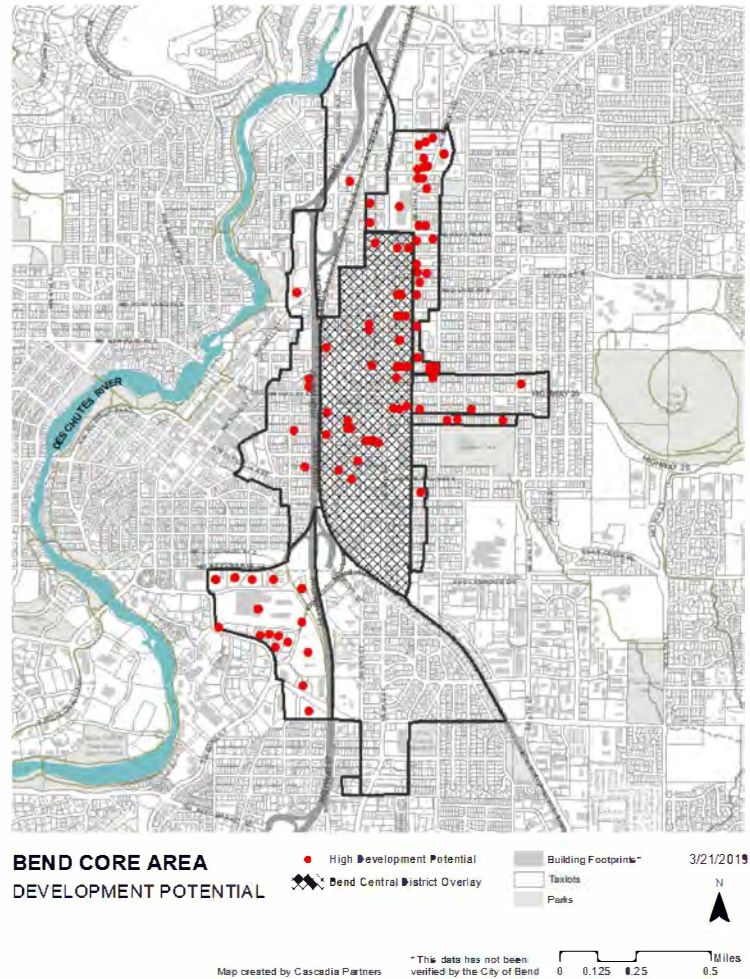
This analysis makes no assumption about the timing of this redevelopment. There are no assumed absorption rates or other limiting factors. These parcels are assumed to have near-term redevelopment potential, however, the owners ultimately control that decision.

It is important to note a few reasons for this low-to-moderate result: many parts of the study area have poor infrastructure, such as streets that are not walkable or bikeable, and zoning districts or specific zoning standards that limit redevelopment.

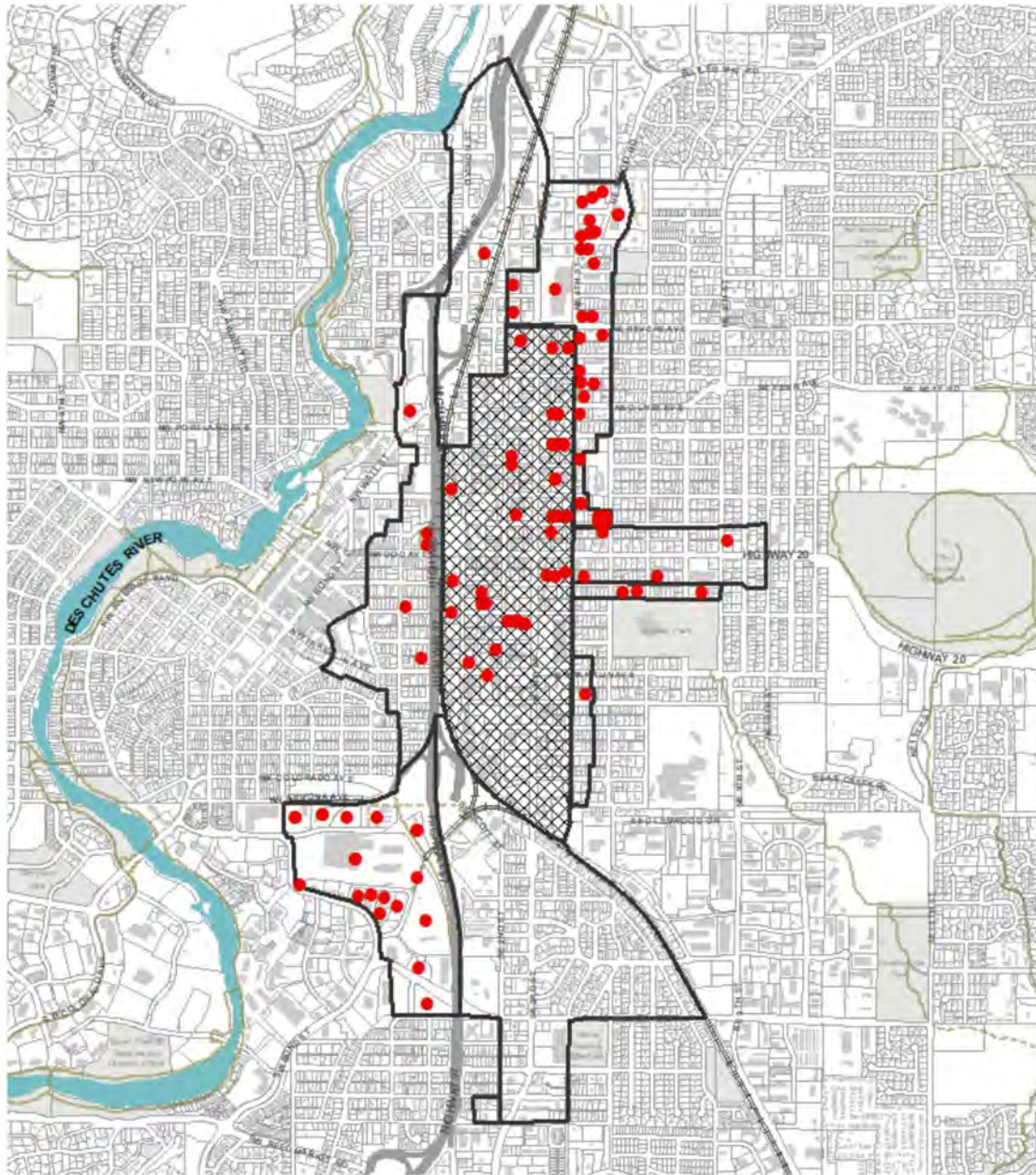
Redevelopment potential is concentrated around KorPine, the BCD and some RH parcels around Greenwood. KorPine shows the greatest redevelopment potential because it is a strong submarket for both residential and retail and there are several large parcels with low "cost."

The BCD redevelopment potential is more scattered currently. Tweaks to the current zoning standards would strengthen the redevelopment in this area. In particular, changes that make the redevelopment of small sites more financially feasible would have an impact here—and in other highly parcelized areas such as East Downtown and Greenwood.

With a few exceptions, areas around 3rd north and south of the BCD are more challenging market areas. The streetscapes are hostile to pedestrians and make residential development challenging, requiring more significant investment in streetscape improvements and other infrastructure to make redevelopment feasible. The zoning is also not as liberal or flexible as other areas. Connectivity to downtown and other community amenities is lacking.



Map: Parcels with Redevelopment Potential Assuming Today's Costs, Zoning and Amenities



**BEND CORE AREA
DEVELOPMENT POTENTIAL**

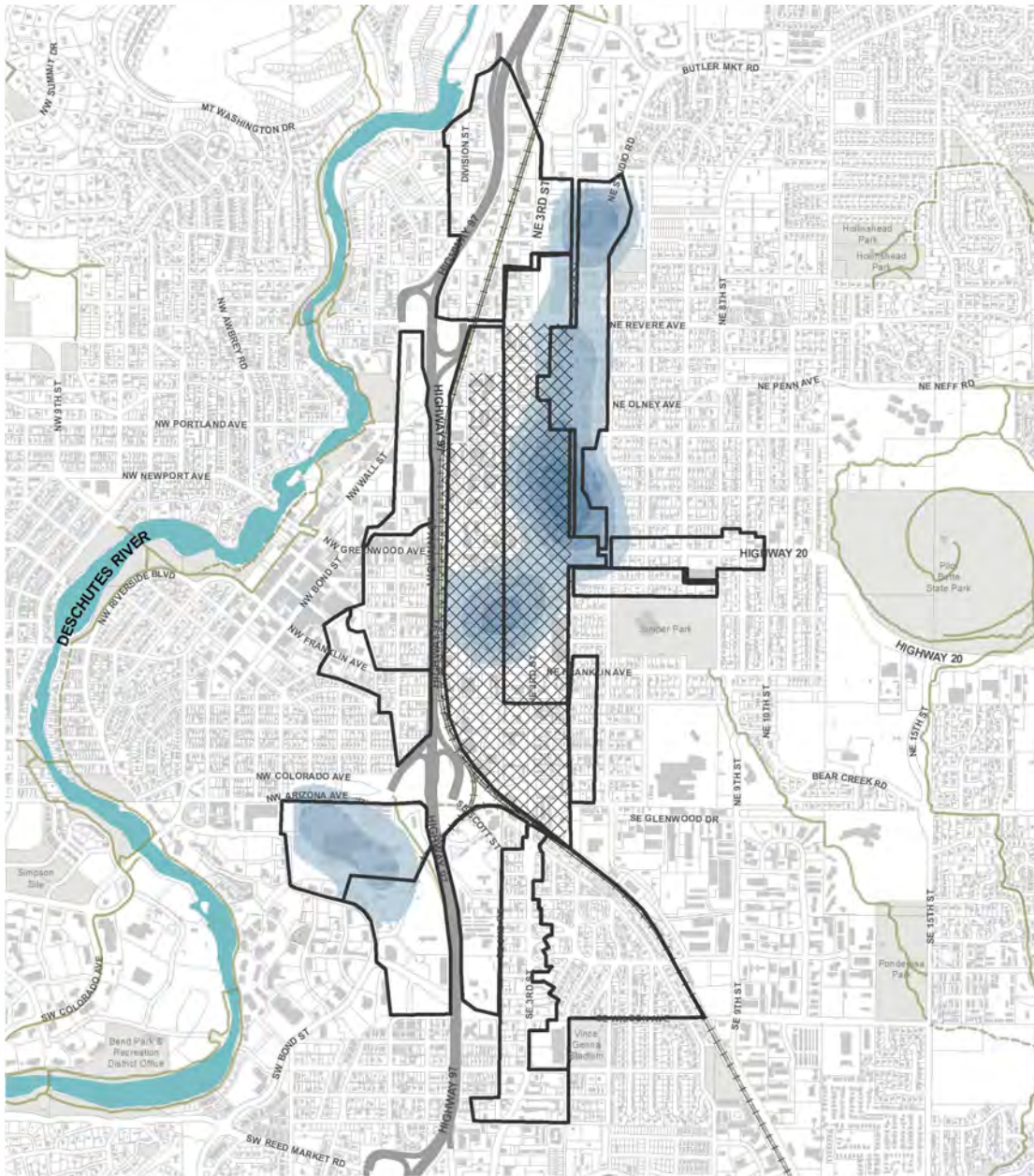
| | | |
|---------------------------------|------------------------|-----------|
| ● High Development Potential | ■ Building Footprints* | 3/21/2019 |
| ▨ Bend Central District Overlay | □ Taxlots | ↑ N |
| | ■ Parks | |

Map created by Cascadia Partners

* This data has not been verified by the City of Bend



Map: Heat Map of Areas of Parcels with High Development Potential

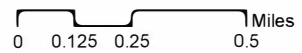


**BEND CORE AREA
DEVELOPMENT
POTENTIAL**



* This data has not been verified by the City of Bend

Map Prepared by Cascadia Partners



Near Term Redevelopment - By the Numbers

The table below summarizes and compares the rates of redevelopment across the different sub-market areas. Of note is that with current high construction costs, only the most desirable places (i.e.- strongest sub-markets) are seeing any substantial redevelopment. And even in those areas, not everything is feasible.

| Residential Market Strength | Retail Market Strength | Building Type | Tipping Point | Total Parcels | (Re)developable Parcels | Percent |
|-----------------------------|------------------------|---------------------|---------------|---------------|-------------------------|---------|
| Low | Low | Hwy Retail | \$5/sq ft | 29 | - | 0.0% |
| Low | Low | Hwy Retail | \$7/sq ft | 181 | - | 0.0% |
| Low | Medium | Hwy Retail | \$10/sq ft | 124 | 1 | 0.8% |
| Low | | Townhome - For-sale | \$12/sq ft | 310 | 1 | 0.3% |
| Medium | Low | Mixed-Use - 3 Story | \$18/sq ft | 340 | 11 | 3.2% |
| Medium | High | Mixed-Use - 3 Story | \$24/sq ft | 89 | 13 | 14.6% |
| High | Medium | Mixed-Use - 3 Story | \$31/ sq ft | 139 | 5 | 3.6% |
| High | | Townhome - For-sale | \$30/ sq ft | 207 | 39 | 18.8% |
| Medium | High | Mixed-Use - 5 Story | \$33/ sq ft | 223 | 28 | 12.6% |
| High | High | Mixed-Use - 5 Story | \$48/sq ft | 24 | 18 | 75.0% |
| Entire study area | | | | 1,666 | 116 | 7.0% |

What If This Process is Successful?

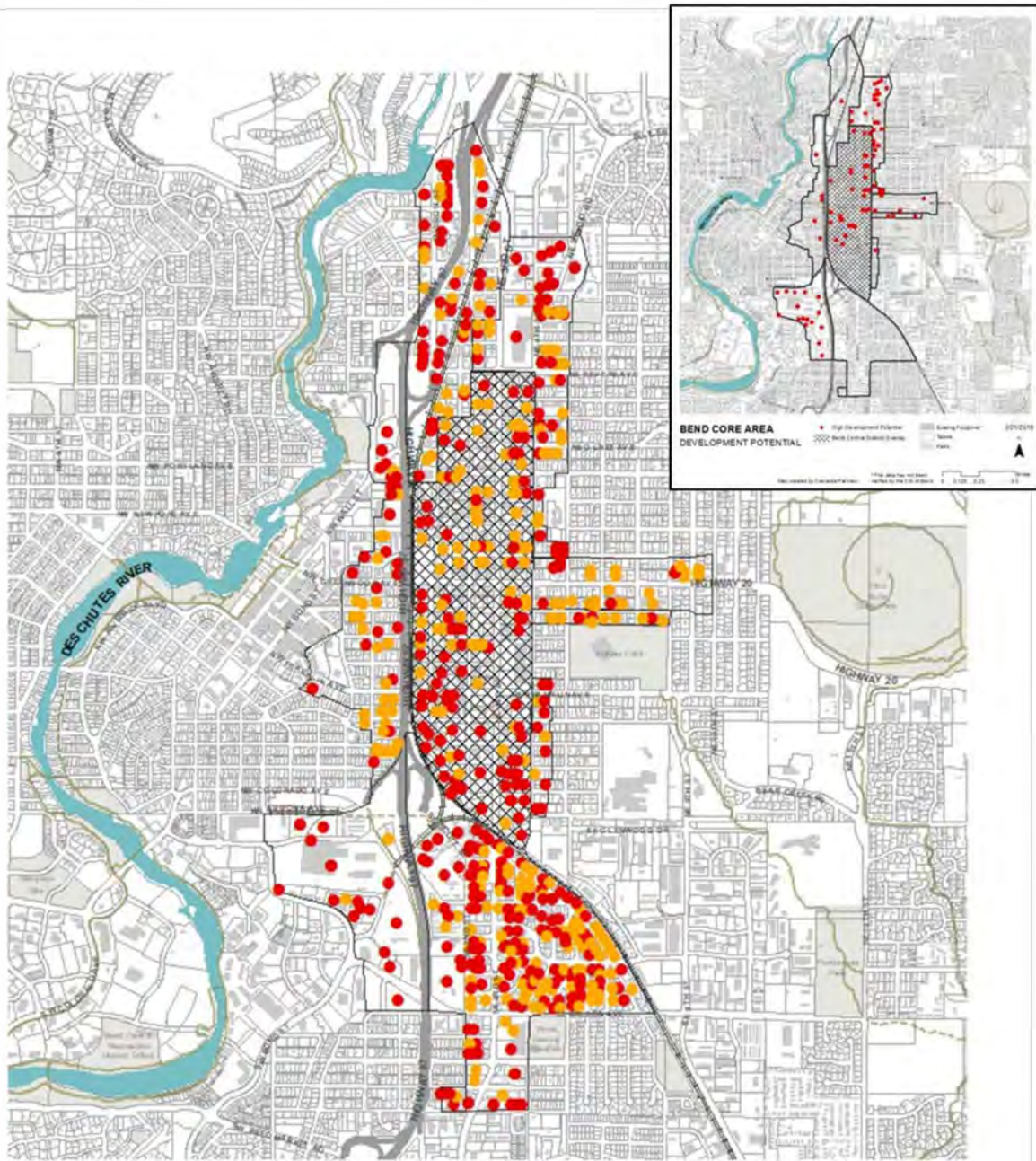
Let's assume for a moment this CAP process is successful at bringing infrastructure investments and policy changes to all of the submarkets within the study area. This would mean the entire study area would achieve a high level of "desirability" and market feasibility. How might that change the development feasibility map?

As detailed in earlier sections of this memo, most of the modeled building types have a "tipping point" land cost of below \$30 per square foot. Only two building types able to pay over \$30 per square foot in land cost. As a result, we have prepared a hypothetical future redevelopment feasibility map that shows parcels less than \$30 per foot and \$30-40 per square foot. Parcels with a current value of \$30-40 per square foot could be possible to redevelop but are on the far upper end of our "tipping point" spectrum and thus we decided to create two categories. In the map below, we have colored all parcels at or below \$30 per square foot dark red to indicate likely redevelopment, and those \$30-40 per square foot are colored orange to indicate possible redevelopment.

Conclusions

Two important lessons emerge from this analysis and the key findings identified in the accompanying Developer Interview and Economic Drivers memos. First, investments in safe walkable streets, amenities like parks and plazas, and comfortable and convenient connections to other dynamic areas greatly strengthens the underlying desirability and achievable rents in an area. Second, aligning the zoning with the market potential is critically important. If zoning standards are limiting redevelopment and investment, public investments in infrastructure and place-making elements are much less likely to catalyze substantial new investment. These are the two most important public strategies to align and fine tune in order to "prime the pump" in these opportunity areas.

**Map: Potential Future Redevelopment Feasibility Map,
with Map of Today's Redevelopment Feasibility as inset**

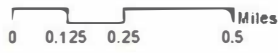


**BEND CORE AREA
FUTURE POTENTIAL**

- ≤\$30/SqFt
- \$30 - \$40/SqFt

- Building Footprints*
- Taxlots
- Parks
- ▨ Bend Central District Overlay

3/21/2019



Map created by Cascadia Partners

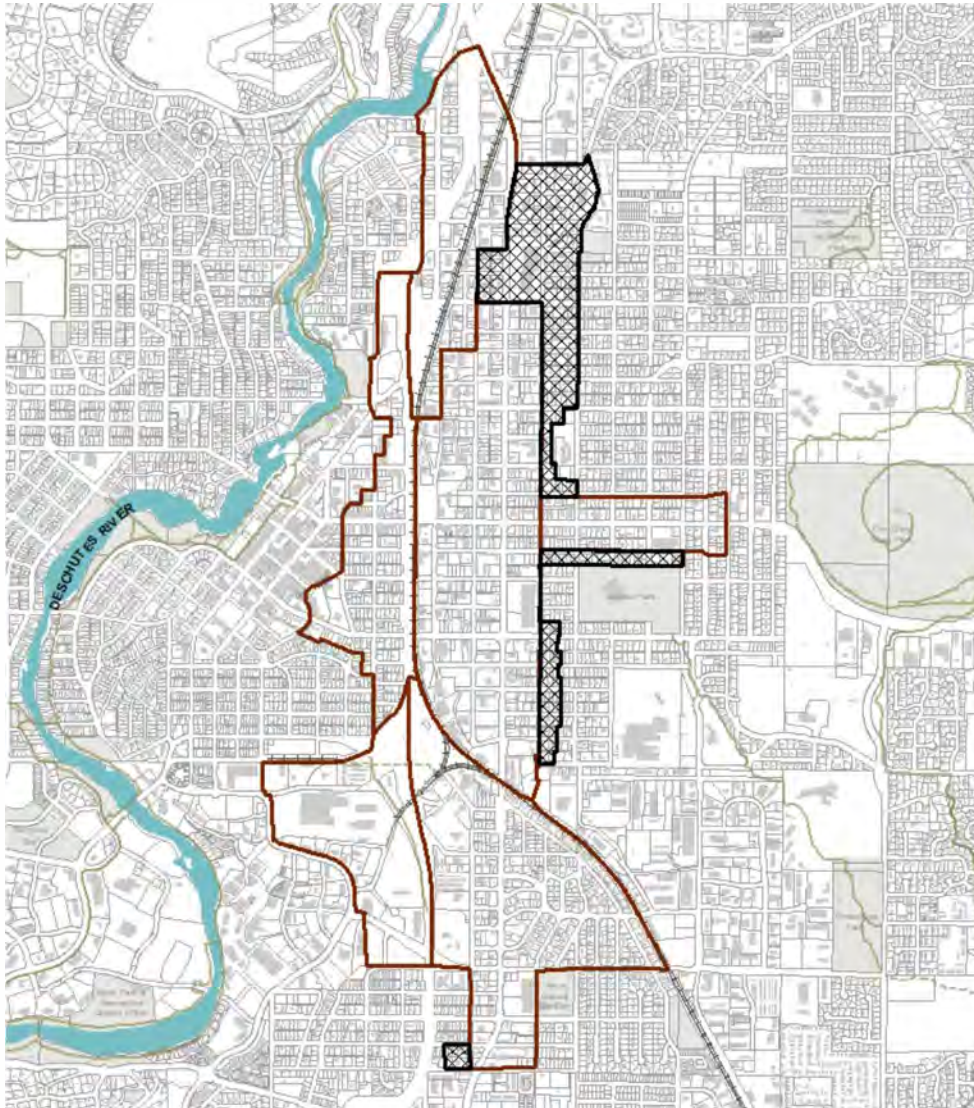
* This data has not been verified by the City of Bend

Appendix

Item 1: Key Terminology

- ***Residual Land Value***: the value of land based on what is feasible to build on it. For the purposes of this analysis, it is the amount a developer is able to pay for land given the assumed value of the development, the assumed project costs, and the developer's desired profit.
- ***Real Market Value***: a prediction of the price your property would sell for in a transaction between a willing buyer and a willing seller.
- ***Tipping Point***: the maximum land price point that a developer could feasibly pay for a building type
- ***Pro Forma***: a multi-part assessment projecting the financial return a development is likely to make when operating at peak efficiency
- ***Building Typology***: a classification of building types according to their similarities for the purposes of our study

Item 2: Boundary Addition for Analysis Purposes



BEND CORE AREA BOUNDARIES

-  Study Area Boundary
-  Analysis Boundary Expanded Area

-  Building Footprints*
 -  Taxlots
 -  Parks
- 3/25/2019
- N

Map created by Cascadia Partners * This data has not been verified by the City of Bend 0 0.1 0.2 0.4 Miles

Item 3: Development Potential Methodology

Parcel “Land Value” Data

Deschutes County Property Tax assessor parcel data in Geographic Information Systems (GIS) format was used to derive the assumed land value used in this analysis. Specifically, CP used the Real Market Value (RMV)¹ data maintained by the Assessor for each parcel.

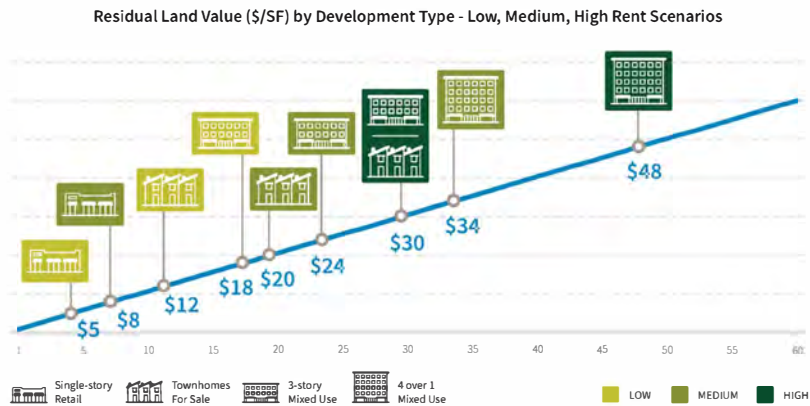
The price per square foot of land was calculated by dividing the Real Market Value by the property square footage. This value is used in this analysis as a proxy for “purchase price” to be compared against the building type pro formas we developed to determine which parcels could have redevelopment feasibility.

Key notes and assumption:

- Publicly owned lands and parcels with no Real Market Value listed were excluded from this analysis
- Condominium sites are represented as many small parcels within the parcel dataset, and the data is not compatible with this analysis and was not used – they are high value and unlikely to redevelop anyway.
- Several duplicate parcels exist in the study area – we did not “clean” up the data and remove these parcels since it does not appear to be a widespread issue but is worth noting

Building Pro Formas

CP developed several building pro formas to establish the range of maximum land prices that could be paid by different building types. Each building type pro forma includes zone standard parameters, such as height and parking requirements; construction costs and assumed rental rates. A residual land value, or maximum feasible land price that can be paid, were calculated for each building type using the pro formas. Those land values are summarized in this graphic.



Sub-Markets – High, Medium, Low

Rental rates are not static within the study area or within a zone district. We divided the study area into sub-markets that were relatively strong or weak candidates for retail and residential. While a zone district may cover multiple sub-markets and technically allow

¹ While RMV is the best data we have to approximate property value, it still has its limitations. The assessor uses a mass appraisal methodology that groups like properties together and masks the natural property-to-property variation that a willing seller-buyer relationship would unveil. This analysis is meant to suggest feasibility rather than to predict actual selling prices. It is not intended as a substitute for a formal appraisal that uses comparables to estimate value.

the same types of buildings, weaker sub-markets result in building types that can only afford lower land costs and stronger sub-markets allow building types that can absorb somewhat higher land costs. A map was created visualizing the geography of how the study area and zone districts were divided into sub-markets.

Assess Tipping Point Thresholds for Zones and Sub-Markets

Based on a sub-market’s strengths or weaknesses and zone district, there is a maximum land price a developer could afford to pay and still be financially viable. CP determined which building type could pay the most within a sub-market and zone. All parcels at or below that maximum land price (the tipping point) were assumed to be redevelopable and show up in the redevelopment feasibility maps above.

The assumed building types that can pay the highest land price by zone district are summarized in the table below. Certain zones, such as CG, technically allow taller mixed-use buildings but certain standards, such as parking and the infeasibly high cost of structured parking in most of the study area, effectively limit the amount of building density one could afford to build. As a result, in several instances we have assumed a less intensive building form than is technically allowed in the zone district.

Table 1: Building Types Tested in Each Zoning District

| Zone Districts | Tested Building Types | | | |
|----------------|-----------------------|------------|---------------------|---------------------|
| | Townhome - For-sale | Hwy Retail | Mixed-Use - 3 Story | Mixed-Use - 5 Story |
| BCD | | | | |
| MU | | | | |
| CB | | | | |
| ME | | | | |
| MR | | | | |
| CG | | | | |
| CL | | | | |
| RH | | | | |
| RM | | | | |

URBAN DESIGN



BEND CORE AREA PROJECT

CONCEPTUAL URBAN DESIGN FRAMEWORK: ANALYSIS

April 2nd, 2019

TA-104



CITY OF BEND
CORE AREA PROJECT

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Introduction

About the Core Area Project

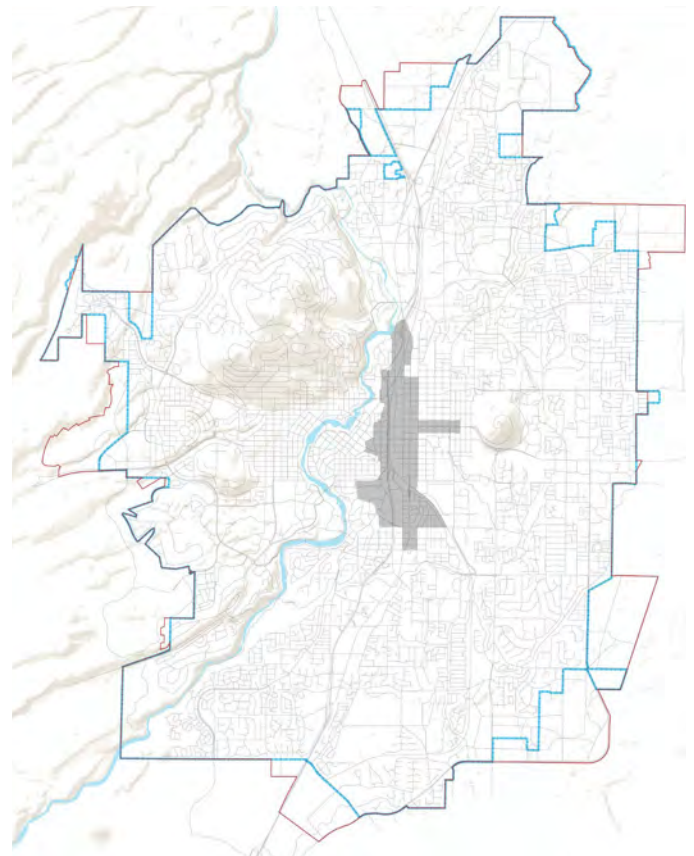
The Bend Core Area Project (CAP) is intended to create a common vision and implementation plan for the Core Area of Bend. Through this process, the City will work with property owners, area residents, and other stakeholders to:

- Develop an urban design framework for the area.
- Identify needed circulation improvements to enhance connectivity within and between areas as well as to the city at large.
- Identify programs and projects for the area, including streetscape improvements, public spaces, gateways, affordable housing, or art and beautification programs.
- Determine location, phasing, and costs for necessary infrastructure (sewer, water, storm water and transportation) to support potential development and redevelopment of the area.
- Develop funding strategies, incentives, and other implementation tools, such as urban renewal, to achieve the vision for the area and encourage public-private partnerships.
- Identify any needed code amendments or zoning changes if necessary to achieve the vision for this area.
- Determine the boundary of a potential urban renewal district that would encourage investment within the area through tax increment financing.
- If recommended by the Bend Urban Renewal Agency (BURA), adopt an Urban Renewal Plan and new Urban Renewal District.

Purpose and Format of this Report

This Urban Design Analysis is a first step toward the creation of an urban design framework for Bend's Core Area. The analysis, and subsequent framework mapping, are intended to define where and how the Core Area can develop and redevelop into the more urban, connected and livable area envisioned in the Comprehensive Plan. By defining and mapping the "where and how" for place making opportunities in the Core Area, the "why and how much" of the City's future investments and development programs will be better informed and intentional.

This report is formatted to document previous planning and selected existing conditions, and, analyze urban design issues and opportunities. Its emphasis is on synthesis and urban design mapping, not data and comprehensive inventories. For additional background information, please see the Bend Core Area Project webpage.



■ Core Area — City Limits — Urban Growth Boundary

BEND CORE AREA

667 acres

1,341 population

706 housing units

6,725 employees

723 job sites

DIVISION SUBAREA

92 acres

893 employees

83 job sites

2% population

GREENWOOD SUBAREA

38 acres

450 employees

74 job sites

11% population

GREATER EAST DOWNTOWN SUBAREA

89 acres

863 employees

155 job sites

13% population

BEND CENTRAL DISTRICT SUBAREA

196 acres

2,593 employees

292 job sites

8% population

GREATER KORPINE SUBAREA

89 acres

955 employees

34 job sites

0% population

WILSON SUBAREA

164 acres

971 employees

85 job sites

66% population

US 97 / Parkway

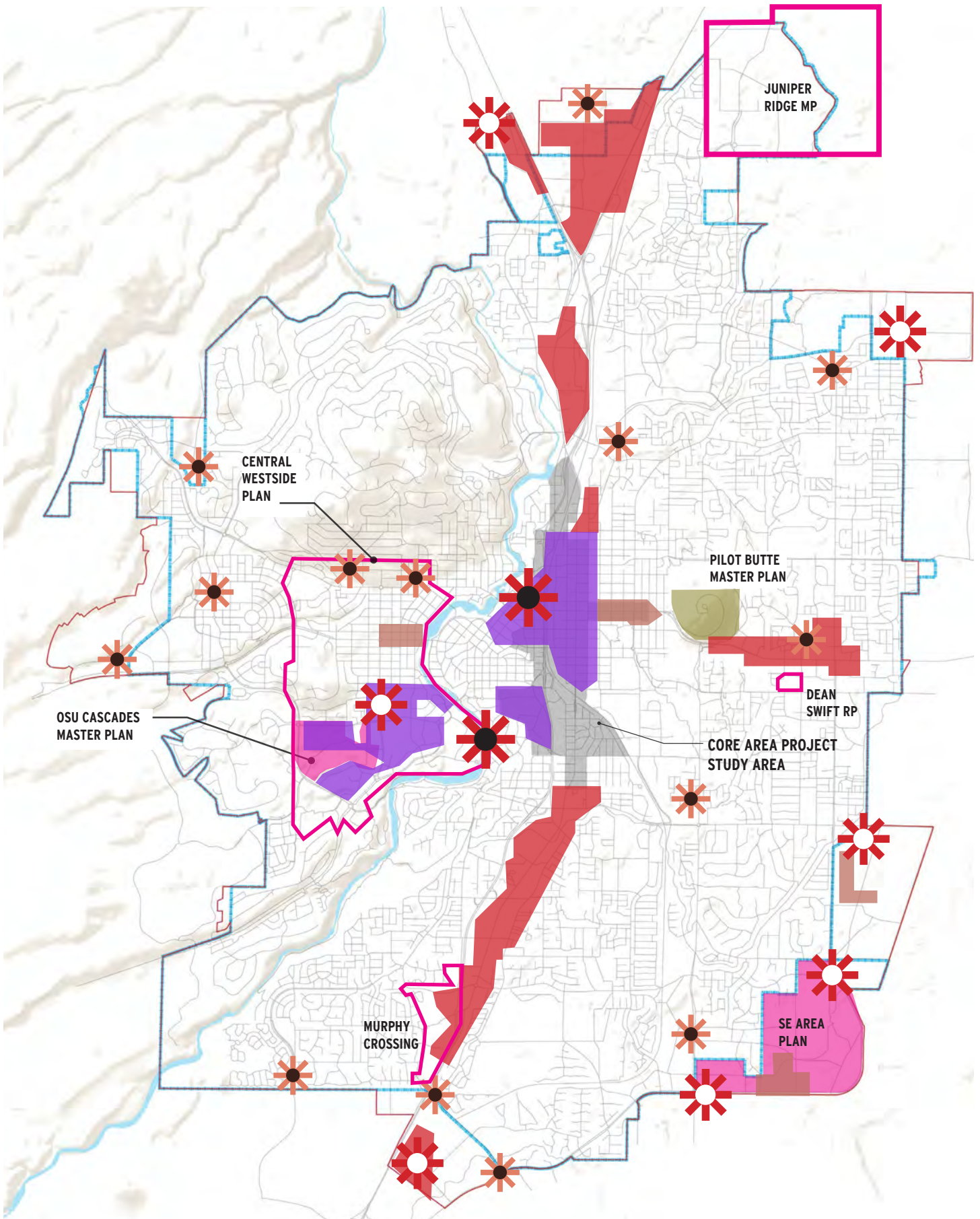
BNSF RR

Core Area Facts



A photograph of an outdoor event at sunset. The scene is filled with people, string lights, and mountains in the background. The sun is low on the horizon, creating a warm, golden glow. The text "PREVIOUS PLANS + EXISTING CONDITIONS" is overlaid in the lower-left quadrant of the image.

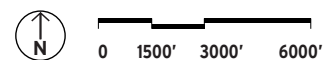
PREVIOUS PLANS + EXISTING CONDITIONS



Centers & Corridors Urban Form (Comp Plan): KEY

- | | | | | | |
|--|--------------------------|--|-------------------------------|--|-----------------------|
| | Urban Mixed Use Center | | Mixed Use District | | City Limits |
| | Community Commercial Ctr | | Major Commercial Corridor | | Urban Growth Boundary |
| | Local Commercial Ctr | | Community Commercial Corridor | | Plans |

Previous Plans | City Scale

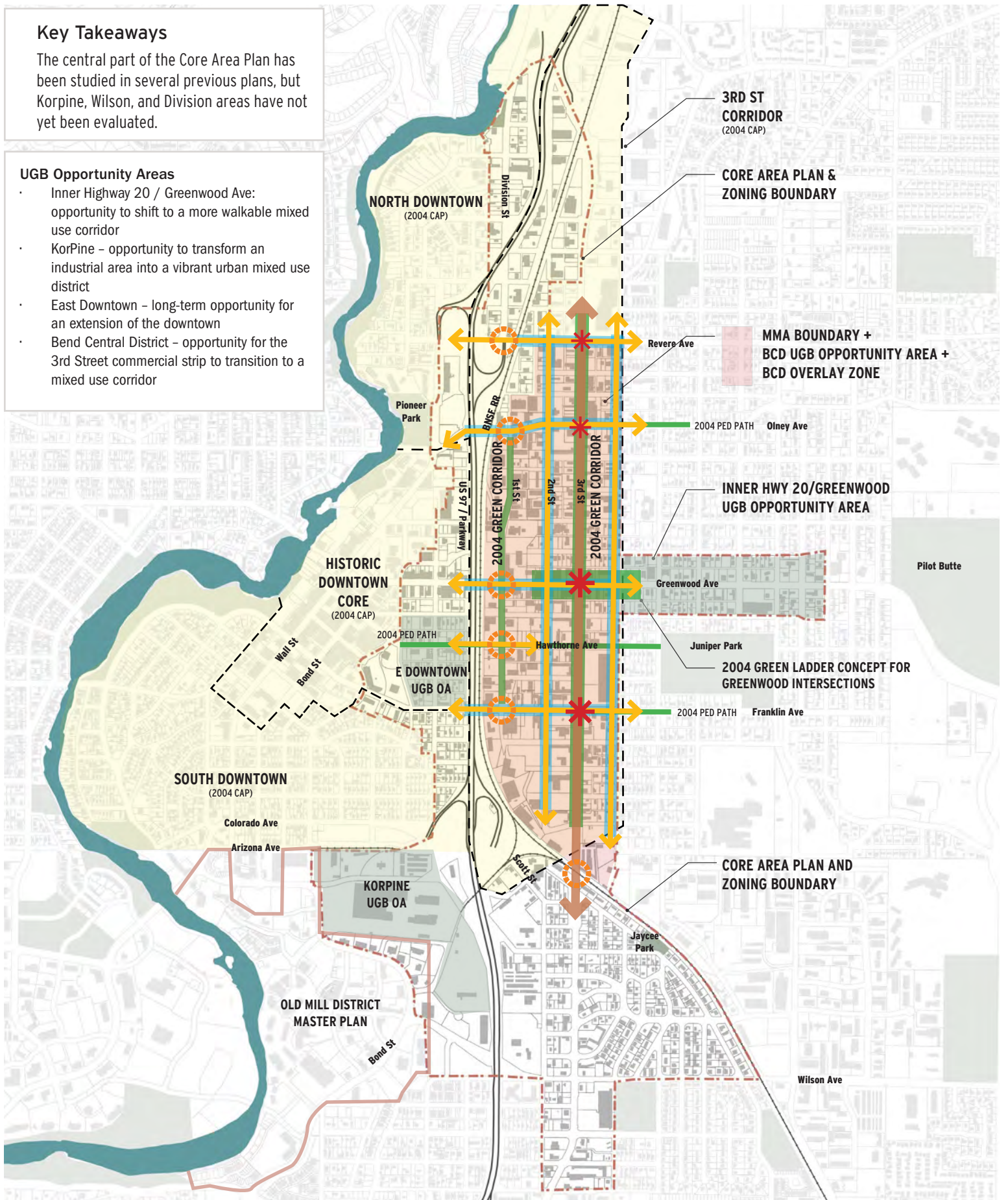


Key Takeaways

The central part of the Core Area Plan has been studied in several previous plans, but Korpine, Wilson, and Division areas have not yet been evaluated.

UGB Opportunity Areas

- Inner Highway 20 / Greenwood Ave: opportunity to shift to a more walkable mixed use corridor
- KorPine - opportunity to transform an industrial area into a vibrant urban mixed use district
- East Downtown - long-term opportunity for an extension of the downtown
- Bend Central District - opportunity for the 3rd Street commercial strip to transition to a mixed use corridor



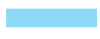
2004 Central Area Plan Study Area



MMA Corridor



MMA District Node (same as 2004 "Pulse Points") TA-110



MMA Ped-Oriented Street



MMA District Gateway



MMA Road Diet



Core Area

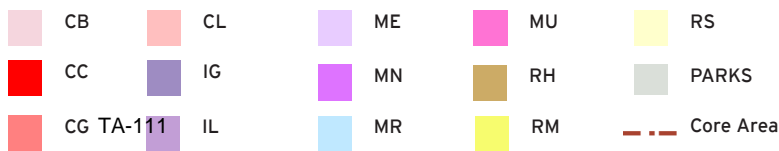
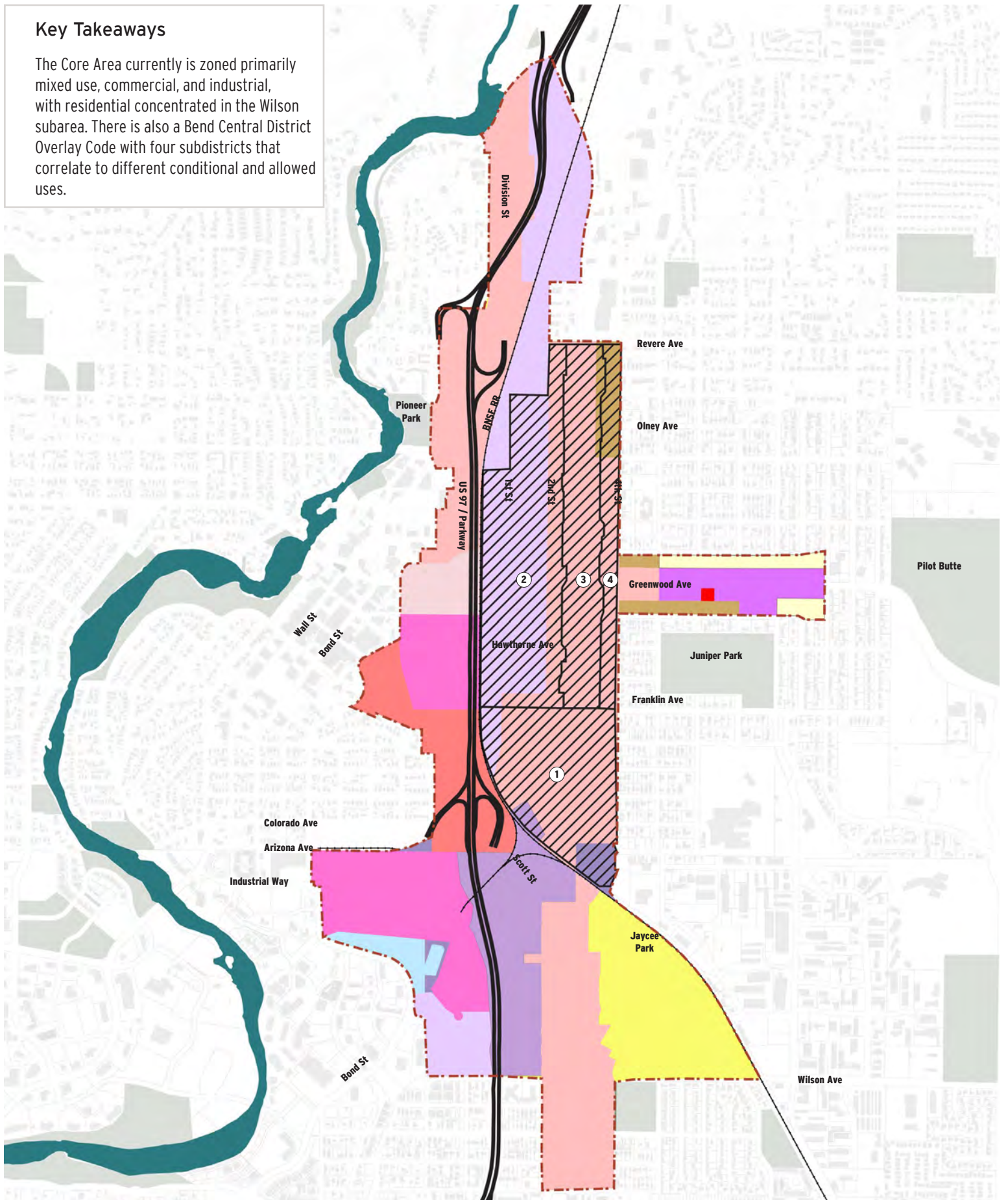
Previous Plans | Core Area



0 400' 800' 1600'

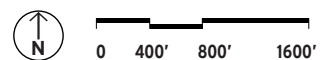
Key Takeaways

The Core Area currently is zoned primarily mixed use, commercial, and industrial, with residential concentrated in the Wilson subarea. There is also a Bend Central District Overlay Code with four subdistricts that correlate to different conditional and allowed uses.



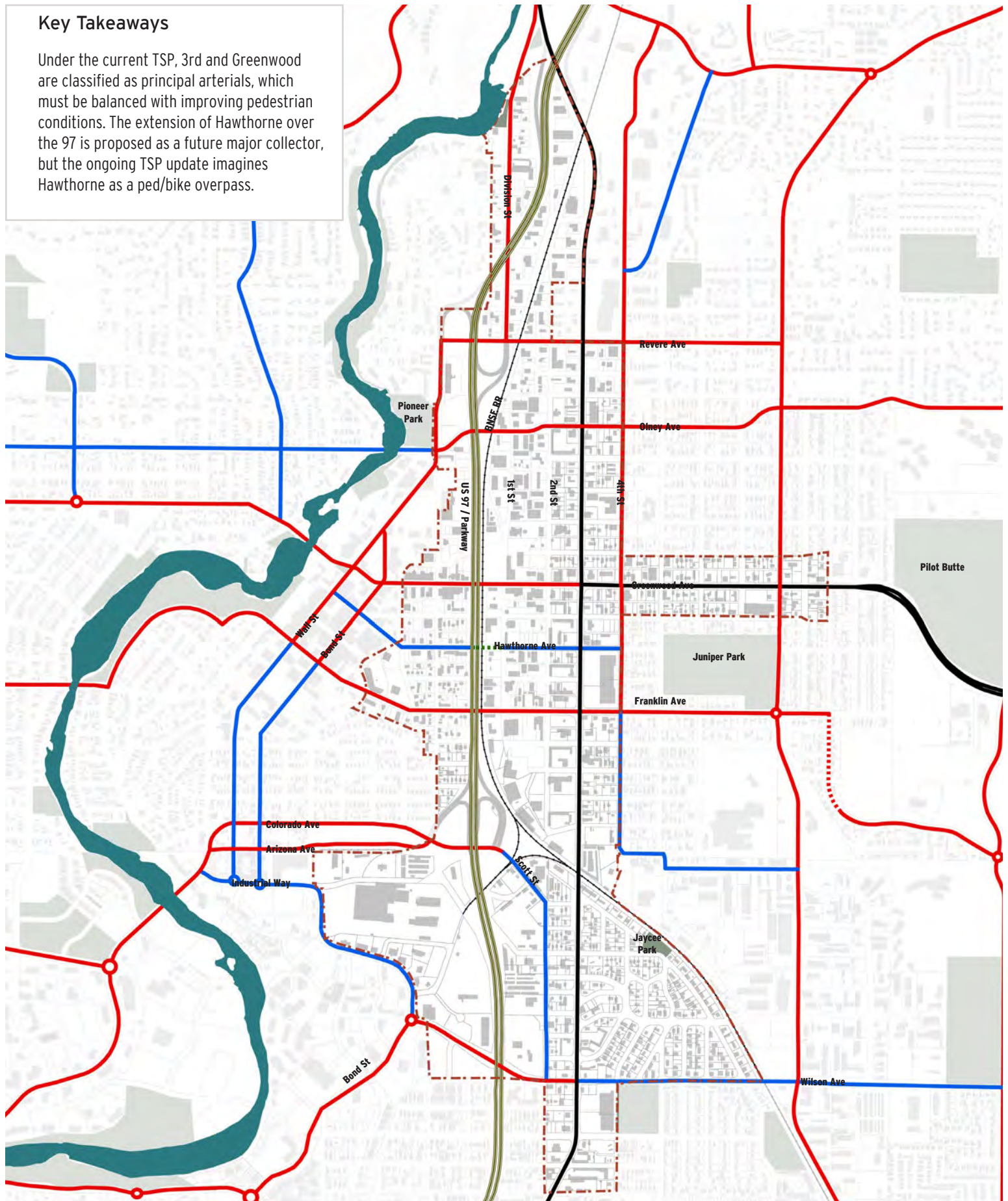
- Bend Central District Overlay Code
1. South Subdistrict
 2. 1st & 2nd St Subdistrict
 3. 3rd St Subdistrict
 4. 4th St Subdistrict

Zoning



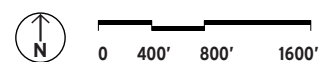
Key Takeaways

Under the current TSP, 3rd and Greenwood are classified as principal arterials, which must be balanced with improving pedestrian conditions. The extension of Hawthorne over the 97 is proposed as a future major collector, but the ongoing TSP update imagines Hawthorne as a ped/bike overpass.



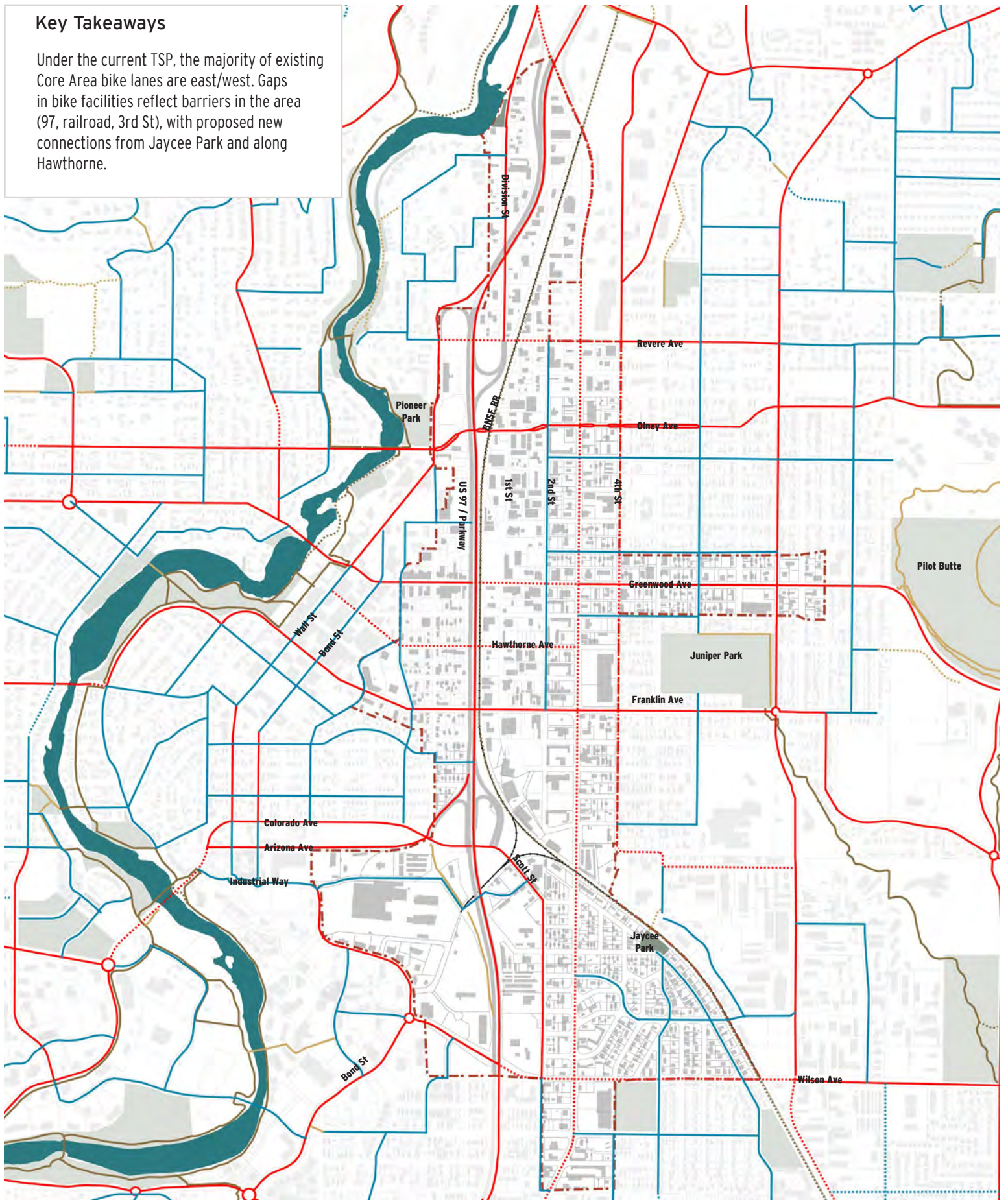
- Expressway
- Principal Arterial
- Major Arterial
- - - Proposed Major Arterial
- Minor Arterial
- - - Proposed Minor Arterial
- - - Core Area
- Major Collector

2016 TSP Street Classification



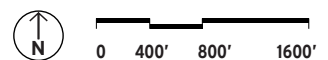
Key Takeaways

Under the current TSP, the majority of existing Core Area bike lanes are east/west. Gaps in bike facilities reflect barriers in the area (97, railroad, 3rd St), with proposed new connections from Jaycee Park and along Hawthorne.



- Existing Bicycle Lane
- - - Future Bicycle Lane
- Existing Shared Roadway
- - - Future Shared Roadway
- Existing Multi-Use Path, Primary
- - - Future Multi-Use Path, Primary
- Existing Multi-Use Path, Connector
- - - Future Multi-Use Path, Connector
- - - Core Area

2016 TSP Bicycle + Pedestrian System

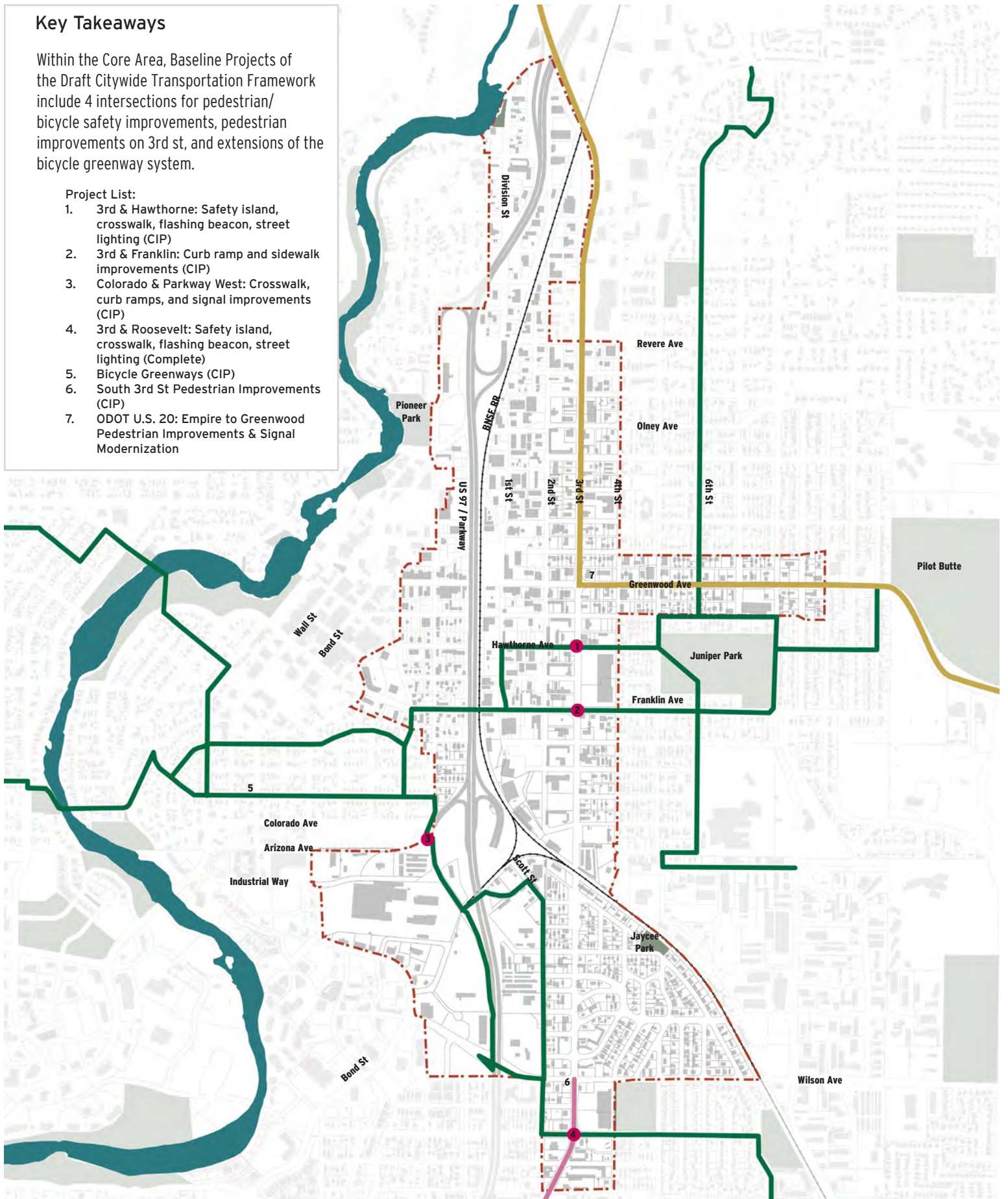


Key Takeaways

Within the Core Area, Baseline Projects of the Draft Citywide Transportation Framework include 4 intersections for pedestrian/bicycle safety improvements, pedestrian improvements on 3rd st, and extensions of the bicycle greenway system.

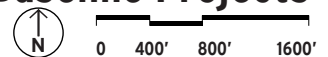
Project List:

1. 3rd & Hawthorne: Safety island, crosswalk, flashing beacon, street lighting (CIP)
2. 3rd & Franklin: Curb ramp and sidewalk improvements (CIP)
3. Colorado & Parkway West: Crosswalk, curb ramps, and signal improvements (CIP)
4. 3rd & Roosevelt: Safety island, crosswalk, flashing beacon, street lighting (Complete)
5. Bicycle Greenways (CIP)
6. South 3rd St Pedestrian Improvements (CIP)
7. ODOT U.S. 20: Empire to Greenwood Pedestrian Improvements & Signal Modernization



- Bicycle Greenways
- ODOT U.S. 20
- Pedestrian Improvements
- Citywide Safety Improvement:
Areas for pedestrian/bicycle improvements, due to high number of crashes

Draft Citywide Transportation Framework Baseline Projects

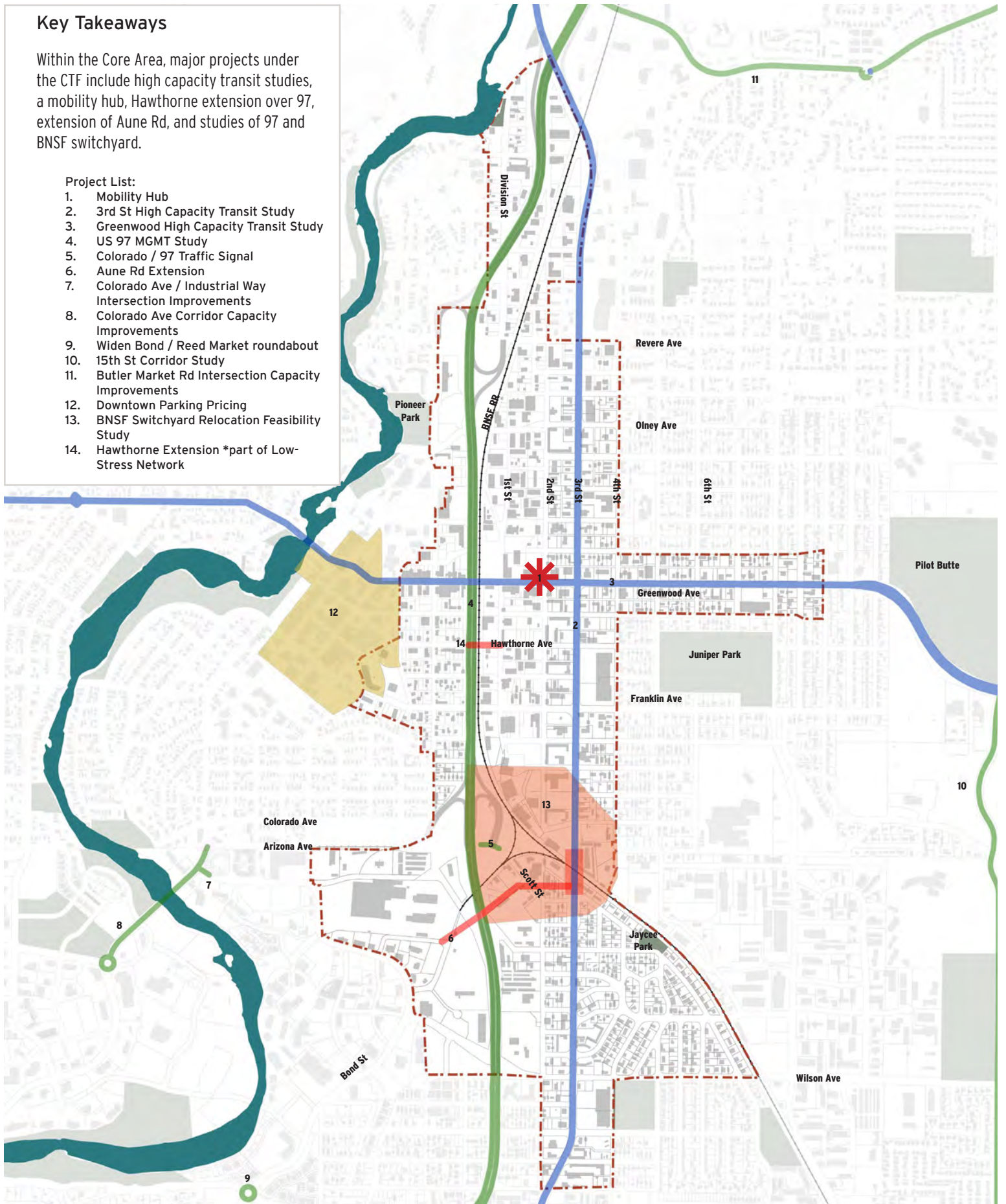


Key Takeaways

Within the Core Area, major projects under the CTF include high capacity transit studies, a mobility hub, Hawthorne extension over 97, extension of Aune Rd, and studies of 97 and BNSF switchyard.

Project List:

1. Mobility Hub
2. 3rd St High Capacity Transit Study
3. Greenwood High Capacity Transit Study
4. US 97 MGMT Study
5. Colorado / 97 Traffic Signal
6. Aune Rd Extension
7. Colorado Ave / Industrial Way Intersection Improvements
8. Colorado Ave Corridor Capacity Improvements
9. Widen Bond / Reed Market roundabout
10. 15th St Corridor Study
11. Butler Market Rd Intersection Capacity Improvements
12. Downtown Parking Pricing
13. BNSF Switchyard Relocation Feasibility Study
14. Hawthorne Extension *part of Low-Stress Network



- High Capacity Transit Study
- Corridor Studies / Widening / Intersection Improvements
- Road Extension
- Parking Pricing
- * Mobility Hub
- BNSF Switchyard Feasibility Study

Draft Citywide Transportation Framework

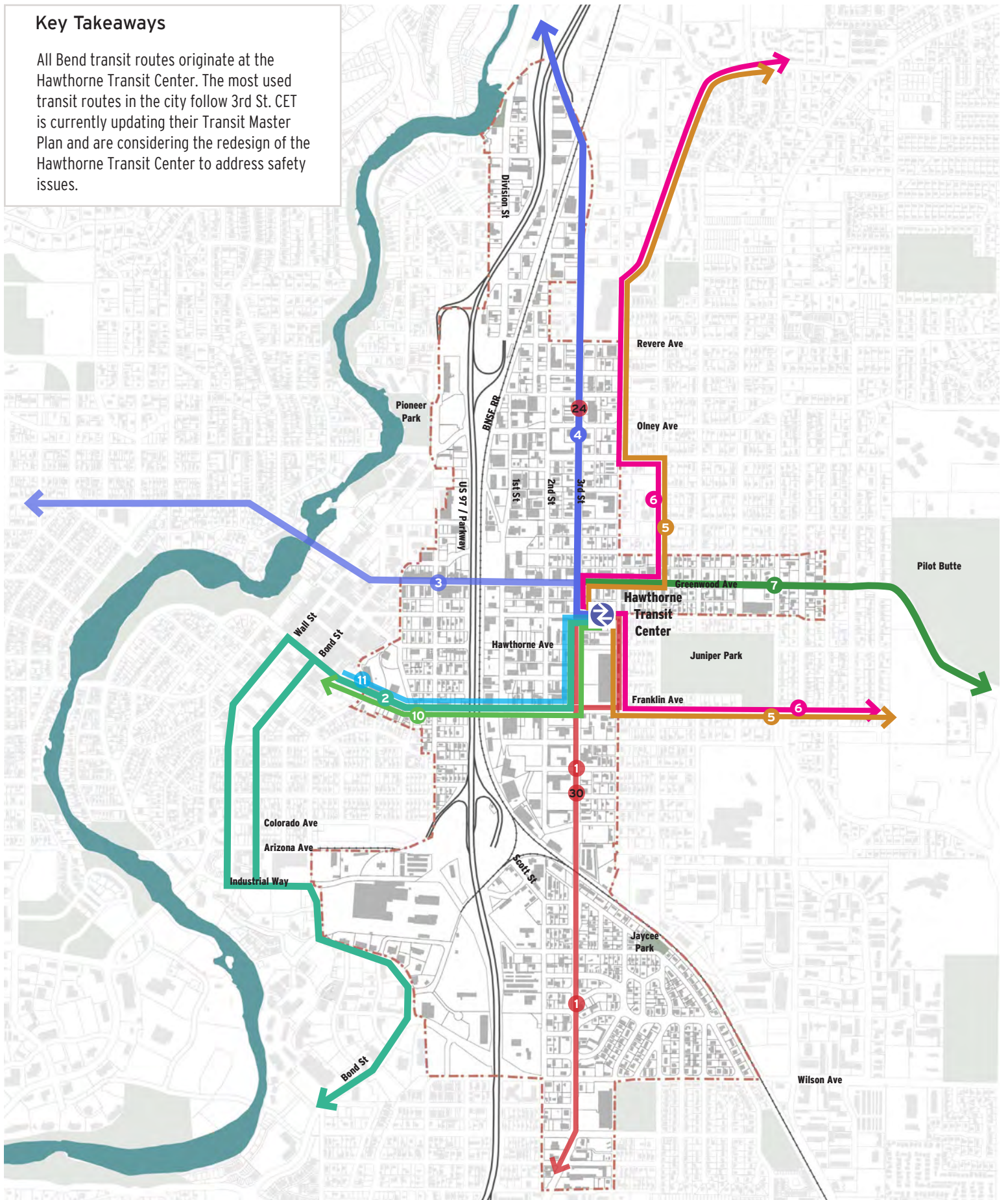
--- Core Area




0 400' 800' 1600'

Key Takeaways

All Bend transit routes originate at the Hawthorne Transit Center. The most used transit routes in the city follow 3rd St. CET is currently updating their Transit Master Plan and are considering the redesign of the Hawthorne Transit Center to address safety issues.

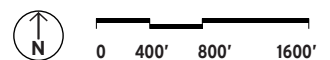


 Hawthorne Transit Center

 Bus Lines
TA-116

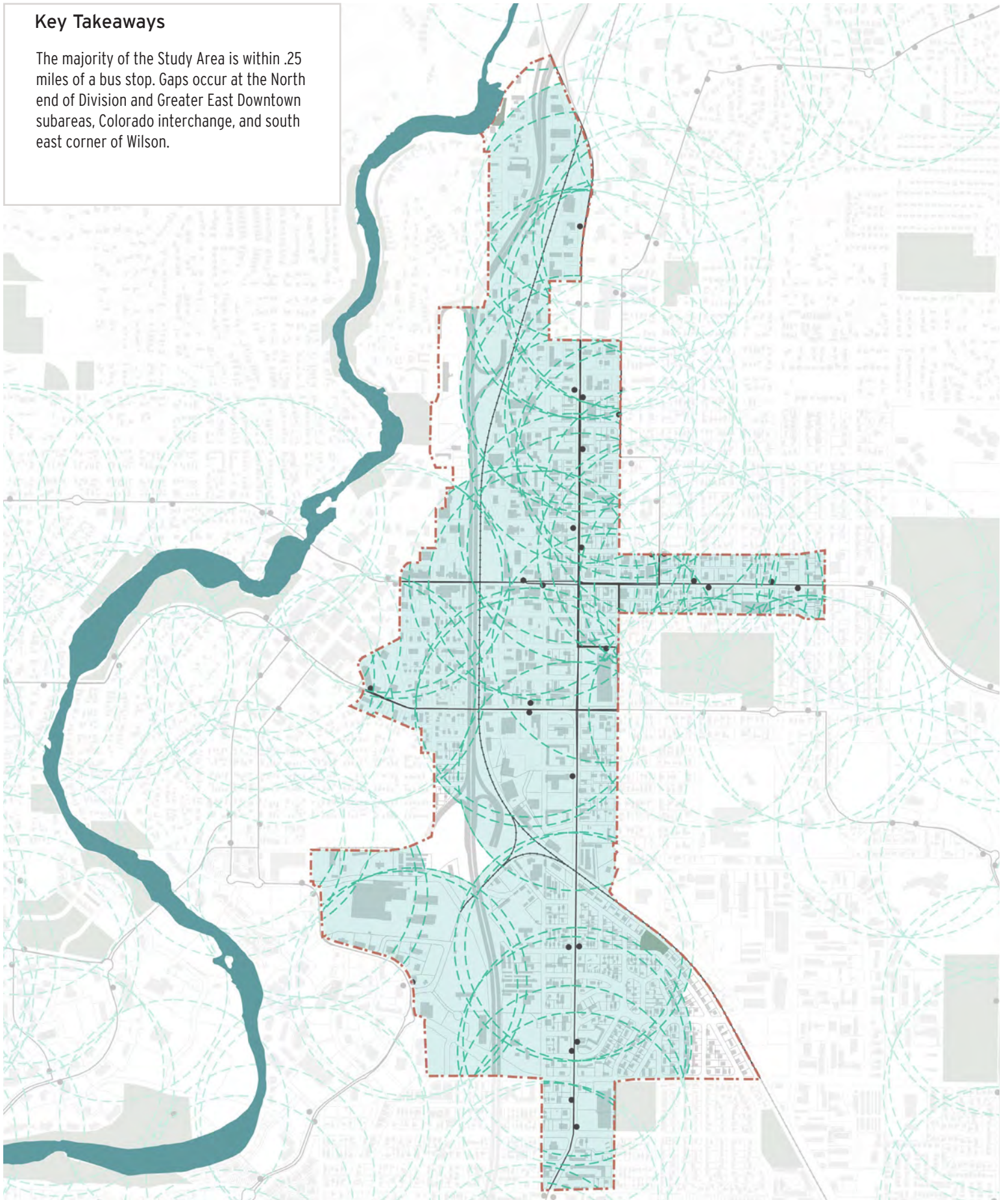
 Core Area



Transit





Key Takeaways

The majority of the Study Area is within .25 miles of a bus stop. Gaps occur at the North end of Division and Greater East Downtown subareas, Colorado interchange, and south east corner of Wilson.

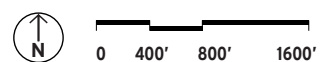


 1/4 mile radius around bus stop
 Bus Stop

 Bus Route
 Core Area

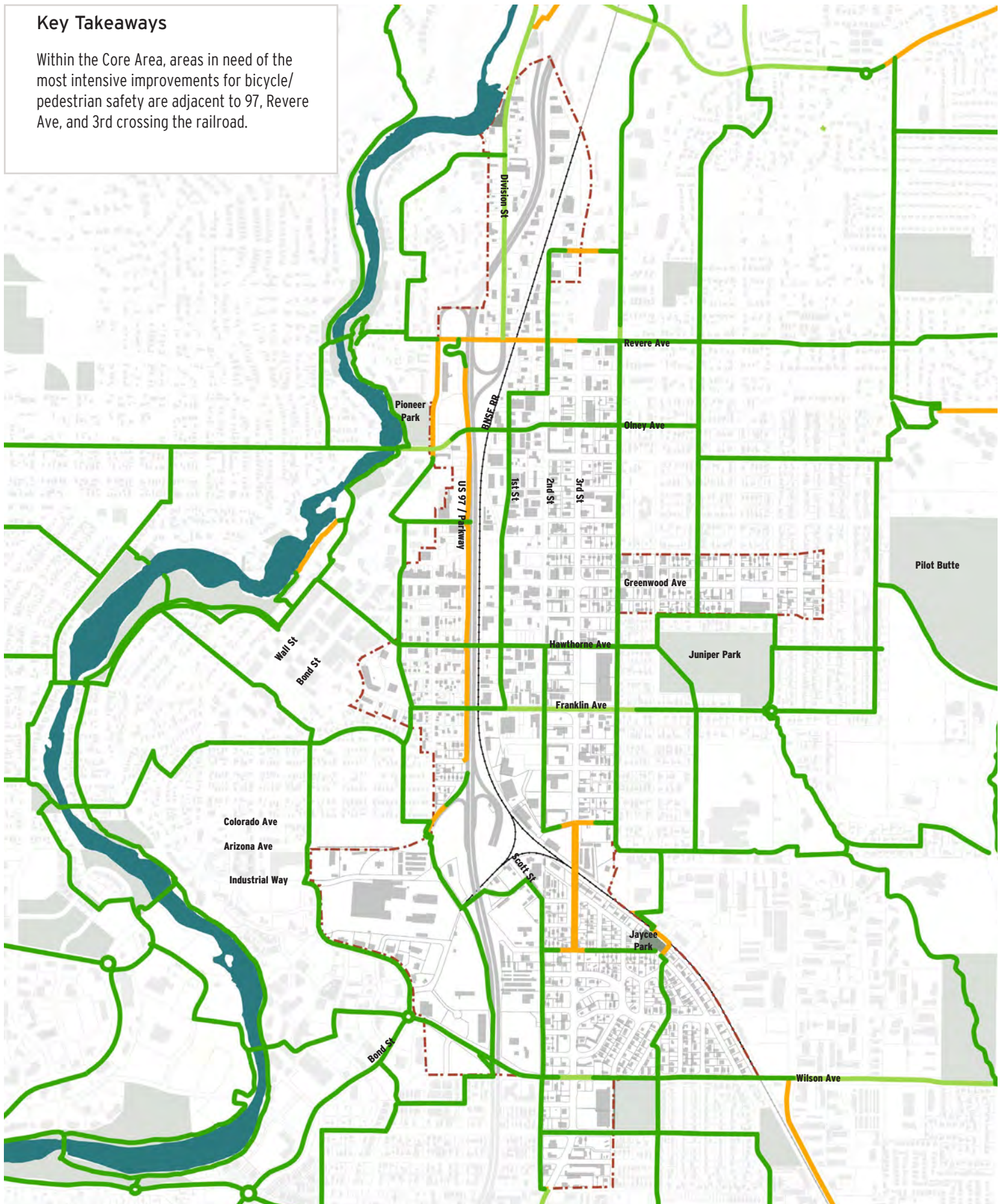
TA-117

Transit Stops



Key Takeaways

Within the Core Area, areas in need of the most intensive improvements for bicycle/ pedestrian safety are adjacent to 97, Revere Ave, and 3rd crossing the railroad.

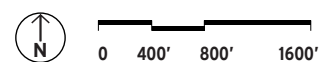


- Currently low-stress
- Requires relatively minor improvements
- Requires more intensive improvements

Core Area

Draft Low Stress Bicycle Network

TA-118



Key Takeaways

Missing sidewalks are clustered in the industrial areas along 1st and 2nd throughout the study area, and residential streets in the Wilson and Greenwood subareas. The Draft Citywide Transportation Framework includes a sidewalk/infill programmatic approach.

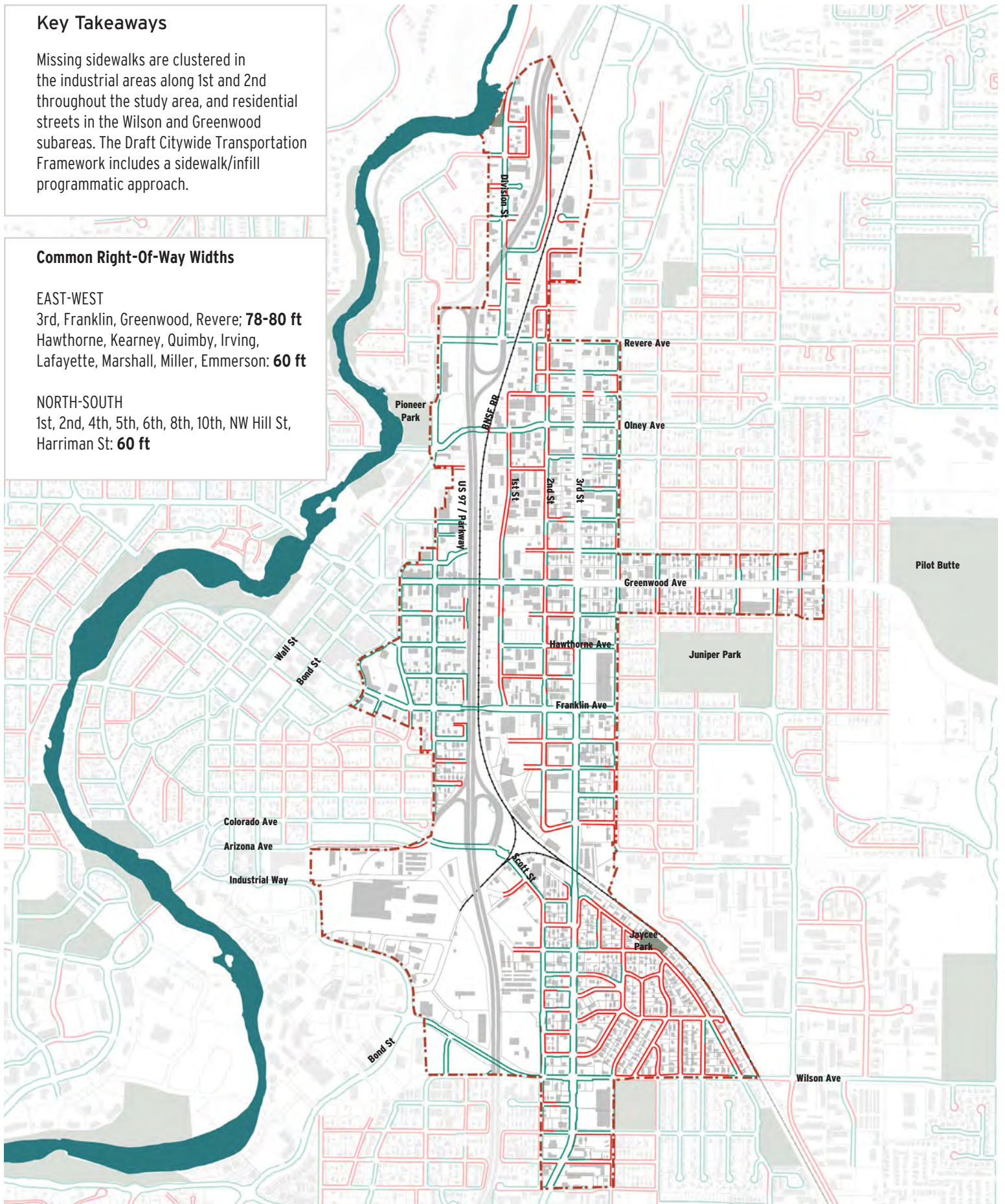
Common Right-Of-Way Widths

EAST-WEST

3rd, Franklin, Greenwood, Revere; **78-80 ft**
Hawthorne, Kearney, Quimby, Irving,
Lafayette, Marshall, Miller, Emerson: **60 ft**

NORTH-SOUTH

1st, 2nd, 4th, 5th, 6th, 8th, 10th, NW Hill St,
Harriman St: **60 ft**



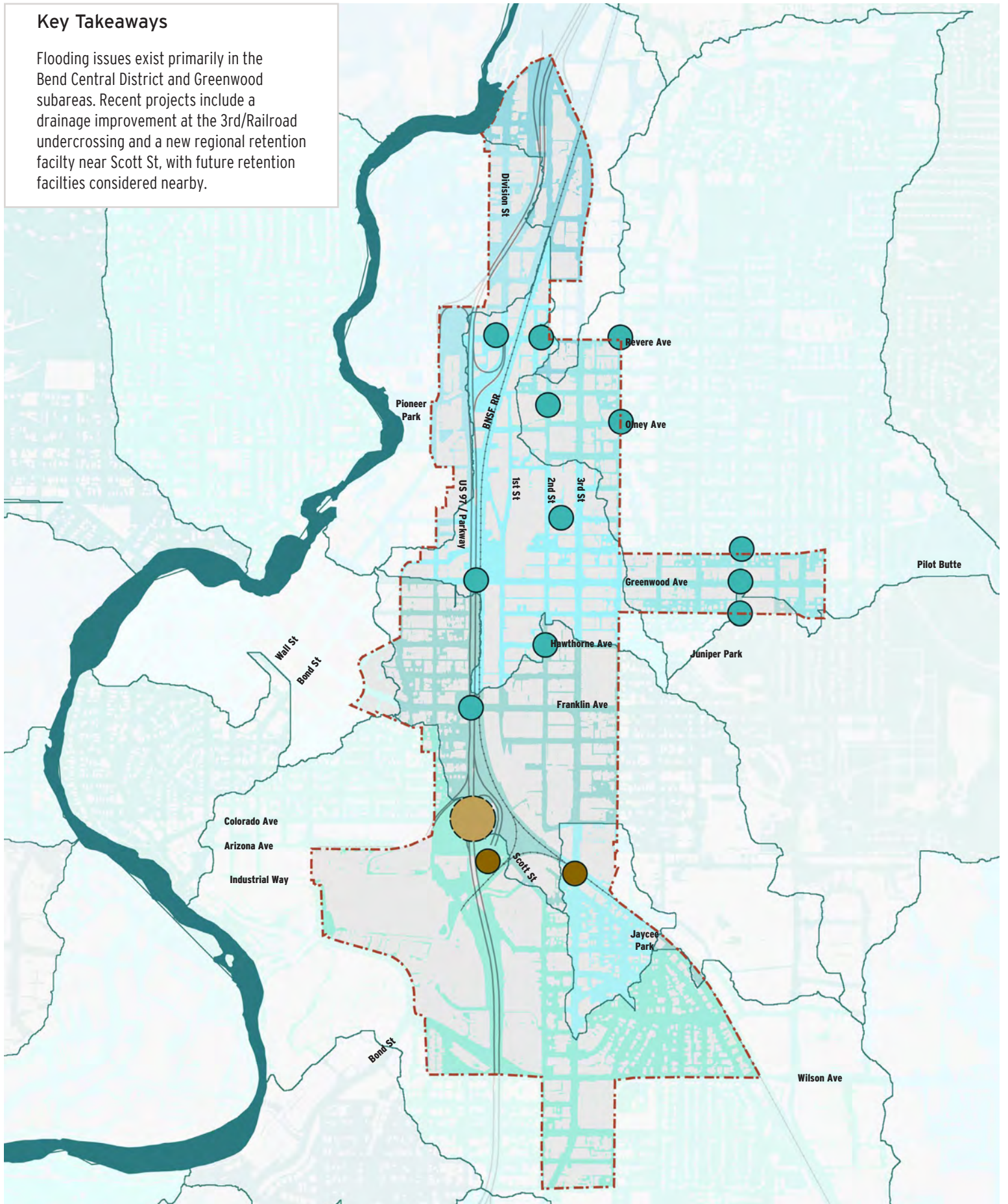
- Missing Sidewalks
- Existing Sidewalks

Core Area

Sidewalks

Key Takeaways

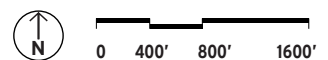
Flooding issues exist primarily in the Bend Central District and Greenwood subareas. Recent projects include a drainage improvement at the 3rd/Railroad undercrossing and a new regional retention facility near Scott St, with future retention facilities considered nearby.



- Areas of flooding
- Recent improvements
- Potential future regional retention facility

- Impervious areas (commercial/industrial)
- Stormwater basins
- Core Area

Stormwater





OREGON SPIRIT
DISTILLERS

URBAN DESIGN ANALYSIS

Downtown Bend Urban Design

Downtown Bend offers key lessons to guide the future redevelopment of the Core Area. The variety of small, eclectic businesses create a unique character and active public realm in Bend. These assets are strengthened by the compact street grid, wide sidewalks, street trees, and safe pedestrian crossing.



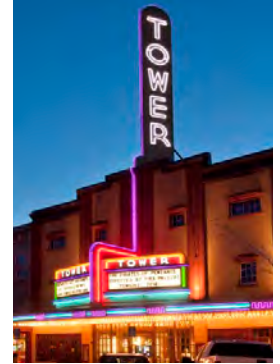
Activated alleys



Wide variety of small scale retail in updated buildings



Pedestrian interest & nighttime activity



Landmarks



Street tree canopy shades sidewalk

Angled on street parking slows traffic

Bumps outs make safer crossings for pedestrians

Eclectic collection of buildings define Bend's history & vitality

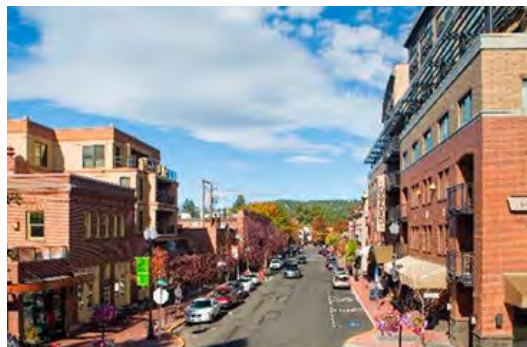
Colorful, varied building facades with pedestrian scale signage

Wide sidewalks act as gathering space

Upper Floor setbacks minimize bulk



Compact street grid
TA-122



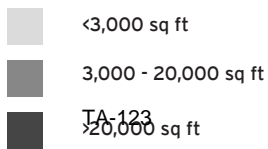
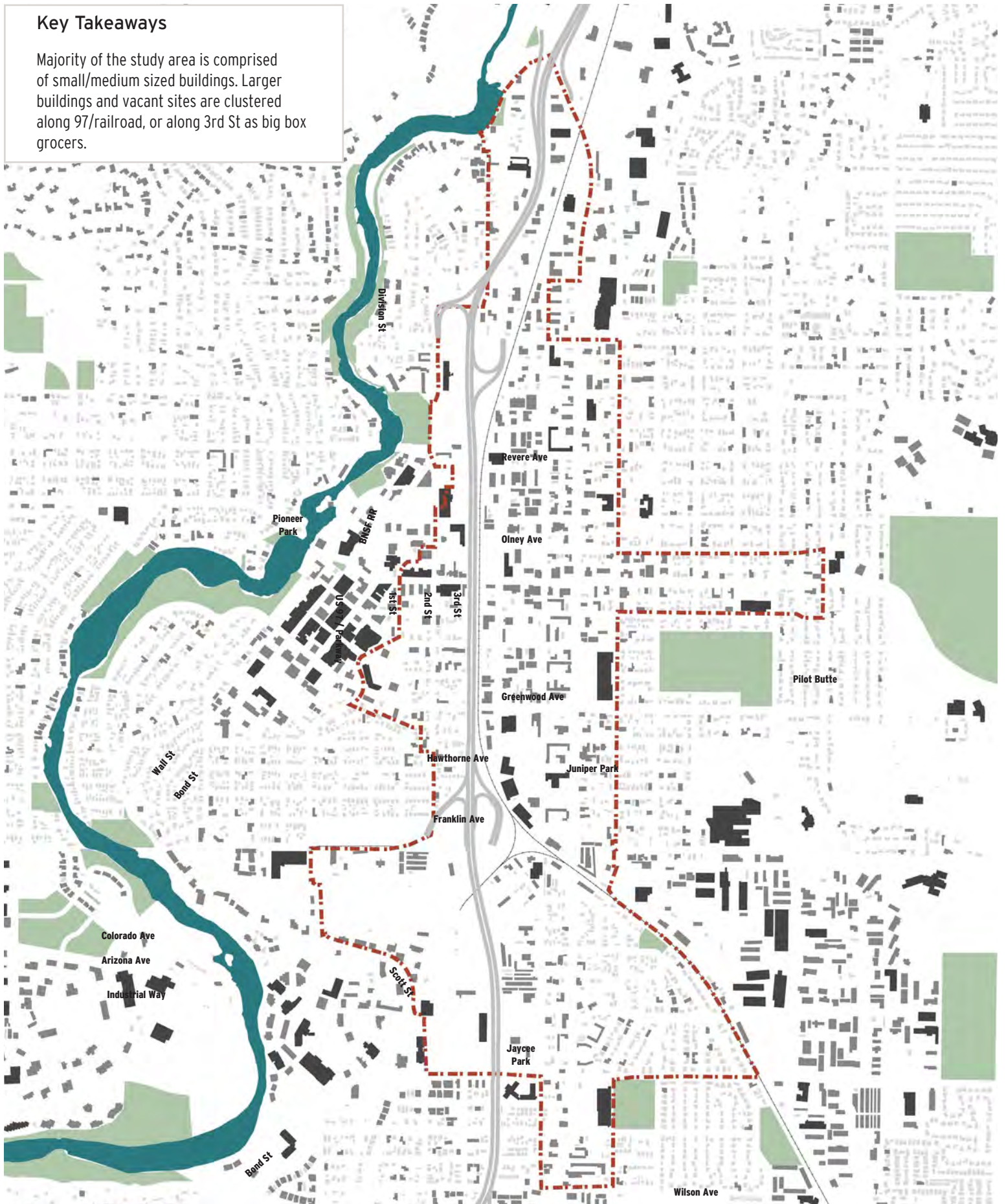
Taller Buildings Enclose Street



Active corners help create urban "rooms" at intersections

Key Takeaways

Majority of the study area is comprised of small/medium sized buildings. Larger buildings and vacant sites are clustered along 97/railroad, or along 3rd St as big box grocers.



--- Core Area

Urban Form Analysis | Building Size

TA-123

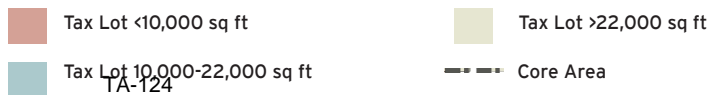
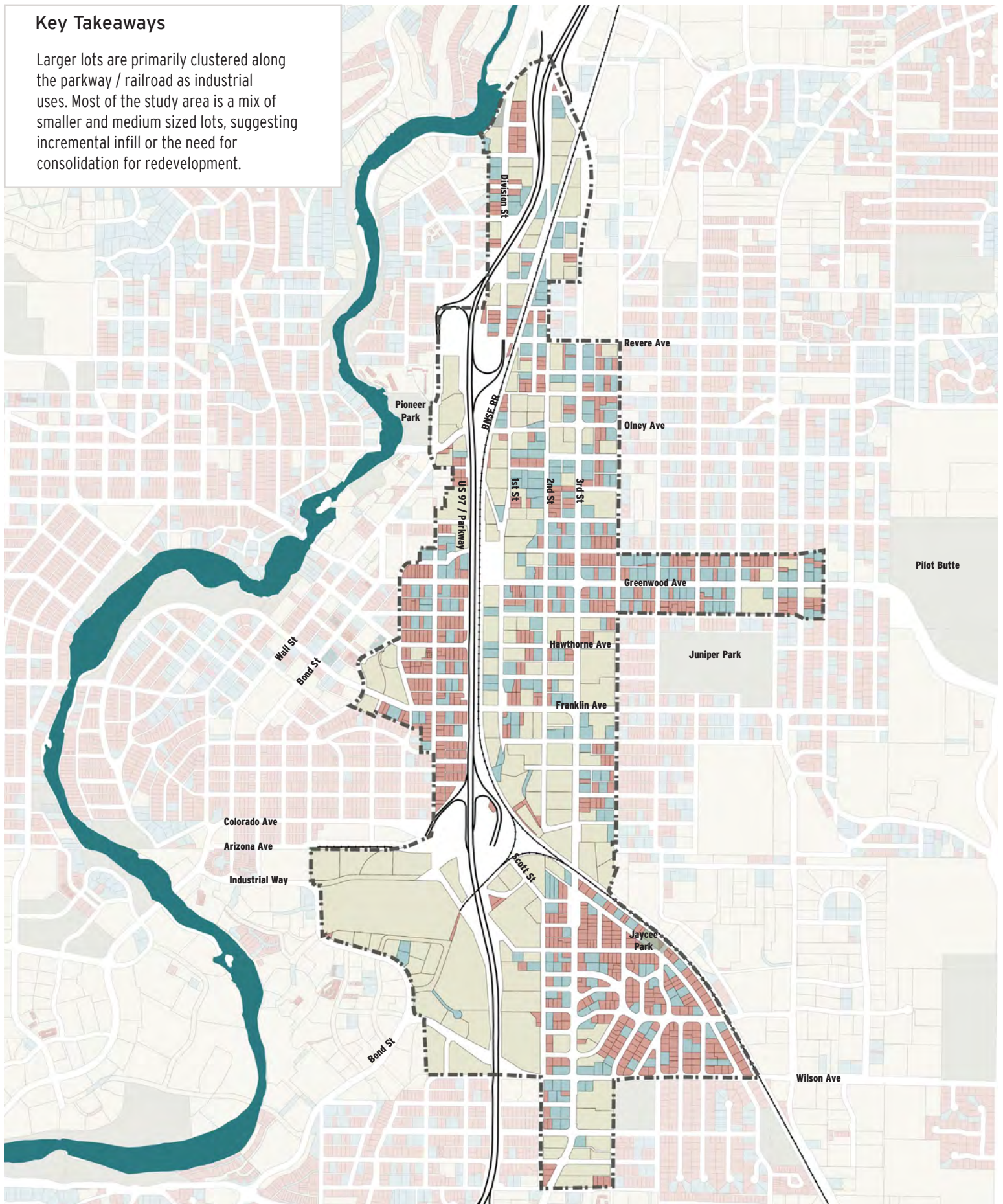
Building Source: Microsoft 2010



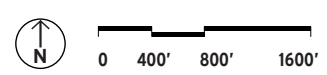
0 400' 800' 1600'

Key Takeaways

Larger lots are primarily clustered along the parkway / railroad as industrial uses. Most of the study area is a mix of smaller and medium sized lots, suggesting incremental infill or the need for consolidation for redevelopment.

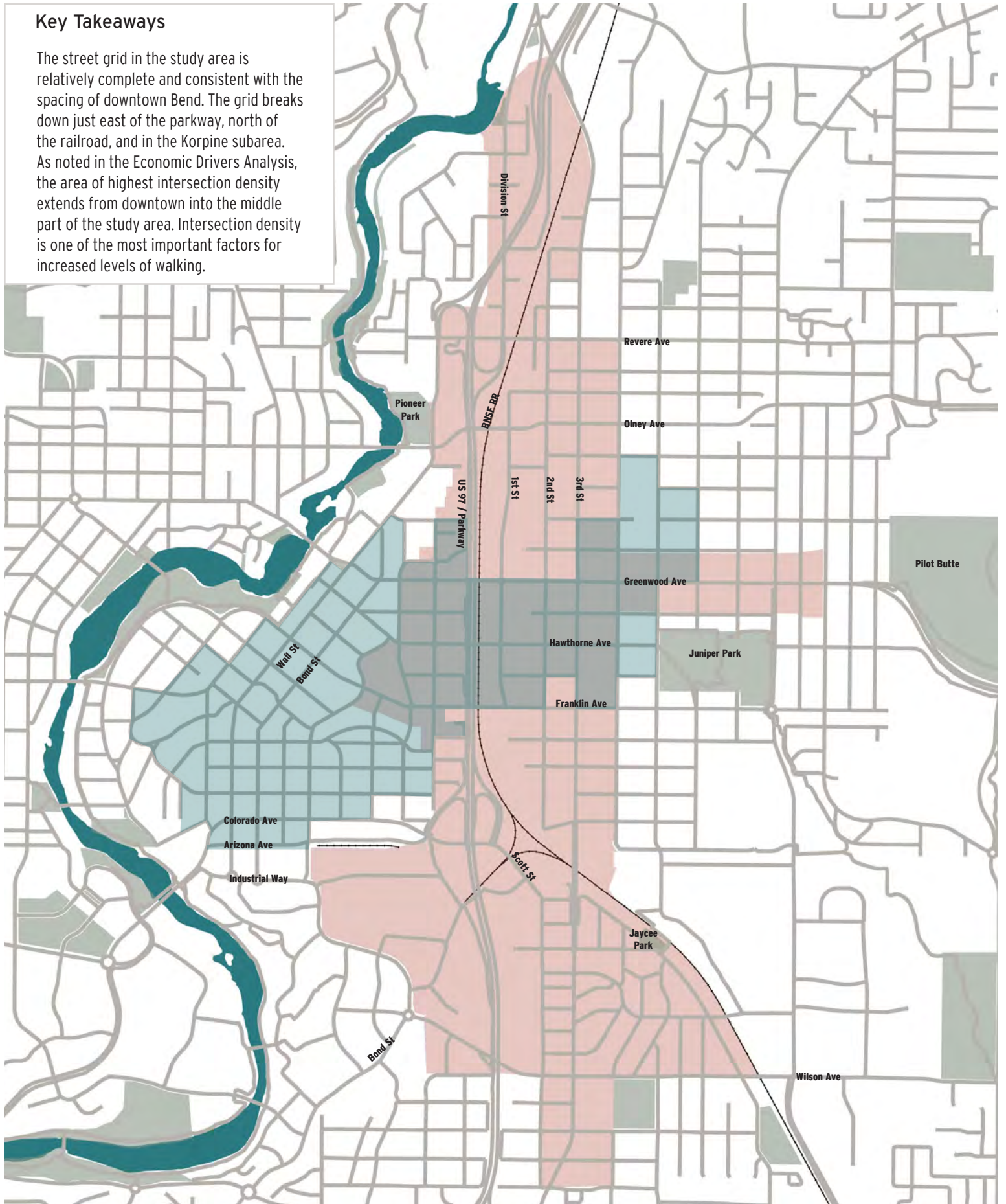


Urban Form Analysis | Taxlot Size



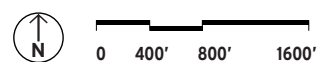
Key Takeaways

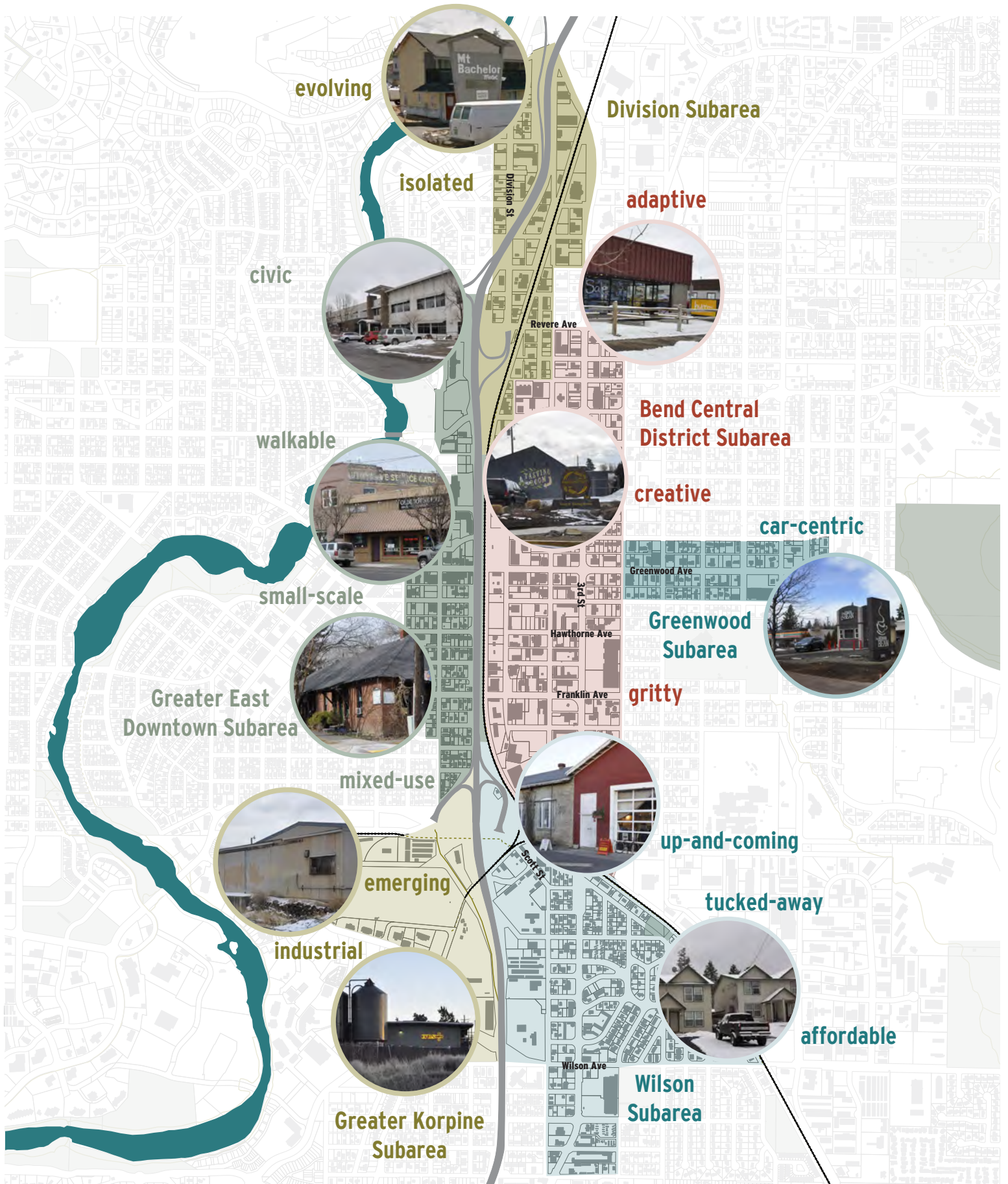
The street grid in the study area is relatively complete and consistent with the spacing of downtown Bend. The grid breaks down just east of the parkway, north of the railroad, and in the Korpine subarea. As noted in the Economic Drivers Analysis, the area of highest intersection density extends from downtown into the middle part of the study area. Intersection density is one of the most important factors for increased levels of walking.



- Core Area
- Highest Intersection Density (>180 intersections / square mile)
- Streets / Highways

Urban Form Analysis | Street Grid



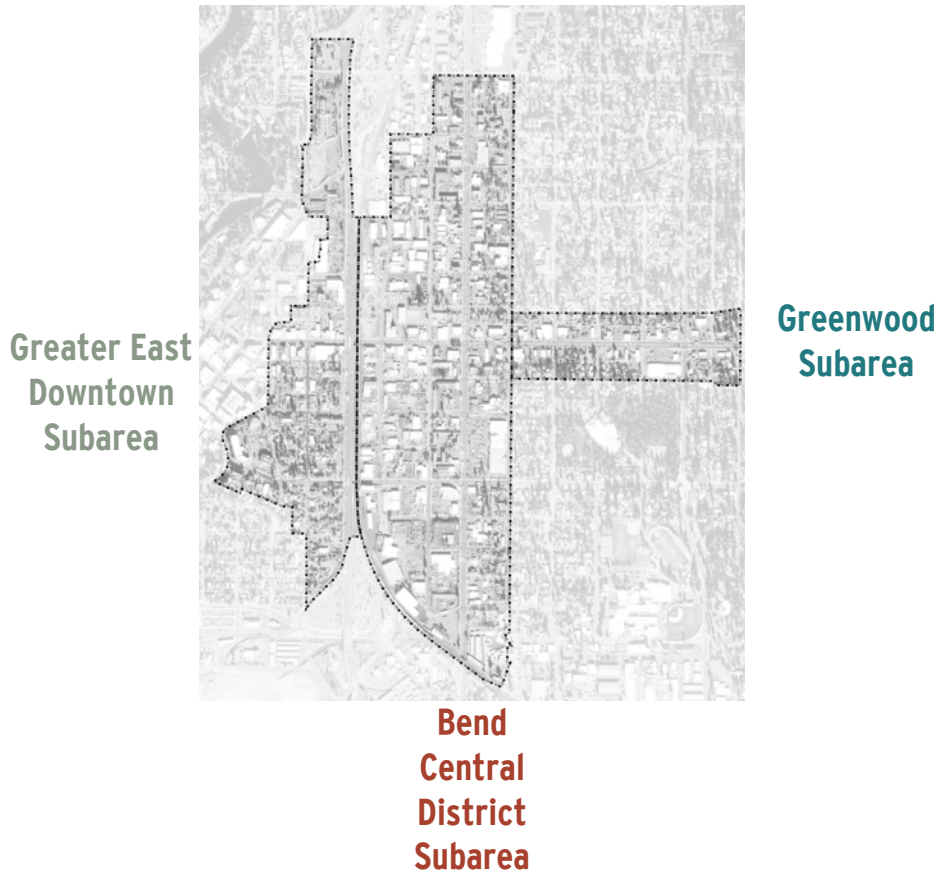


Core Area Existing Character Overview

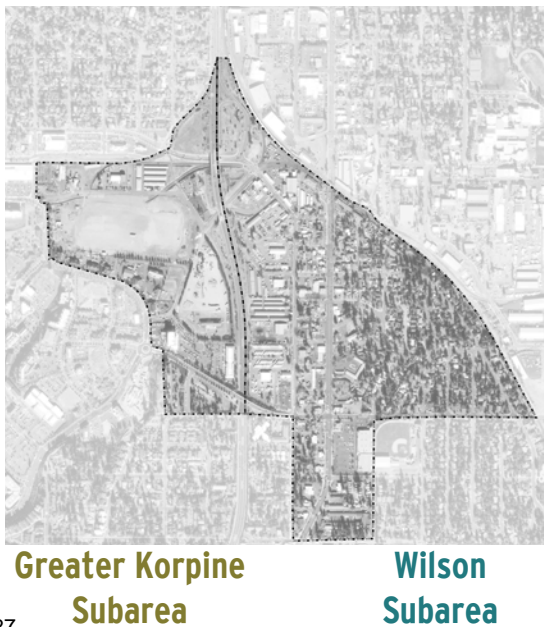
Core Area Sections for Analysis

Because of the scale of the Bend Core Area Project, urban design analysis is organized into three sub sections: central, south, and north. The following pages contain an overview of each section's existing character, gateways, and analysis of the transportation and built environment. Gateways are entry points to districts which welcome, orient, and define the district. The Bend Core Area contains twelve entry points across the Parkway or railroad and many of these do not serve as welcoming gateways into the district.

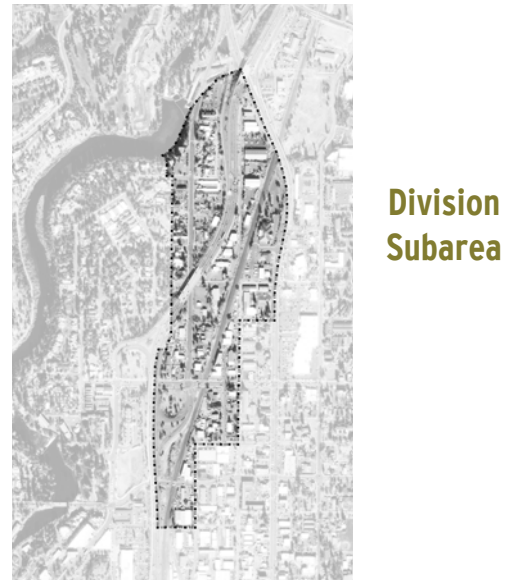
Central Section



South Section



North Section



Central Section

Greater East Downtown Subarea | Character

The Subarea includes a number of charming old structures with pleasant street frontage that have been converted to small businesses. While the subarea is well-connected to downtown, it also feels isolated by the Parkway, Franklin and Greenwood.



Creative reuse of buildings



Pilot Butte views through alleys



Parkway is noisy pedestrian barrier



View of downtown



Mix of businesses on a walkable, human-scaled section of Greenwood



Older buildings, stoops, & human-scale signage



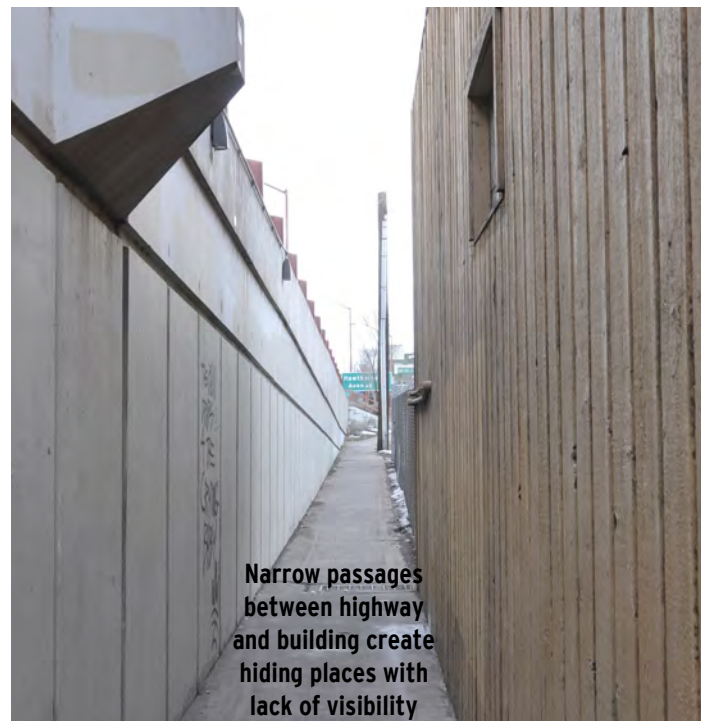
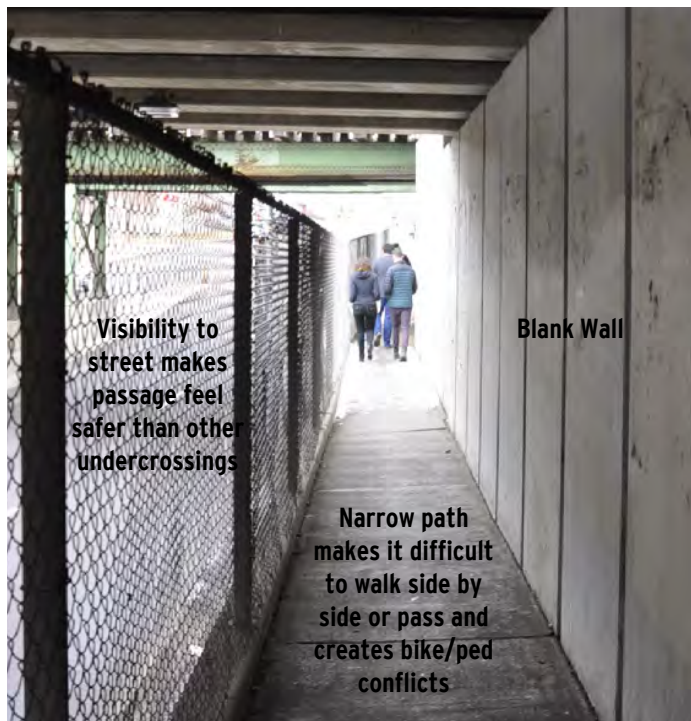
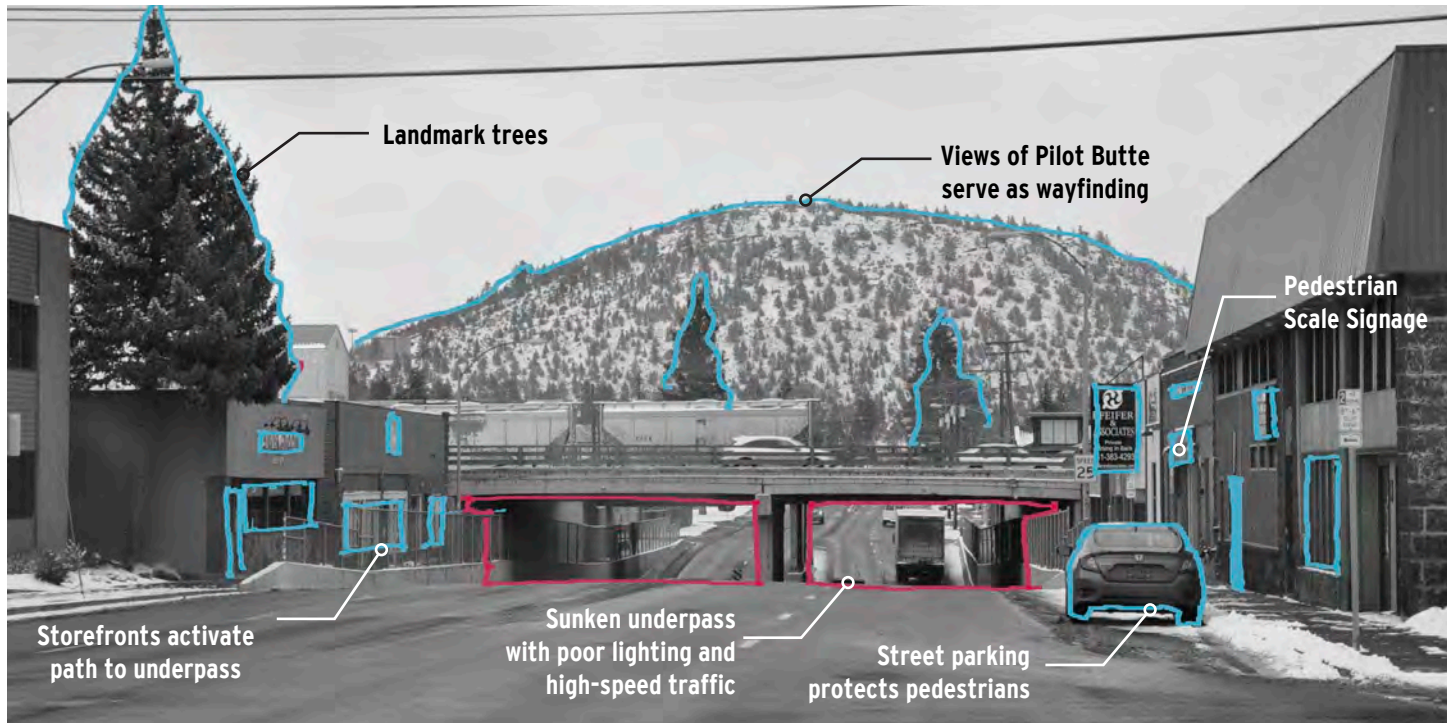
House converted to local business

Central Section

Greater East Downtown Subarea | Gateways

Gateways are entry points which welcome and direct people into a district. In the Central Section, there are entry points at Greenwood and Franklin which currently have issues of insufficient lighting, inactive edges, and inadequate space for pedestrians and bicyclists.

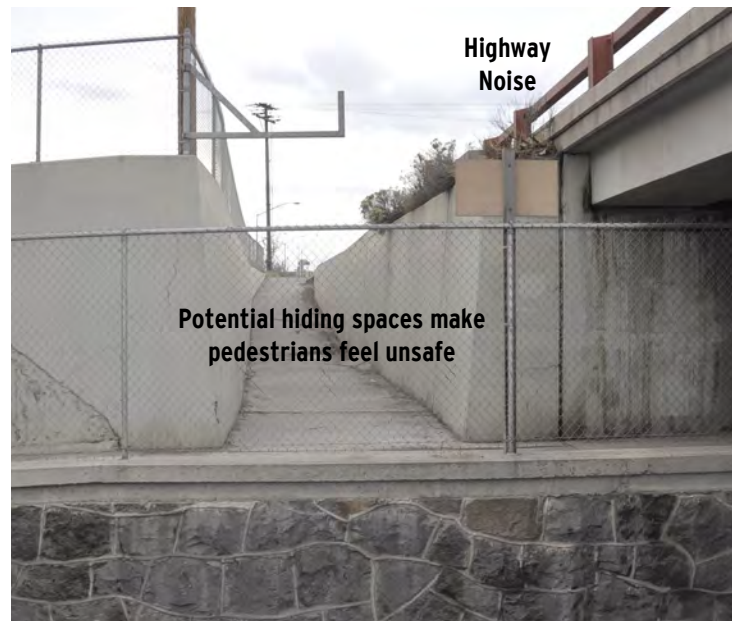
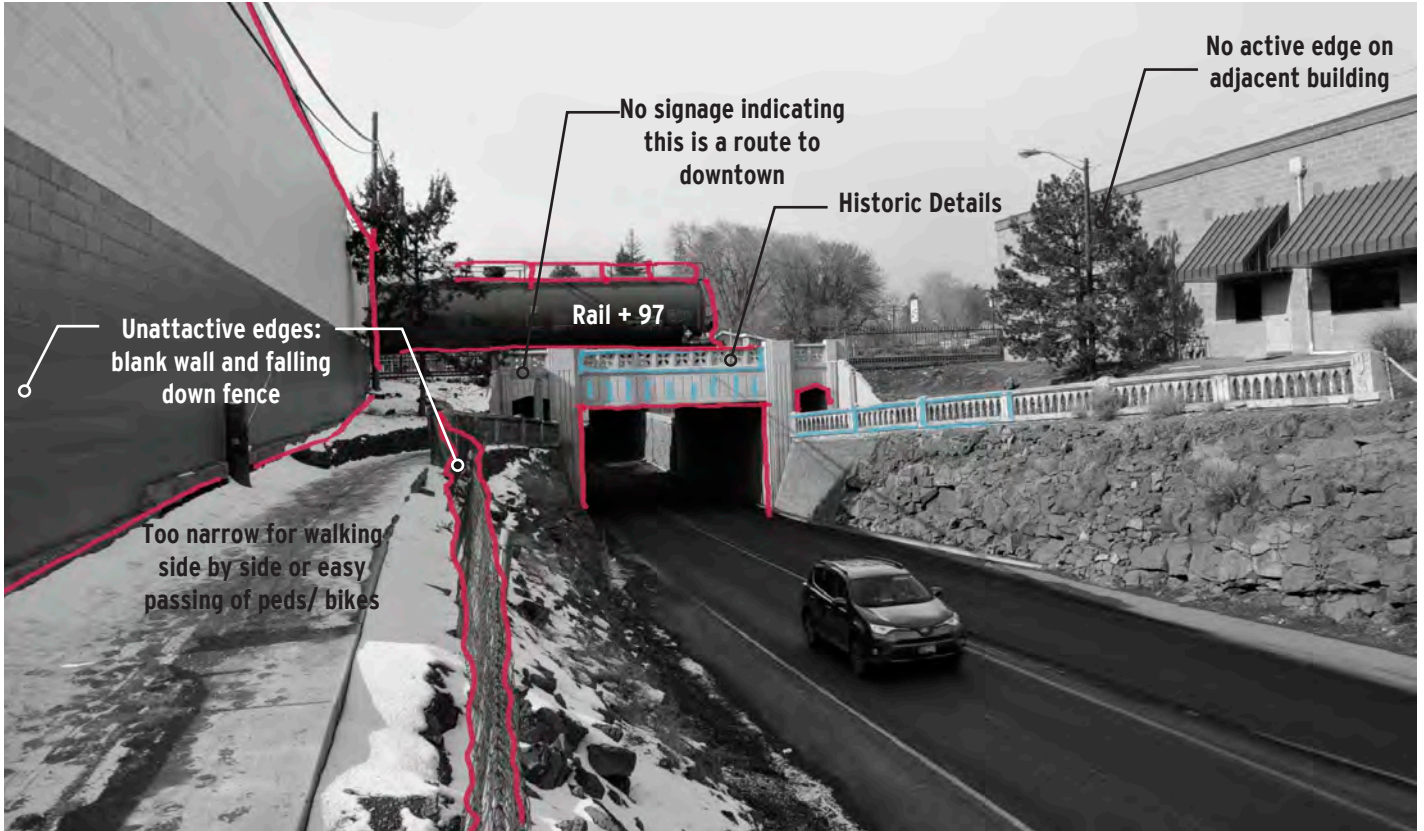
Greenwood Underpass



Central Section

Greater East Downtown Subarea | Gateways

Franklin Underpass



Central Section

Bend Central District Subarea | Character

The Subarea is a large extent of larger light-industrial parcels somewhat hidden behind auto-oriented commercial uses on 3rd. Utilitarian structures are being adapted for new food and 'maker' uses, with associated frontage improvements and evening/weekend activity.



Inviting signage



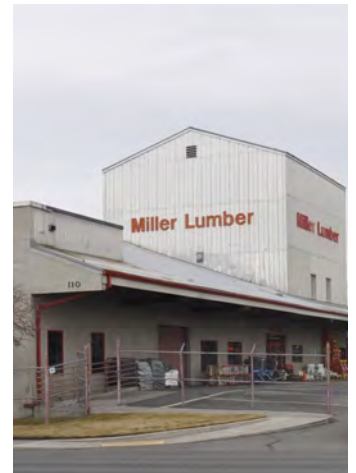
Greenwood is a barrier to pedestrian crossing



Bright paint on industrial buildings



Engaging front window and outdoor seating



Tower as local landmark



Adapted industrial shed



Unique silhouette of Quonset hut

Central Section

Greenwood Subarea | Character

Greenwood is an important east-west connection for the city, which has led to an auto-oriented corridor which splits this subarea into two segments. Strong views of Pilot Butte and prominent trees lend a natural character that will provide a distinct identity to a future higher-density, walkable transit corridor.



Landmark silhouette and vintage signage



Drive through uses and minimal streetscape improvements



Landmark trees and Pilot Butte



Haphazard retail displays



Surface parking lot edges on strip malls create a frontage void

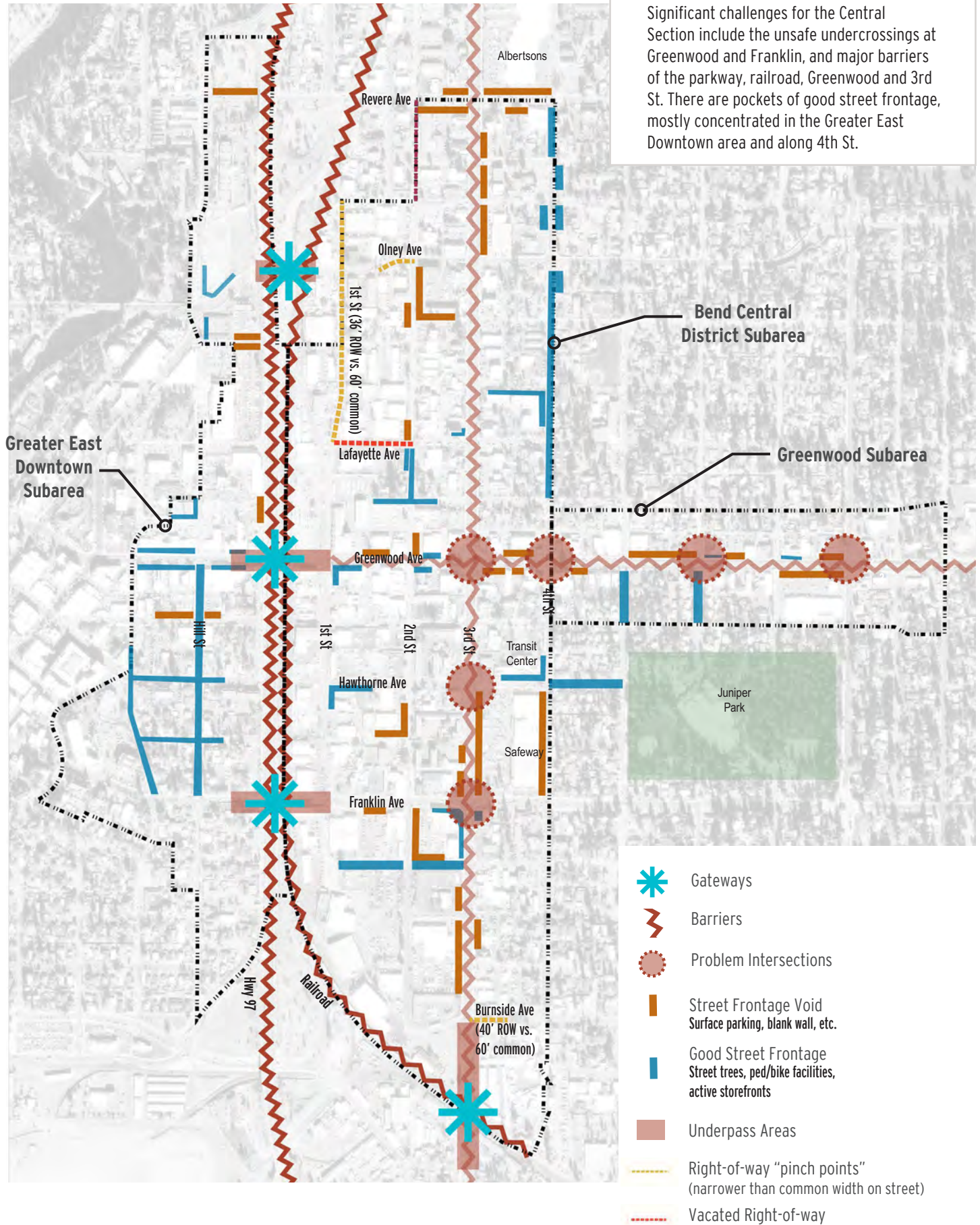


Auto oriented signage and minimal storefront windows

Central Section Transportation Analysis

Key Takeaways

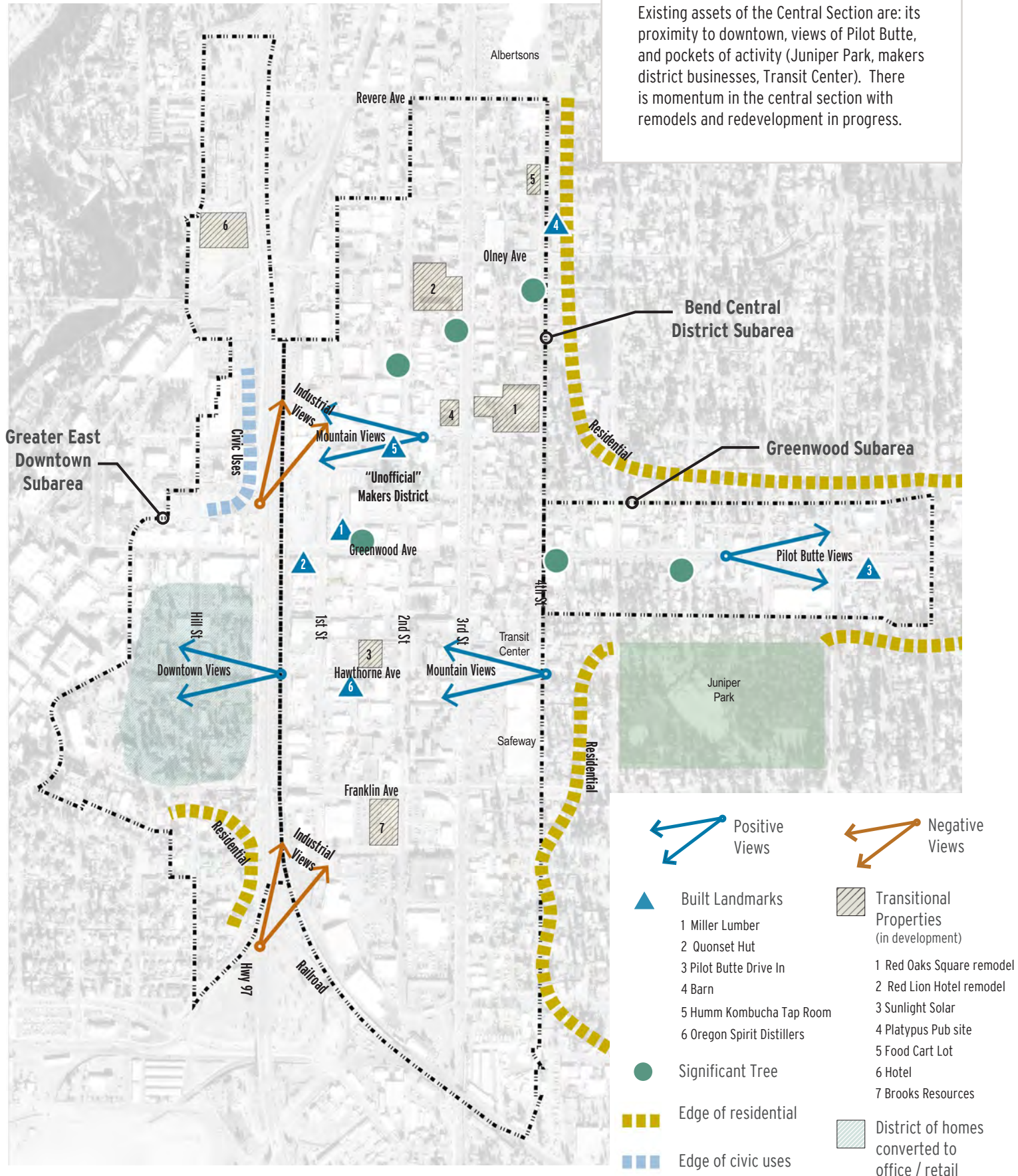
Significant challenges for the Central Section include the unsafe undercrossings at Greenwood and Franklin, and major barriers of the parkway, railroad, Greenwood and 3rd St. There are pockets of good street frontage, mostly concentrated in the Greater East Downtown area and along 4th St.



Central Section Built Environment Analysis

Key Takeaways

Existing assets of the Central Section are: its proximity to downtown, views of Pilot Butte, and pockets of activity (Juniper Park, makers district businesses, Transit Center). There is momentum in the central section with remodels and redevelopment in progress.



South Section

Greater Korpine Subarea | Character

The Subarea is generally comprised of large parcels adjacent to the rapidly-changing Old Mill District. Older structures have been adapted for food and small-scale commercial uses. Connectivity is incomplete but there are good opportunities to integrate the Subarea with the rest of the City's fabric.



Large parcel with potential for connectivity



Casual outdoor space and industrial materials



Rustic wood and metal structures



Mountain views



Nearby Box Factory houses a variety of local businesses



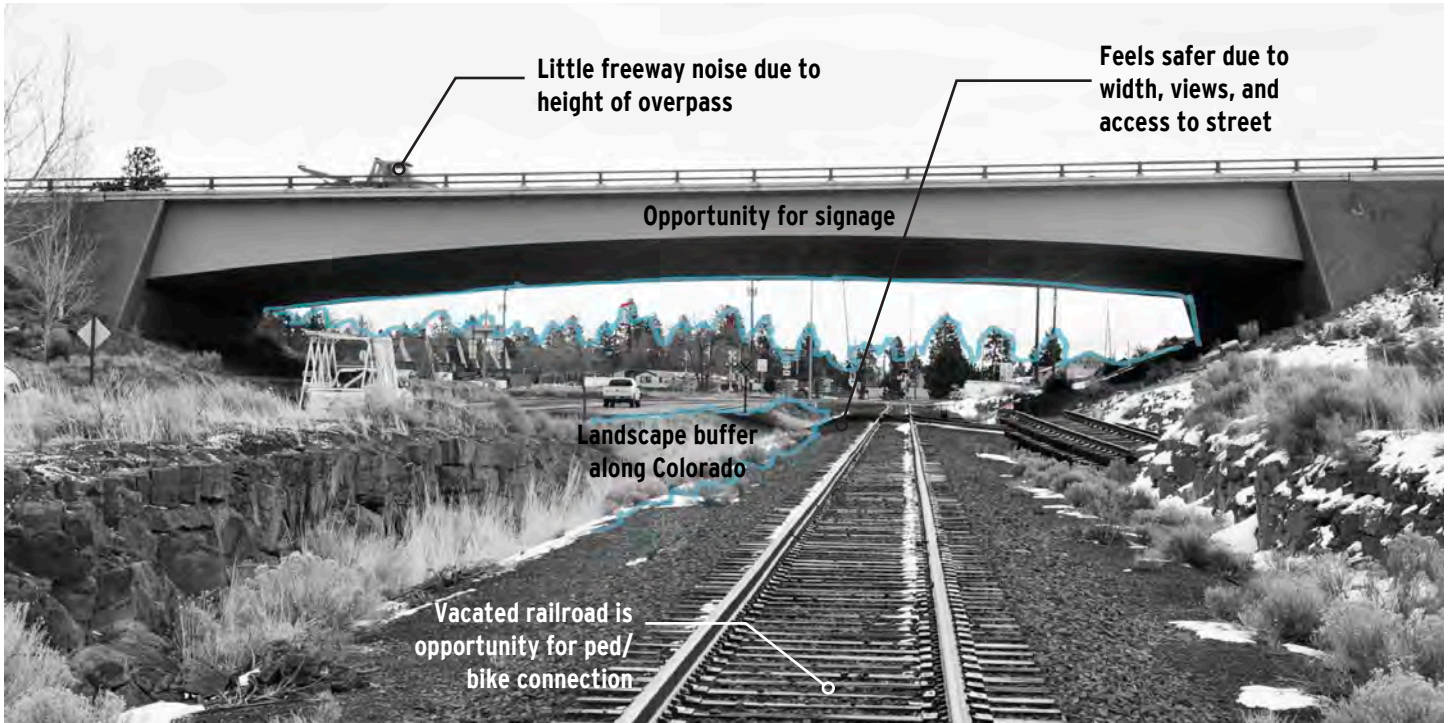
Corrugated metal sheds along railroad spur

South Section

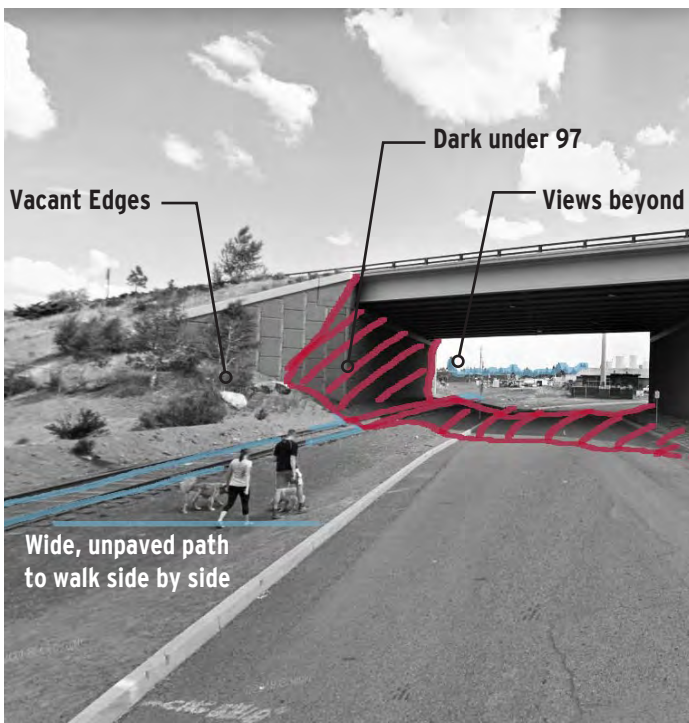
Greater Korpine Subarea | Gateways

The Korpine Subarea has gateways at Colorado, Aune, and Wilson, which are wider and less constrained than many gateways in the Bend Core Area. These gateways have potential for improvement (signage, wide ped/bike paths) and would benefit for more active uses adjacent to the gateways.

Colorado Underpass



Aune Underpass



Wilson Overpass



South Section

Wilson Subarea | Character

The Wilson Subarea is primarily low-density residential, transitioning to small-scale retail and dining uses along 3rd and further west, to larger industrial-scale parcels adjacent to the Parkway. Connectivity is challenged by barriers such as the BNSF RR, 3rd Street Underpass and unsafe Wilson Ave crossings.



Affordable, missing middle housing



Modest homes on small lots



Pockets of creative businesses in adapted industrial space



Inviting landscape and brick industrial-era buildings



Older businesses along 3rd



Industrial and large unscreened surface lots



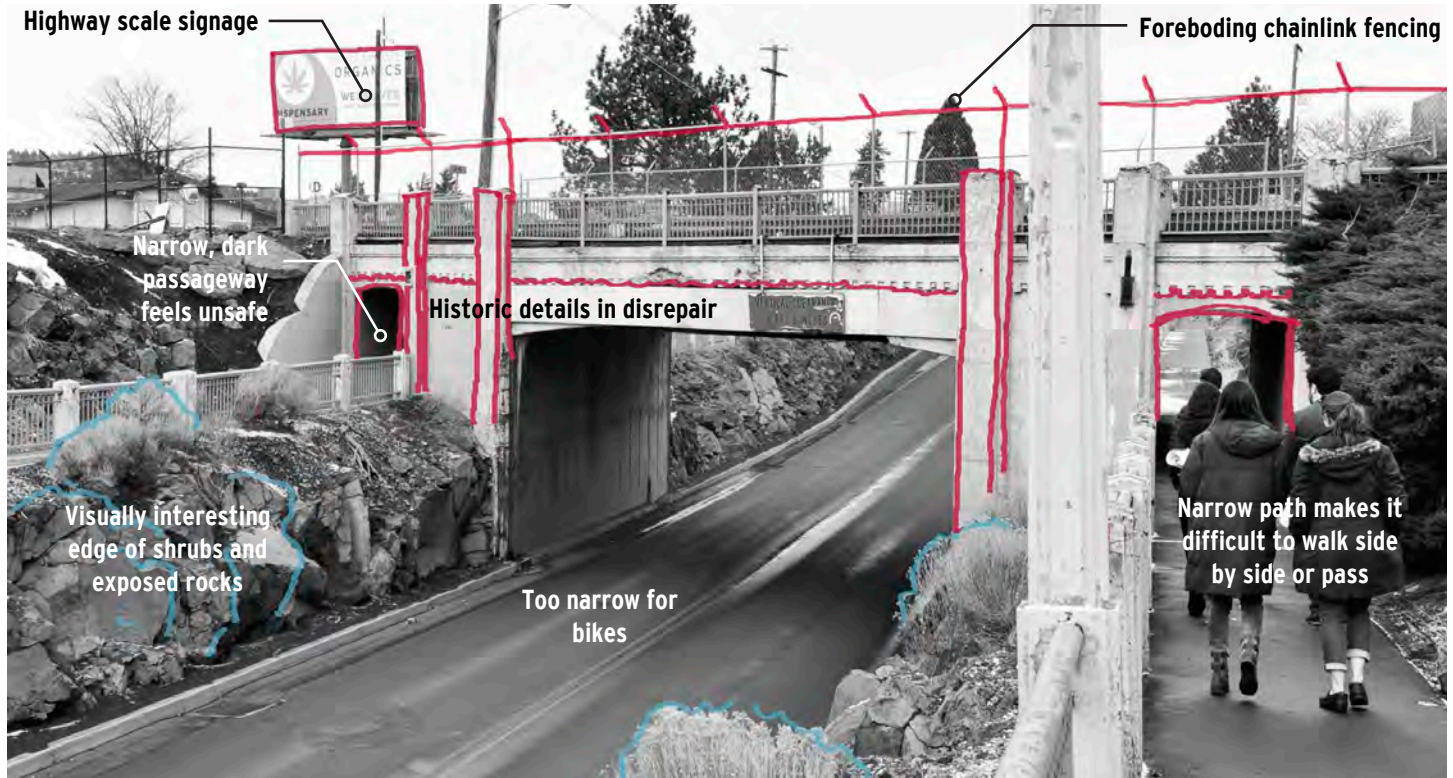
Auto oriented businesses and signage

South Section

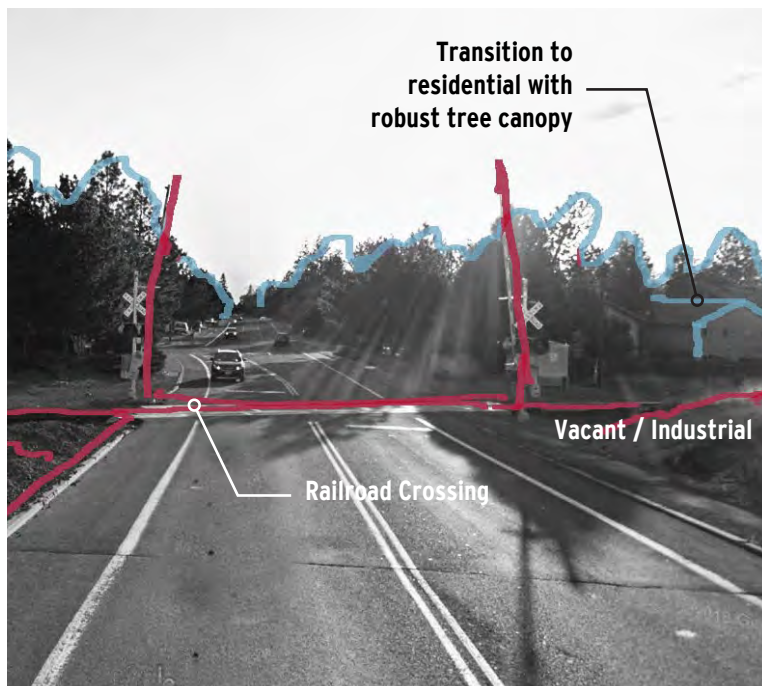
Wilson Subarea | Gateways

The Wilson Subarea has gateways at 3rd and Wilson, with a potential new gateway at Jaycee Park. 3rd St, similar to Franklin, has significant safety issues for pedestrians and bicyclists due to its narrow width and constrained passageway. There is potential at Wilson and Jaycee Park to connect and identify Wilson as a district.

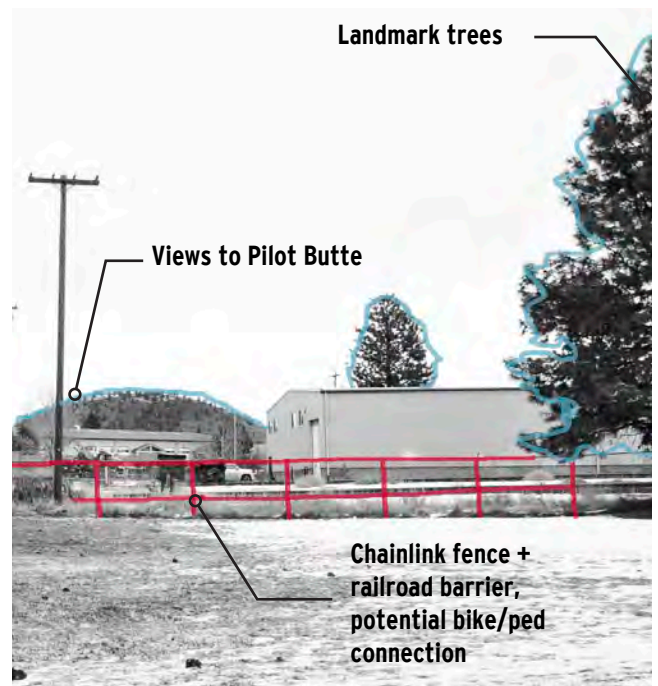
3rd St Underpass



Wilson RR Crossing



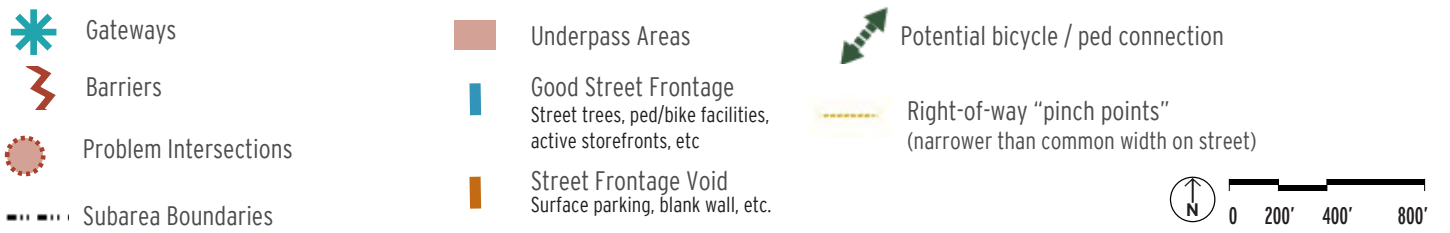
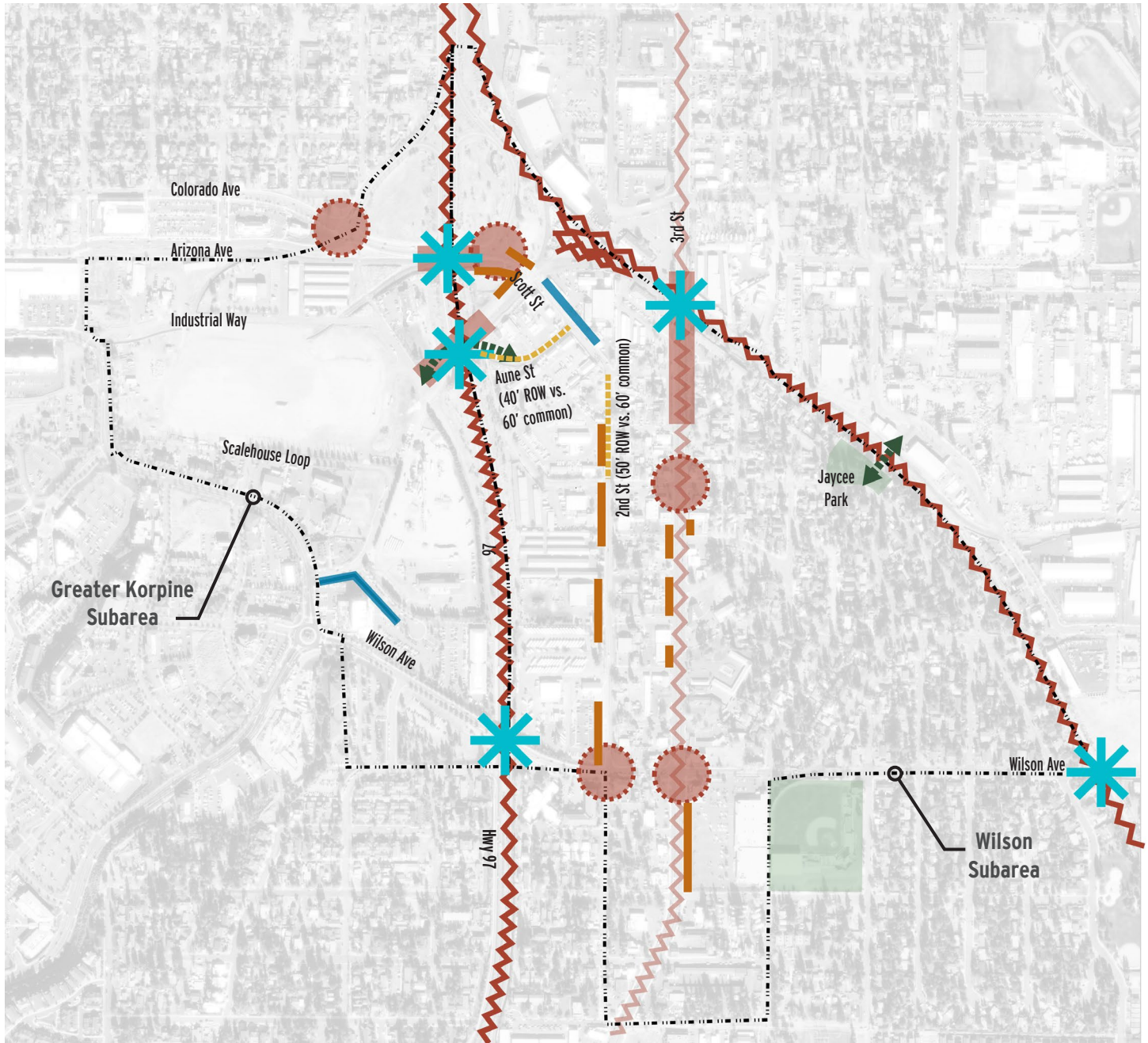
Jaycee Park



South Section Transportation Analysis

Key Takeaways

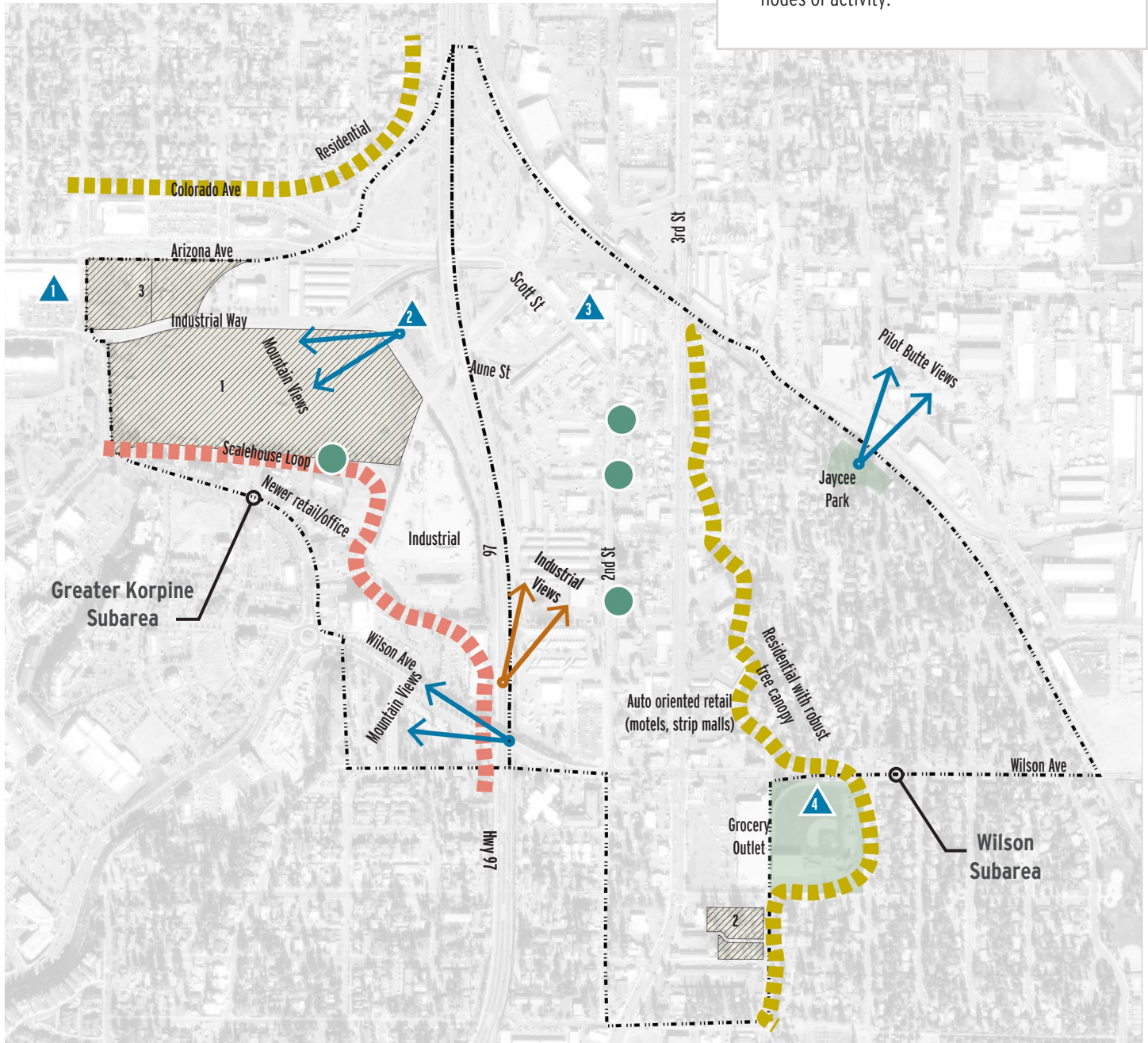
The South Section will benefit from greater ped/bicycle connections and improved gateways across the parkway, 3rd, and railroad. Street frontage voids are most concentrated along 2nd and 3rd street whereas good street frontage areas are limited and scattered.



South Section Built Environment Analysis

Key Takeaways

More than other parts of Core Area, the South Section has large parcels likely to redevelop. Despite these large tracts, the section has notable built landmarks and significant trees that contribute to the area's emerging identity. The residential neighborhoods on the edges of the south section would benefit from easier connections to access current and future nodes of activity.



--- Subarea Boundaries

▨ Transitional Properties (in development or vulnerable)

↔ Positive Views

↔ Negative Views

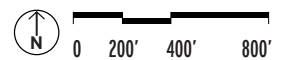
▲ Built Landmarks

- 1 Box Factory
- 2 Crux Fermentation Project
- 3 Sparrow Bakery area
- 4 Vince Genna Stadium

● Significant Trees

▬ Edge of residential

▬ Edge of retail/office



North Section

Division Subarea | Character

The Division Subarea includes pieces of adjacent residential and industrial neighborhoods, with scattered auto-centric commercial throughout. It is divided into isolated areas by the parkway, 20 and railroad. The underpasses are more generously proportioned than other areas and have potential for improvement.



Improved streetscape



River views



Unscreened surface parking on edges



Small motels with vintage signage



Railroad divides area



Pockets of planting and engaging retail frontage



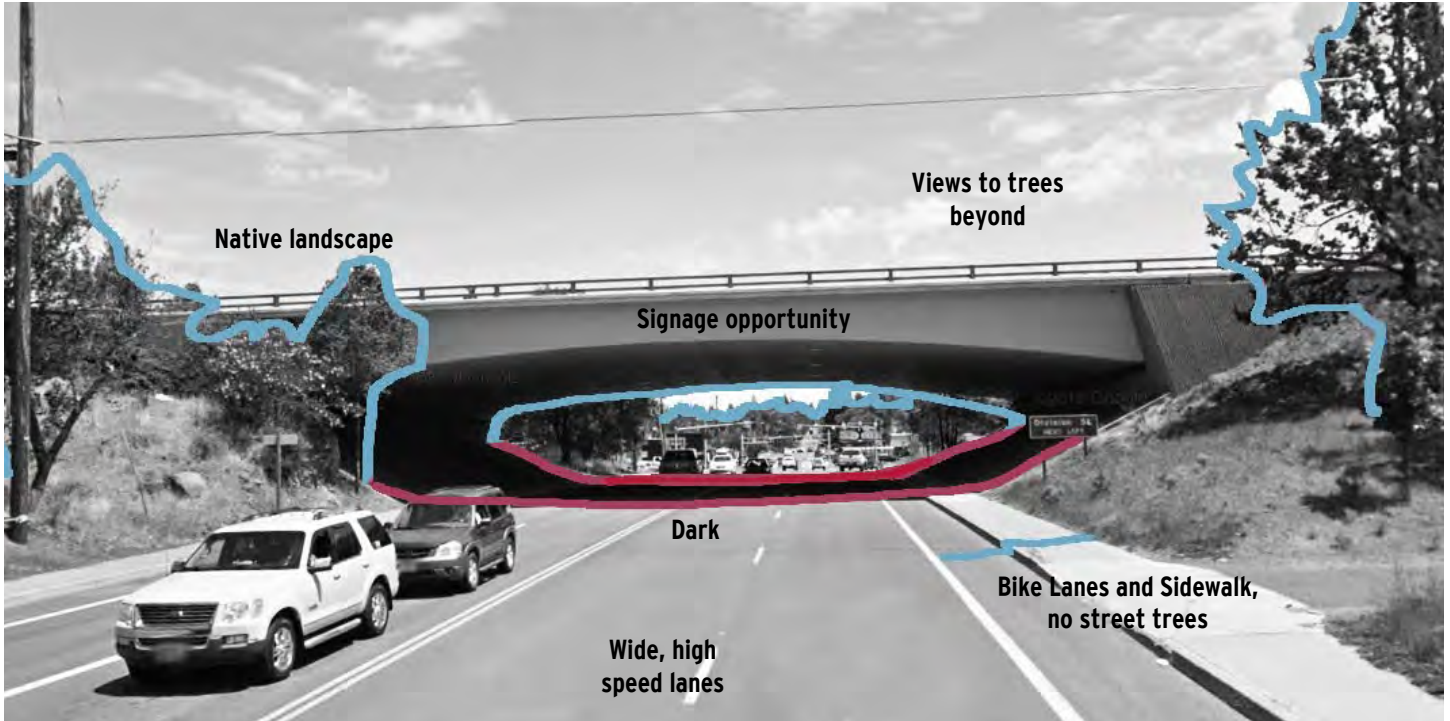
Adapted metal sheds to retail with upgraded streetscape

North Section

Division Subarea | Gateways

The North Section has gateways at Revere, Division, and Olney, which are generally wider with better separation of bicycle and pedestrian facilities. These gateways have potential for improvement in signage, landscaping, and activity adjacent to these gateways.

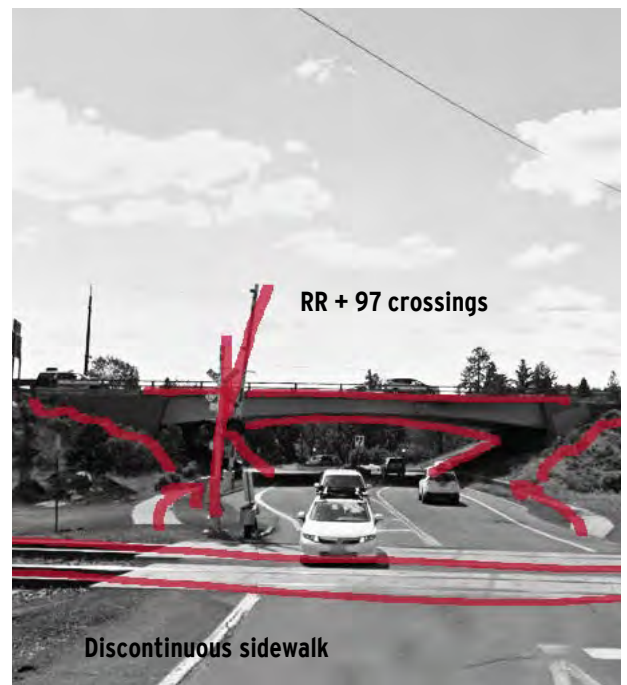
Revere St Underpass



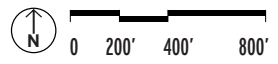
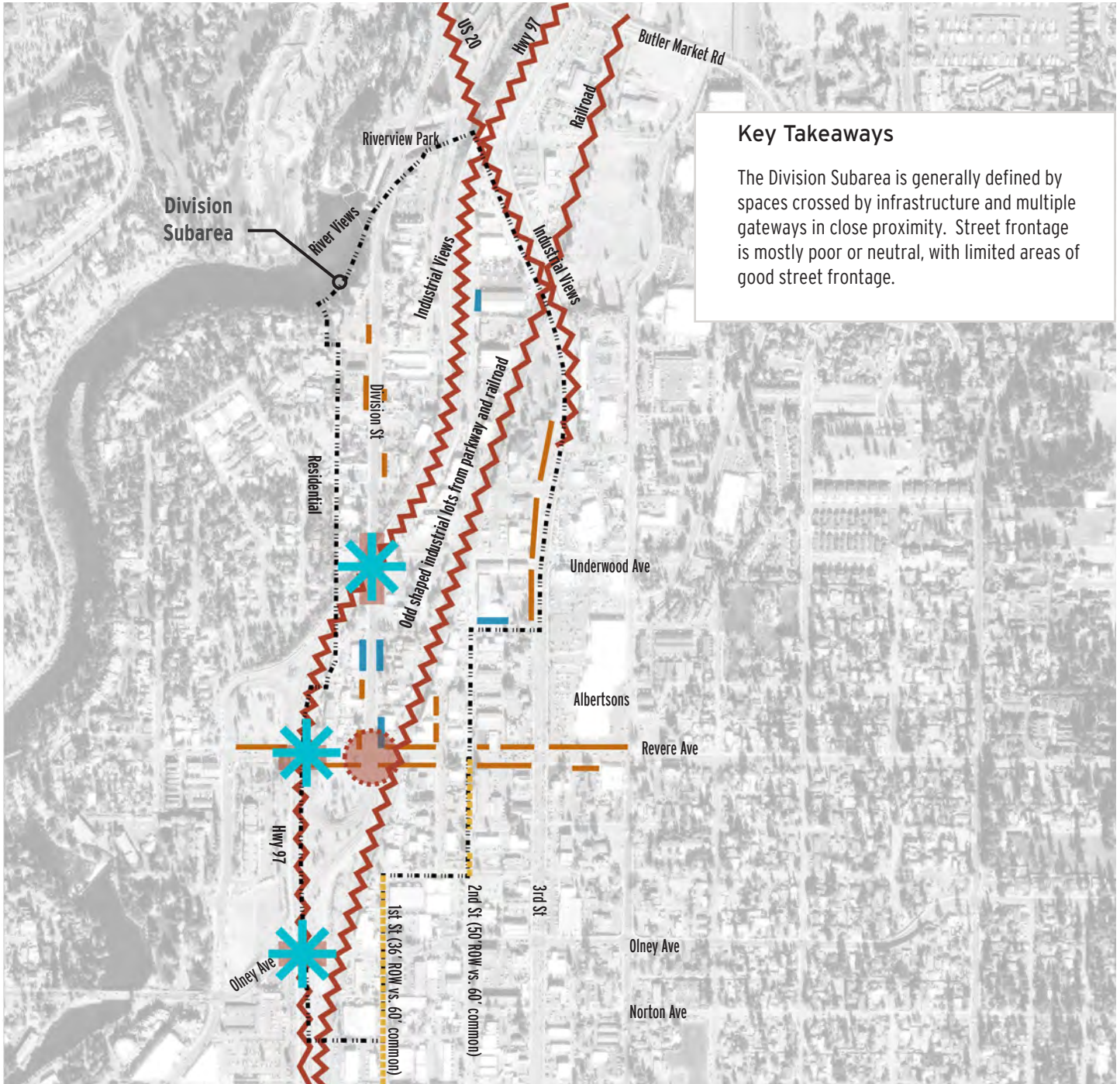
Division Underpass



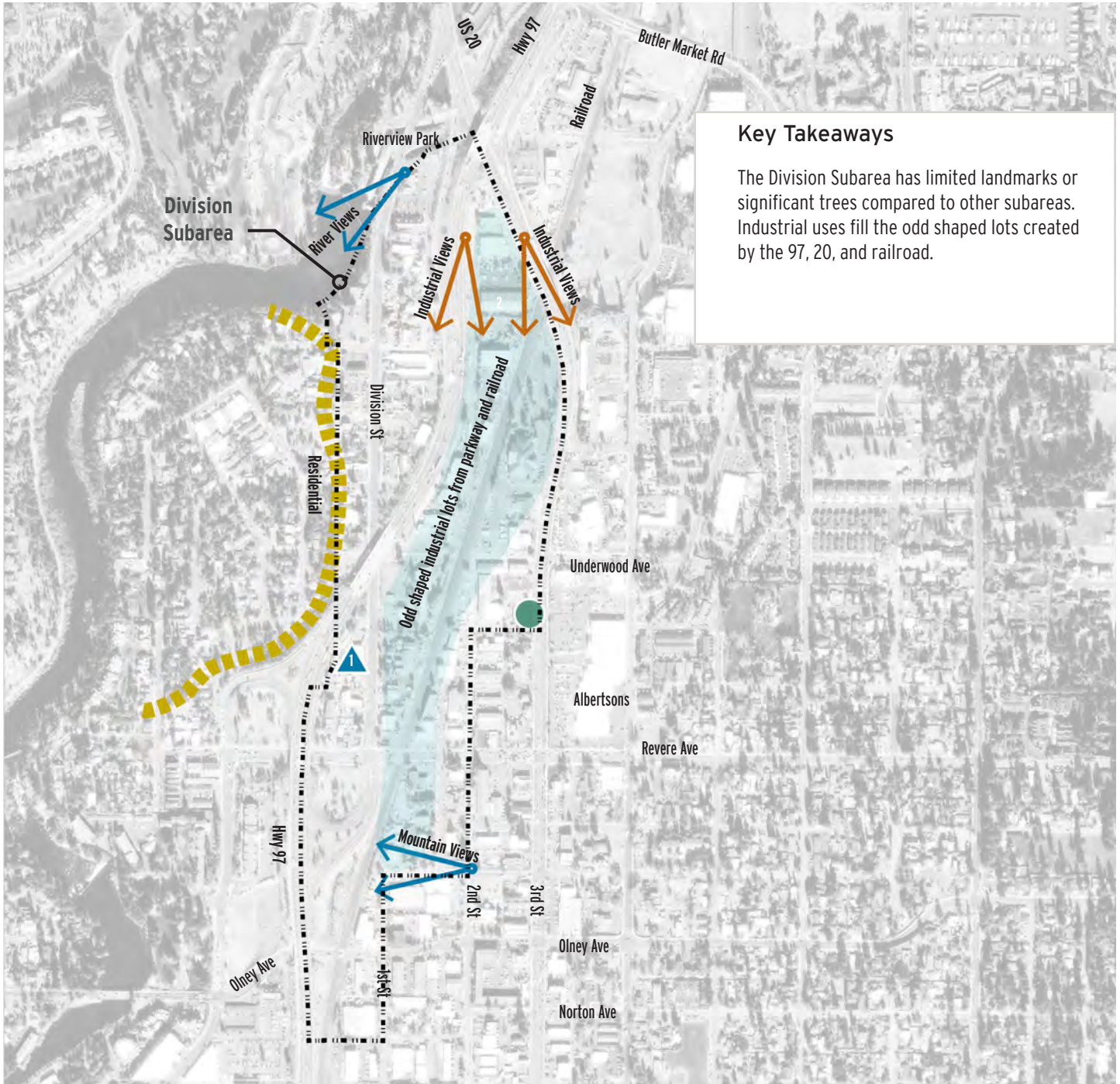
Olney Underpass / RR Crossing



North Section Transportation Analysis



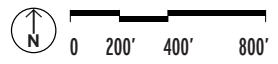
North Section Built Environment Analysis



Key Takeaways

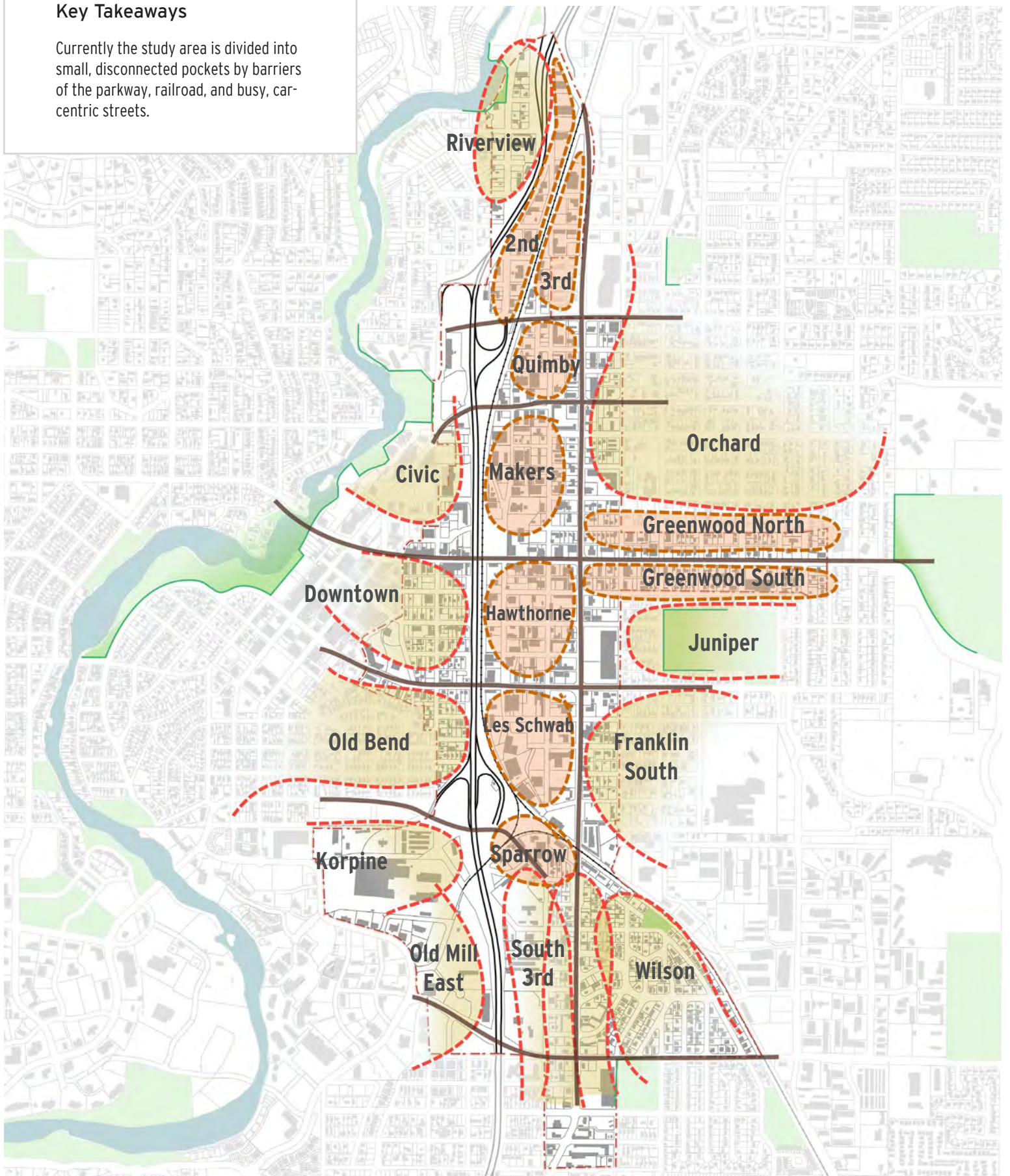
The Division Subarea has limited landmarks or significant trees compared to other subareas. Industrial uses fill the odd shaped lots created by the 97, 20, and railroad.

- Edge of residential
- Industrial Area
- Built Landmarks
- Significant Trees
- Subarea Boundaries
- Positive Views
- Negative Views



Key Takeaways

Currently the study area is divided into small, disconnected pockets by barriers of the parkway, railroad, and busy, car-centric streets.

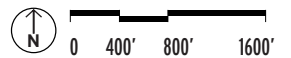


Disconnected Pockets



Cohesive Districts

Districts | Existing



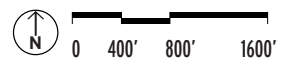
Key Takeaways

With targeted connection improvements across the parkway, railroad, Greenwood, and 3rd, the study area can form walkable districts defined by character.



 Cohesive Districts

Districts | Potential





BEND CORE AREA PLAN

CONCEPTUAL URBAN DESIGN FRAMEWORK: ANALYSIS

April 2nd, 2019



**CITY OF BEND
CORE AREA PROJECT**



BEND CORE AREA PROJECT

URBAN DESIGN FRAMEWORK

July 1, 2019

TA-148



CITY OF BEND
CORE AREA PROJECT

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Introduction

About the Core Area Project

The Bend Core Area Project (CAP) is intended to create a common vision and implementation plan for urban renewal in Bend's Core Area.

The CAP process is a collaboration between the city, property owners, area residents and other stakeholders to:

- Craft an urban design framework for the area.
- Identify needed circulation improvements to enhance connectivity within and between areas as well as to the city at large.
- Identify programs and projects for the area, including but not limited to streetscape improvements, public spaces, gateways, affordable housing, or art and beautification programs.
- Determine location, phasing, and costs for necessary infrastructure (sewer, water, storm water and transportation) to support potential development and redevelopment of the area.
- Develop funding strategies, incentives, and other implementation tools, such as urban renewal, to achieve the vision for the area and encourage public-private partnerships.
- Identify any code amendments or zoning changes needed to achieve the vision.
- Determine the boundary of a potential urban renewal district that would encourage investment within the area through tax increment financing.
- If recommended by the Bend Urban Renewal Agency (BURA), adopt an Urban Renewal Plan and new Urban Renewal District.

Purpose and Format of this Report

The purpose of the Urban Design Framework Report is to provide recommendations for how the Core Area can redevelop into the more urban, connected and livable area envisioned in Bend's Comprehensive Plan. This framework will inform the selection and prioritization of projects that receive urban renewal funding, if a new Urban Renewal District is established. The City is also updating the Transportation System Plan to reflect new transportation needs and conditions. The recommended urban design framework will help shape TSP priorities and associated capital improvement projects.

This Urban Design Framework builds on the Urban Design Analysis Report (<https://www.bendoregon.gov/home/showdocument?id=40939>) which summarized existing conditions, previous plans and ongoing City improvement projects. This report identifies guiding themes for the Core Area, visualizes how these themes can inform key enhancement projects, and identifies an overarching framework as well as more detailed urban design concepts in the Central, South, and North sections of the Core Area.



CORE AREA BACKGROUND

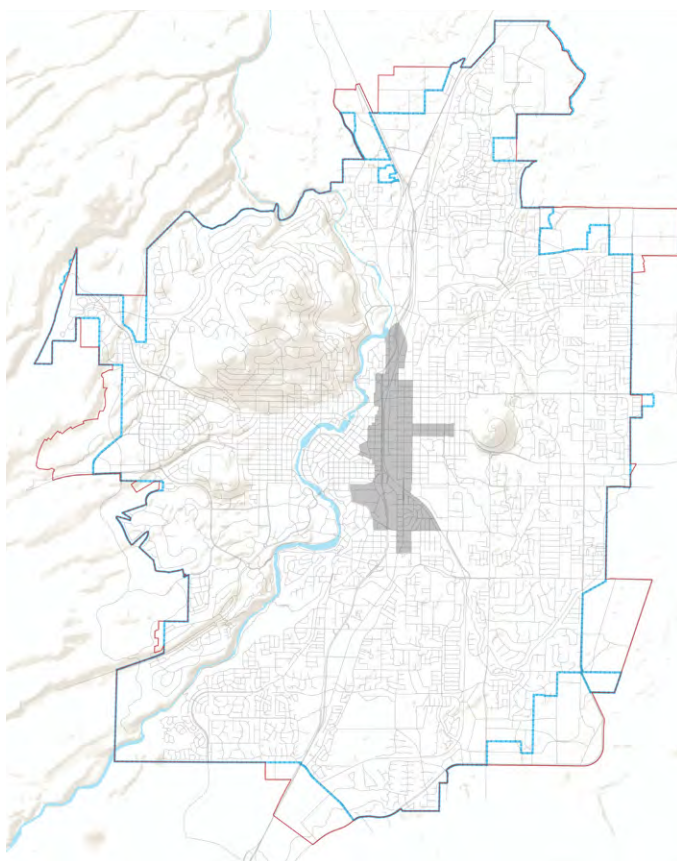
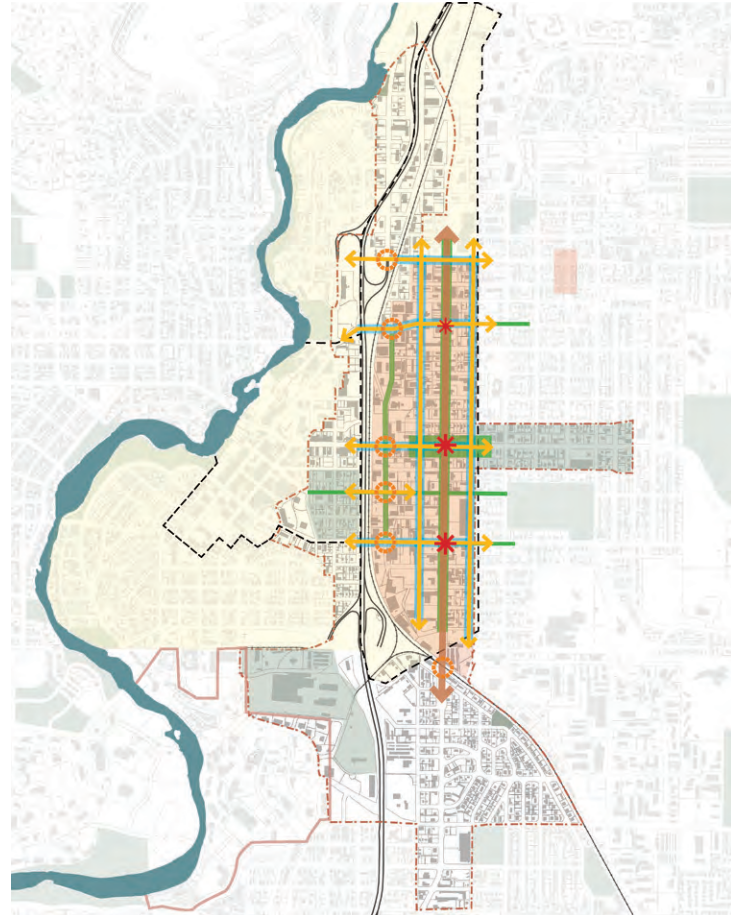
Bend's Goals for the Core Area

Strengthening Bend's Core Area is a crucial component in achieving the city's overall goals for sustainable growth and livability.

As envisioned in the Comprehensive Plan, appropriate areas of the Central Core should "grow up" due to their base infrastructure, population density and proximity to urban amenities and regional destinations. Redevelopment of these areas offers the opportunity to decrease per capita vehicle miles traveled (VMT) through increased walking, biking, and transit use.

Some parts of the Core Area were studied in the 2004 Central Area Plan and 2014 Bend Central District Multi-Modal Mixed-Use Area (MMA) Plan, whereas others have not yet been evaluated (Wilson, Division). These plans are summarized in the diagram to the right.

Both the 2004 Bend Central Area Plan and 2014 MMA Plan focused on transforming autocentric corridors into balanced, walkable streets and creating gateways into the Core Area.



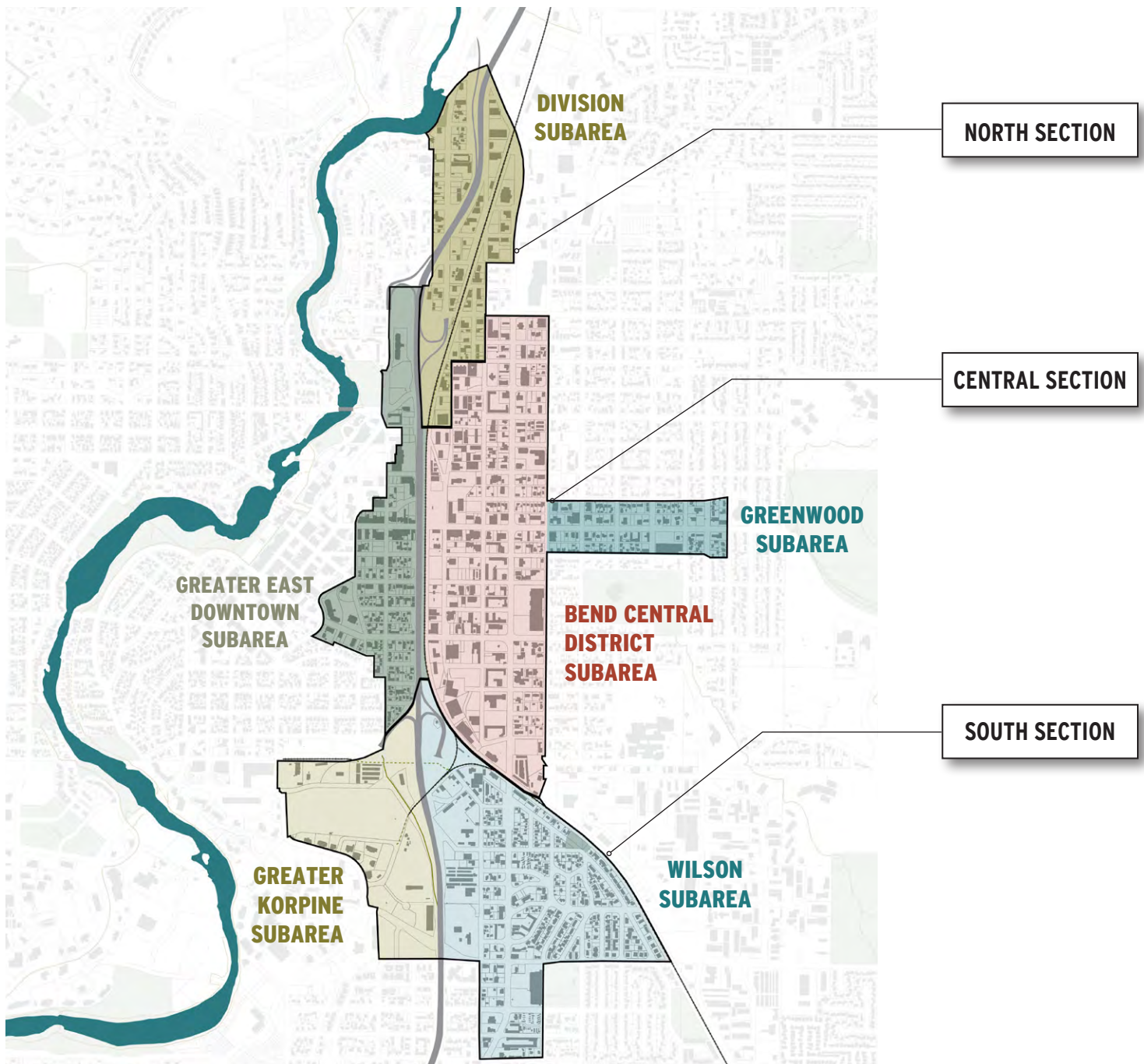
Core Area City Limits Urban Growth Boundary
TA-152

- - - Core Area
- 2004 Central Area Plan Study Area
- MMA Boundary + BCD UGB Opportunity Area + BCD Overlay Zone
- * MMA District Node (same as 2004 "Pulse Points")
- MMA District Gateway
- ↔ MMA Corridor
- MMA Ped-Oriented Street
- ↔ MMA Road Diet
- 2004 Ped Path

Urban Design Analysis Background

The Urban Design Analysis Report (available at <https://www.bendoregon.gov/home/showdocument?id=40939>) summarized previous planning efforts and existing conditions in order to identify key opportunities and constraints for the future redevelopment of the Core Area.

This report analyzed the six subareas and three sections shown in the diagram below.



Core Area Strengths

Many parts of the Core Area have a unique character, energy, and inviting urban form which should be celebrated and incorporated as the area evolves.

In the Bend Central District, Greater Korpine, and Wilson Subareas, small nodes of activity have formed around 'magnet' local businesses that have adapted industrial and auto-oriented commercial buildings to food, beverage, retail and makerspace uses with human-scaled landscape, outdoor seating and a better street frontage relationship.

The Greater East Downtown Subarea has a particularly unique neighborhood feel of small, older homes converted to local businesses and a comfortable street grid that's well-connected to Downtown. The Wilson Subarea is a cohesive, but somewhat isolated residential neighborhood with pockets of affordable, missing-middle housing. The Division Subarea is known for adaptive reuse and affordable retail/industrial space as well as a connection to the Deschutes River.



Older buildings, stoops, & human-scale signage



Inviting signage, industrial adaptive re-use



Affordable missing middle housing in the Wilson subarea

Core Area Challenges + Opportunities

The lack of connectivity and amenities are the primary challenges to redevelopment and a cohesive district quality in the Core Area. There is a lack of pedestrian comfort and safety within the district and connectivity barriers to other neighborhoods. Some basic issues are being addressed by the city and ODOT such as completing the network of sidewalks, providing safe crossings for pedestrians and reinforcing low-stress routes for bicyclists.

One critical challenge to connectivity is the stark manner in which the Parkway and BNSF railroad divides the Core Area from surrounding districts. Existing undercrossings of the parkway and railroad are uninviting and unsafe due to narrow sidewalk widths, lack of visibility, and inactive edges. This condition drastically increases the perceptual distance of the Core Area from destinations in Downtown Bend and the Old Mill District. A pedestrian bridge over the Parkway at Hawthorne has been suggested as a way of transcending this barrier, where underpass improvements are difficult or costly.

Major streets within the Core Area also act as barriers. For example, Greenwood and 3rd Street are wide, high-speed, auto-centric corridors which are difficult to cross and unpleasant to walk or bike along. Greenwood and Franklin, as well as the 3rd Street underpass impede safe north-south connectivity.

These barriers divide the Core Area into disconnected pockets in contrast with the cohesive districts that surround it (see diagram on following page). This makes it difficult for people to easily move through the Core Area or understand where they are in relation to other nearby destinations. Developers of new mixed-use projects in the area may be reluctant to proceed with such low-quality, disconnected conditions. The Urban Design Framework aims to integrate the Core Area with surrounding neighborhoods and create cohesive districts within the Core Area.



Missing sidewalks in residential and industrial areas



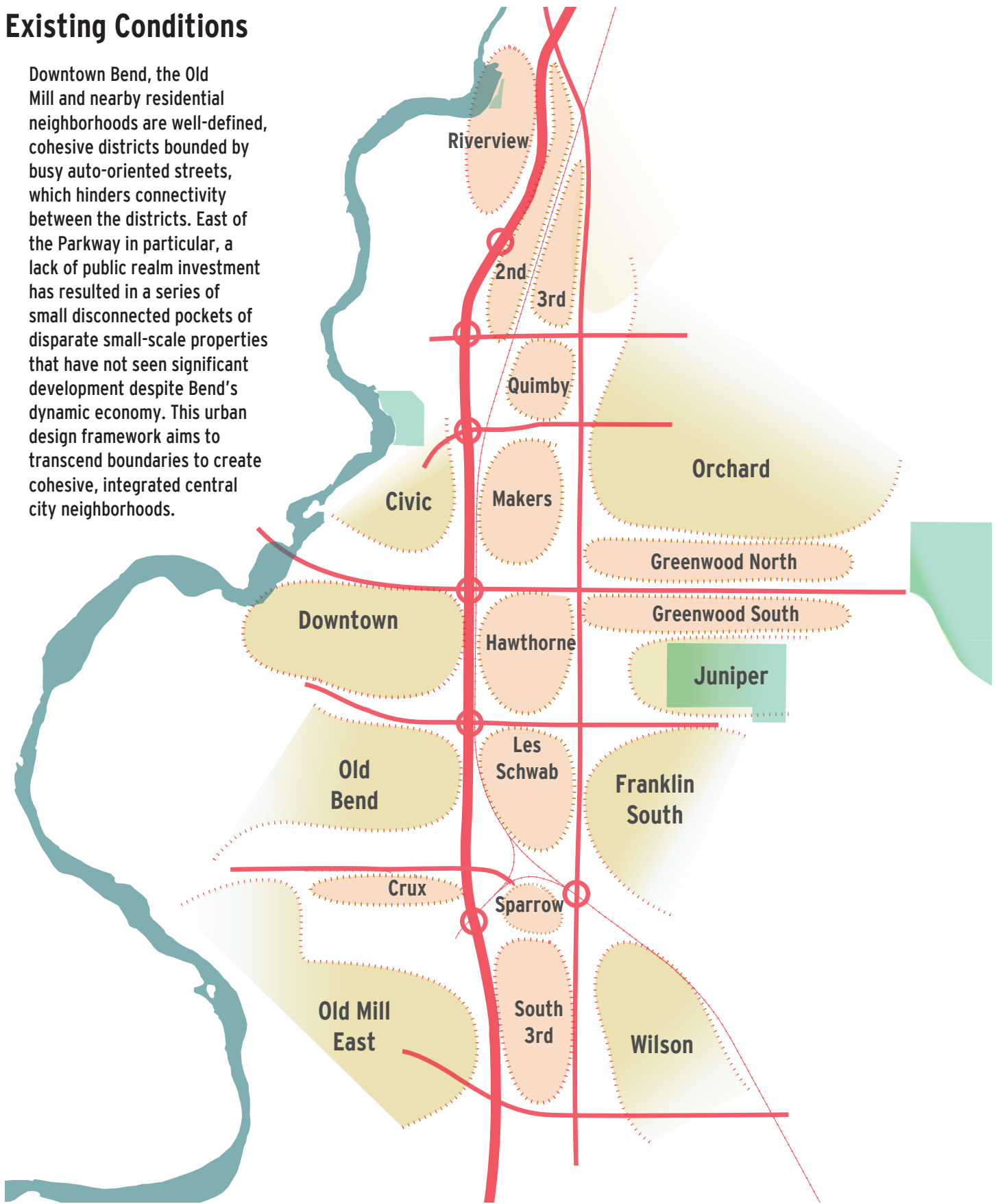
Franklin/97/RR: Narrow ped/bike route, unwelcoming edges, historic bridge details



Greenwood high speed traffic and median curb is a pedestrian barrier to north-south connectivity

Existing Conditions

Downtown Bend, the Old Mill and nearby residential neighborhoods are well-defined, cohesive districts bounded by busy auto-oriented streets, which hinders connectivity between the districts. East of the Parkway in particular, a lack of public realm investment has resulted in a series of small disconnected pockets of disparate small-scale properties that have not seen significant development despite Bend's dynamic economy. This urban design framework aims to transcend boundaries to create cohesive, integrated central city neighborhoods.



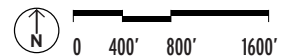
Disconnected Pockets



Cohesive Districts

Barriers

Undercrossings



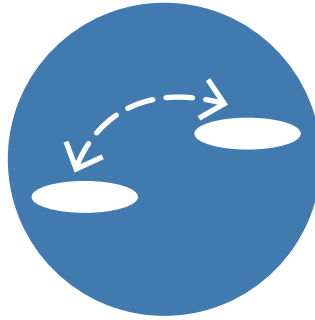


CORE AREA URBAN DESIGN FRAMEWORK

Guiding Themes

The urban design vision for the Core Area Action Plan is centered on 5 simple guiding themes. The overarching goal is to create a connected community, integrating emerging mixed-use districts with more established attractors. With successful implementation of this vision, by 2040, Bend's Core Area will be:

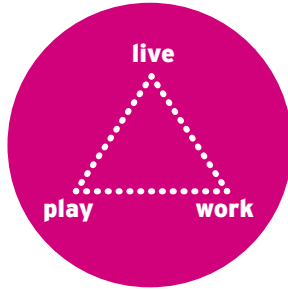
CONNECTED



WALKABLE



VIBRANT



DISTINCT



SUSTAINABLE



| GUIDING THEME | URBAN DESIGN FRAMEWORK CONCEPTS |
|--------------------|---|
| CONNECTED | A hierarchy of corridors is created, linking destinations and emerging districts by transcending barriers. |
| WALKABLE | All streets should be more walkable; the proposed framework envisions pedestrian-focused improvements to a series of key corridors. |
| VIBRANT | The corridors create walkable, human-scaled connections between places to live affordably, work and play. |
| DISTINCT | The diverse character of districts in the Core Area is celebrated and preserved wherever possible. |
| SUSTAINABLE | An urban framework that supports efficient urban mixed-use density in the Core of the city to protect nature at the city's edges, encourages walking to reduce emissions, and incorporates sustainable design principles. |

Core Area Urban Design Framework

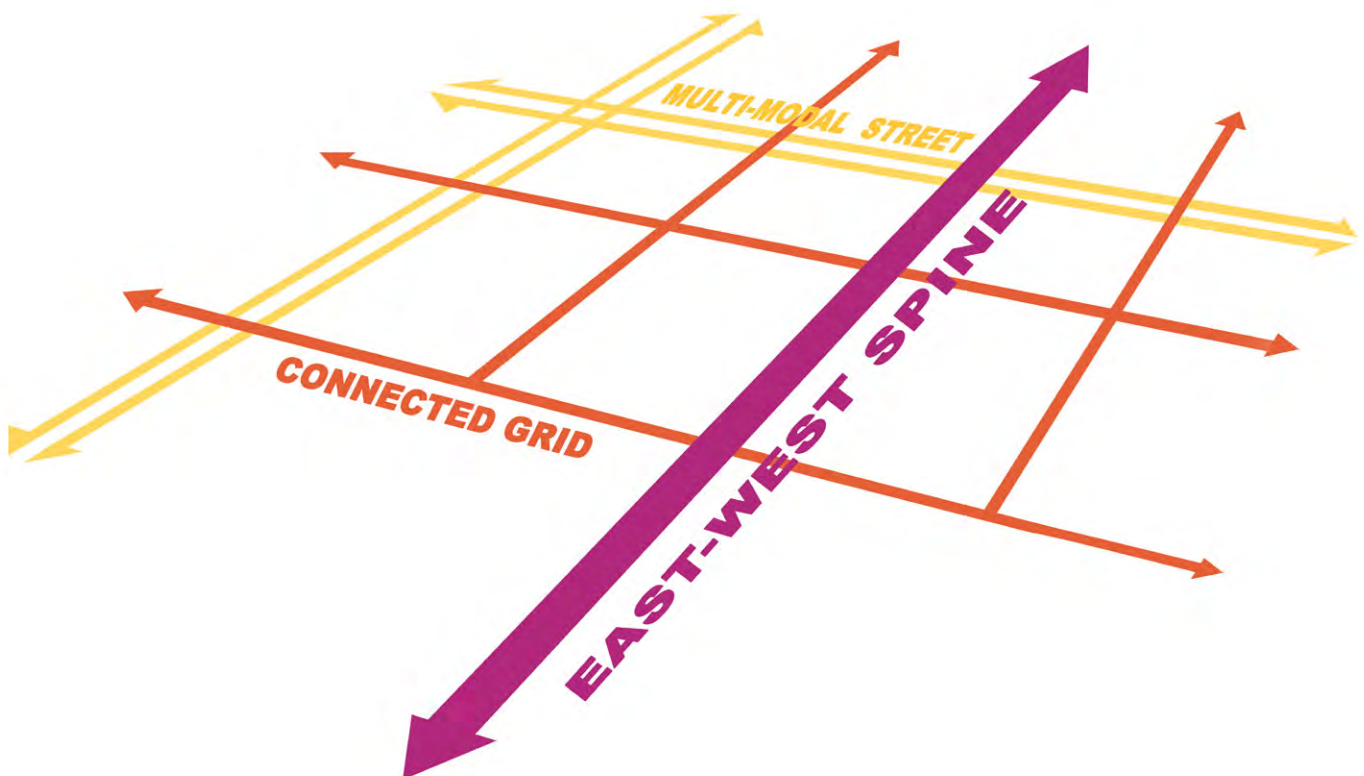
Existing attractor districts in Bend, such as Downtown and the Old Mill District, are high-quality, active, vibrant places that will be well-connected through a hierarchy of three different corridor types, each with a varying level of public realm improvements. These improved corridors have a consistent goal of encouraging the spread of urban vitality from existing successful urban districts to emerging ones such as the Bend Central District, creating a walkable “great streets” framework for future redevelopment. The diagram below summarizes the conceptual framework for how the three envisioned Corridors are interconnected.

The first corridor type, proposed in two locations, is a prominent **East-West Spine**. Each spine will be a distinctive, high-quality pedestrian-oriented corridor, which will receive the highest amount of investment in terms of the quality and extent of public space, providing an attractive amenity to adjacent redevelopment, particularly new housing. One spine will directly link Downtown with Juniper Park, one of Bend’s most popular parks, through the emerging BCD. A second spine will connect the Old Mill District through the Korpine site to emerging districts east of the Parkway along 2nd and the Wilson neighborhood.

These two spines are complemented by a **Connected Grid** of complete walkable streets, which form the connective tissue within districts holding a lot of promise for future redevelopment. One key grid connector will also serve as a primary North-South link from the Division district, through the BCD, to the east-west spine along Aune Street. Where this grid intersects with busy streets, safe pedestrian crossings will be a priority improvement. Olney and Revere Avenue will serve as important east-west grid streets.

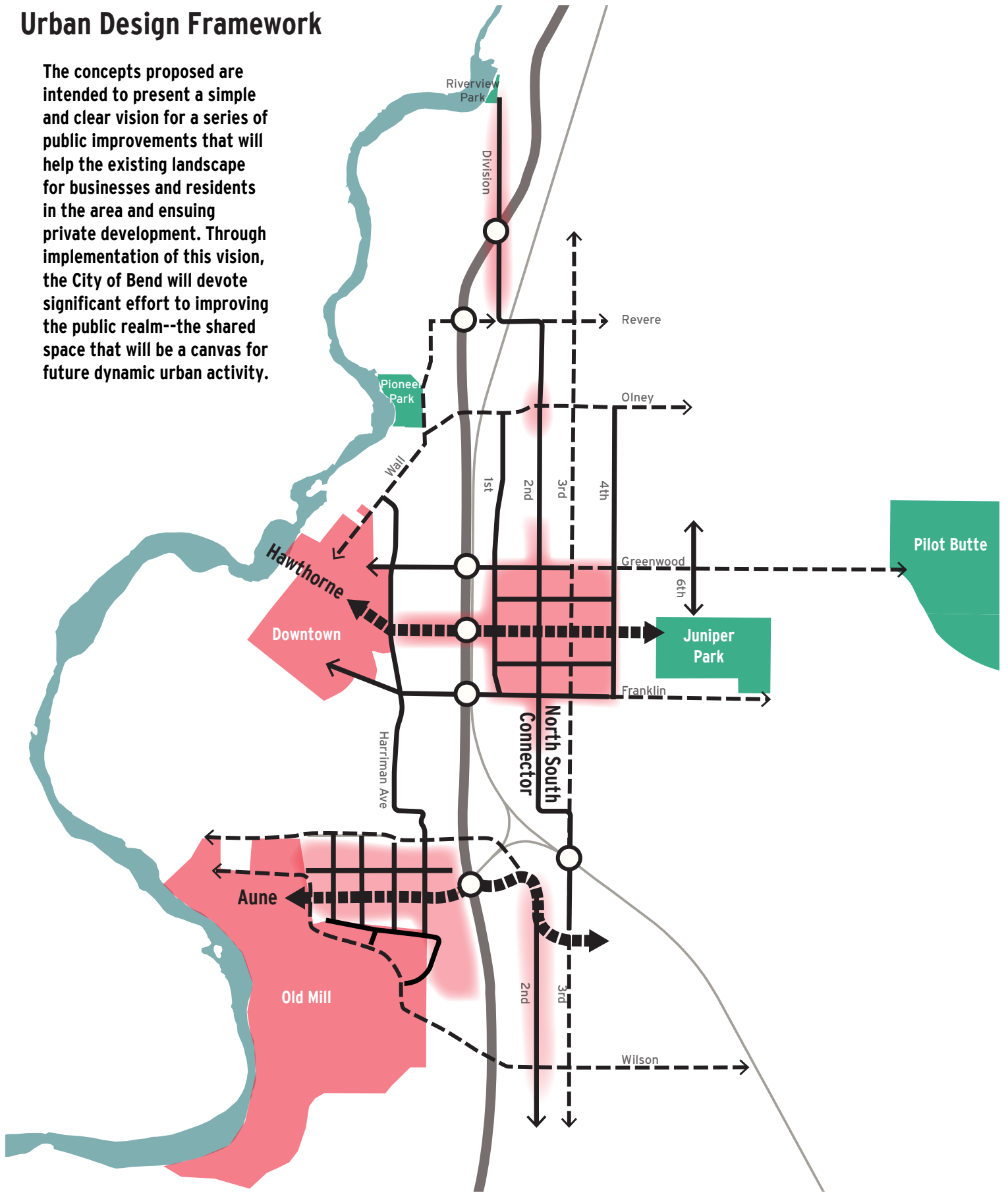
Multi-modal streets that, due to higher traffic volumes create boundaries around emerging districts, will be improved especially on their edges and at the under- and over-crossings of major barriers such as the Parkway and BNSF RR.

Spines and Grid streets may also be candidates for roadway redesign. Multi-modal streets are currently less likely to receive such transformation, but could be considered in future.

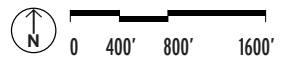


Urban Design Framework

The concepts proposed are intended to present a simple and clear vision for a series of public improvements that will help the existing landscape for businesses and residents in the area and ensuing private development. Through implementation of this vision, the City of Bend will devote significant effort to improving the public realm--the shared space that will be a canvas for future dynamic urban activity.



- Existing Attractor Districts
- Future Attractor Districts
- East-West Spine TA-160
- Connected Grid
- Gateways
- Multi-Modal Street



Corridor Hierarchy

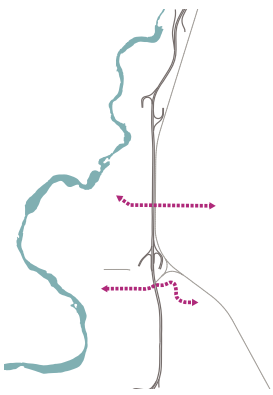
All three Corridor types will receive certain consistent public realm improvements to support adjacent urban redevelopment, as noted in the image at right.

Corridors are distinguished from each other by variations in the breadth, intensity and quality of their improvements, as described in the table below.

These three types of improvements (streetscape, roadway, and building) are implemented through various mechanisms including the City's development code, street standards & specifications, or capital improvements identified in the Transportation System Plan (TSP). Many of the streetscape and roadway improvements are ideal candidates for urban renewal investments.



| | | East-West Spine | Connected Grid | Multi-Modal Street |
|-------------------------------|------------------------------------|---------------------|----------------|--------------------|
| STREETSCAPE | Street Trees | ● | ● | ● |
| | Build / Repair Sidewalks | ● | ● | ● |
| | Widest Sidewalks | ● | | |
| | Special Paving | ● | | |
| | Unique Furnishings | ● | | |
| | Public Art | ● | | |
| | Wayfinding Signage | ● | | |
| | Undergrounding Utilities | ● | | |
| | Curb Extensions | ● | ● | |
| | Pedestrian Scale Lighting | ● | ● | |
| | Enhanced Bus Stops | | ● | ● |
| | Landscape Buffers from Roadways | | | ● |
| | ROADWAYS | Stormwater Planters | ● | ● |
| On-street Parking | | ● | ● | |
| Temporary Uses/Parklets | | | ● | |
| Low-Stress Bike Routes | | ● | ● | ● * |
| Mid-block Crossings | | | | ● * |
| Improved Under/Over Crossings | | ● | | ● |
| BUILDINGS | Opportunities for Roadway Redesign | ● | ● | |
| | Active Building Frontage | ● | ● | ● |
| | Outdoor Dining/Drinking | ● | ● | |



Corridor Hierarchy

East-West Spine

The East-West Spines will be distinctive, high-quality pedestrian-oriented corridors providing an attractive public amenity to encourage adjacent redevelopment, particularly new housing. New places for eating and dining will be drawn to these vibrant streetscapes, further adding vitality throughout the day.



Wide sidewalks



Special paving, wayfinding



Outdoor dining, visual interest, special paving



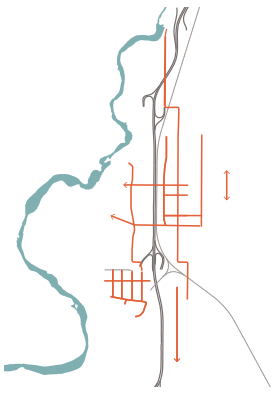
Evening activity



Unique street furnishings
TA-162



Distinctive landscape, special lighting



Corridor Hierarchy

Connected Grid

These streets will form the connective tissue for promising redevelopment districts, with a full network of sidewalks and safe crosswalks, as well as low-street bike networks and stormwater treatment. These streets complement and intersect with the east-west spine and provide opportunities to explore roadway reconfiguration.



Curb extensions, pedestrian-scale lighting, on-street parking



Safe bike travel (sharrow)



Opportunities for temporary uses

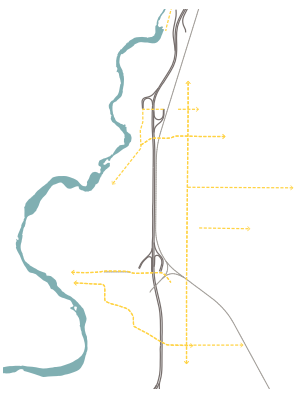
IA-163



Opportunities for special street conversions



Mid-block crossing, curb extensions, stormwater treatment



Corridor Hierarchy

Multi-Modal Street

These streets are currently auto-oriented, often lined with parking lots and drive-through businesses. The vision for their transformation focuses on transforming the edges of the rights-of-way, providing more pedestrian comfort and safety, while framing the street with more urban uses set back from busy travel lanes.



Active frontage setback from busy road



Stormwater treatment



Landscape buffers and street trees



Comfortable bus stops



Mid-block crossings



Sidewalks buffered by street trees



Gateways

Overpasses

The proposed East-West Spine will serve to connect key destinations and provide a clearly identifiable public realm through the core district. Where it crosses the Parkway at Hawthorne, an iconic pedestrian and bicycle bridge will be a critical link in the integration of this emerging district with Downtown Bend. Potential design elements of this bridge are explored on this page.



Bold colors help wayfinding



Green and well-lit



Accessible



Iconic for Parkway drivers



Iconic form



Markers at each end



Gateways

Underpasses

Key multi-modal streets traverse the city and cross under the Parkway and BNSF railroad at several locations, particularly Franklin Ave, Greenwood Ave and 3rd Street. Each underpass presents a variety of pedestrian safety and comfort challenges that can be overcome with design interventions, from the introduction of art, light and activity to more dramatic reconfigurations of the underpasses to provide wider pedestrian and bicycle corridors.



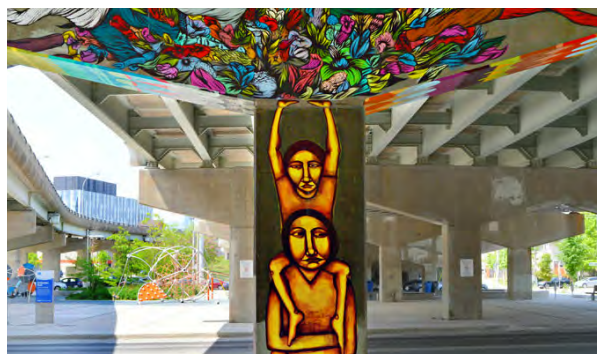
Active



Fun



Well-lit



Bright murals



Safe, open, visible



Gateways

Underpass Example

The Aune underpass of the Parkway is a crucial future gateway due to its location and built form. The generous width and height of the underpass already creates a more welcoming space with views to the Cascade Mountains, and can be enhanced with lighting, public art, landscape, and signage to develop a distinct identity. Safe and comfortable pedestrian and bicycle facilities through the underpass are critical for Aune to function as an East-West Spine.



Gateway signage + graphics



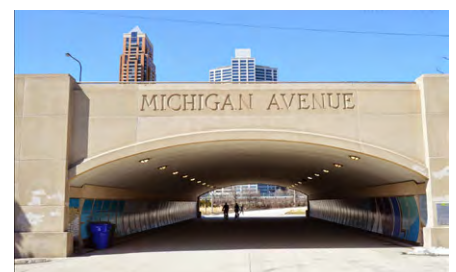
Welcoming public art + Lighting



Landscape, wayfinding, seating

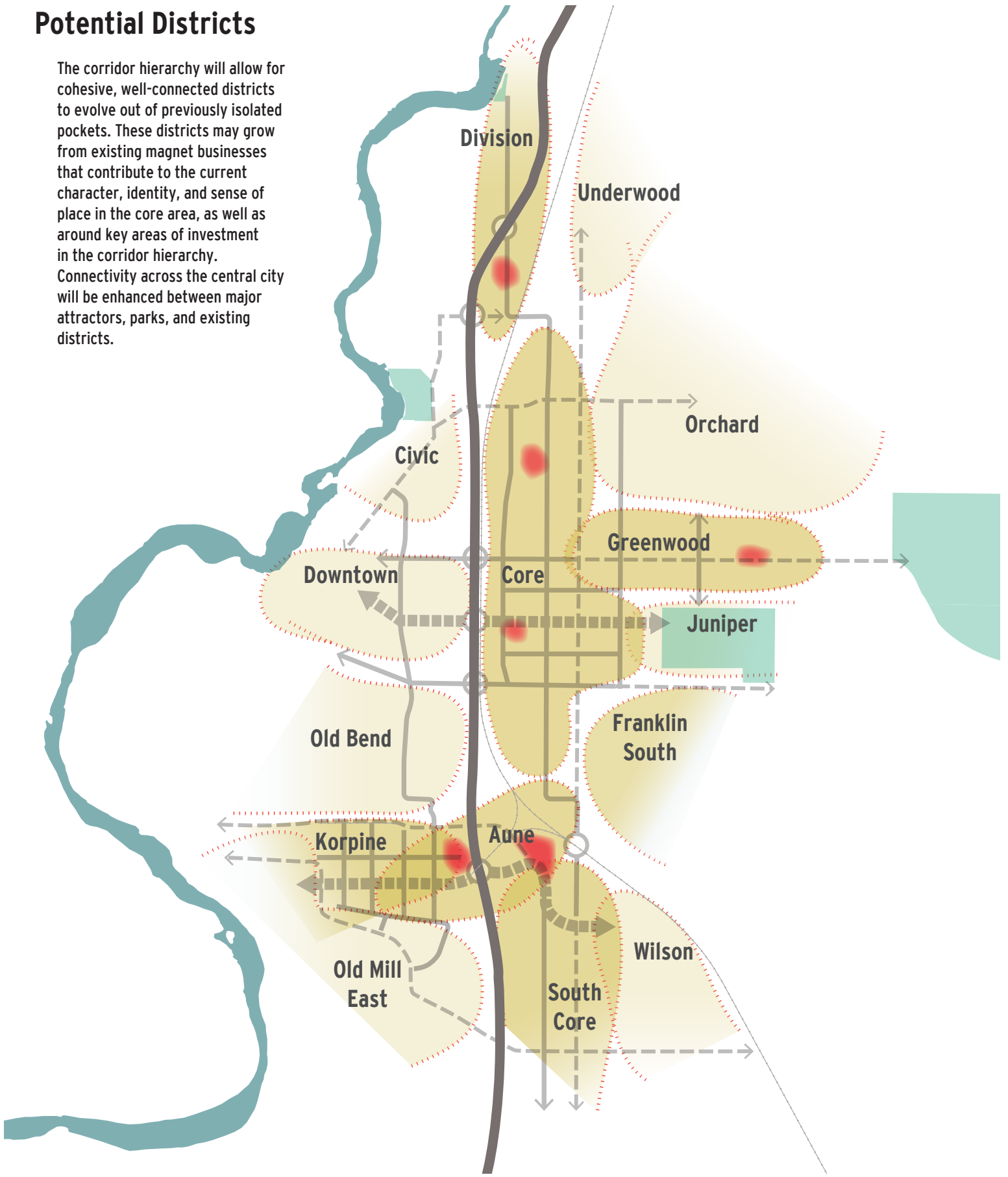


Wide passage with views across and ample space for biking + walking



Potential Districts

The corridor hierarchy will allow for cohesive, well-connected districts to evolve out of previously isolated pockets. These districts may grow from existing magnet businesses that contribute to the current character, identity, and sense of place in the core area, as well as around key areas of investment in the corridor hierarchy. Connectivity across the central city will be enhanced between major attractors, parks, and existing districts.



Potential Cohesive Districts
 Existing Cohesive Districts
 Existing Magnet Businesses

0 400' 800' 1600'



SUBAREAS URBAN DESIGN FRAMEWORK

Introduction

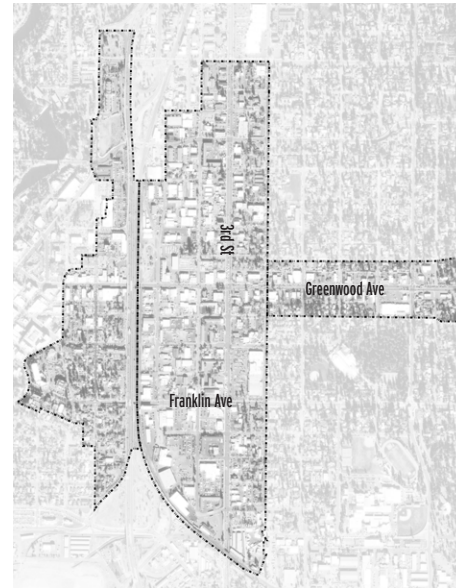
The purpose of this section is to show in greater detail how the Urban Design Framework responds to existing conditions, builds off previous planning efforts and shapes each subarea. The following pages contain vision statements, subarea framework maps, and maps of selected planned projects.

The Comprehensive Plan has adopted vision statements for all subareas in the Core Area except for Wilson and Division. The proposed vision statements for Wilson and Division in this document incorporates feedback from the Urban Renewal Advisory Board. These vision statements will guide proposed projects for the subareas.

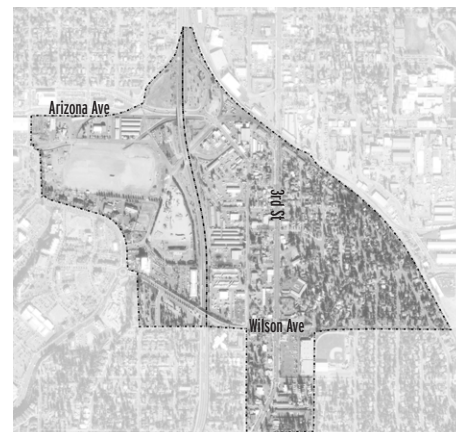
Urban Design Framework maps for the central, south, and north sections show details of how the corridor hierarchy links existing and future public attractor areas. These public attractor areas may be anchored by existing local 'magnet' businesses or a future amenity such as an urban plaza, library, performing arts center, or mixed use development.

Finally, maps depicting key existing conditions and planned projects show how the framework builds on previous and in-progress plans by several public agencies, which was also summarized in the Urban Design Analysis Report. The City is currently in the process of updating the Transportation System Plan which may also impact planned projects within the Core Area.

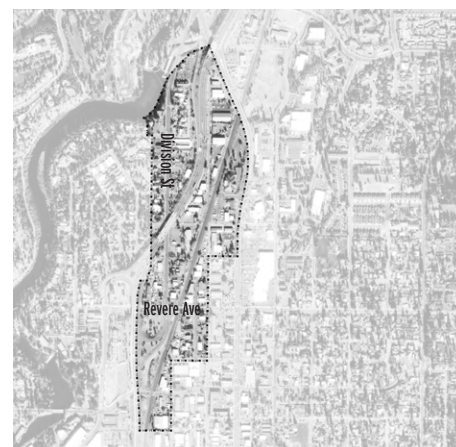
Central Section



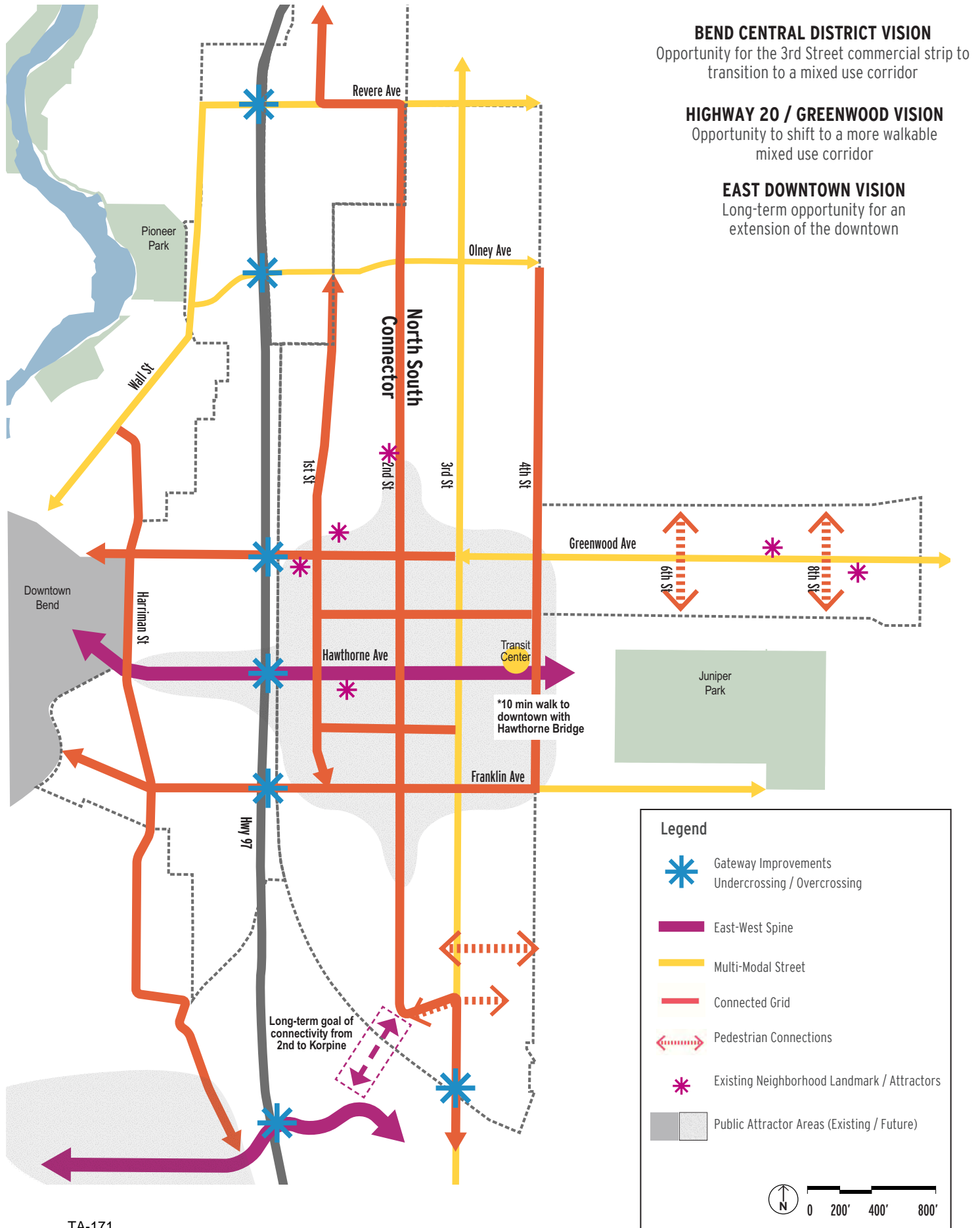
South Section



North Section



Central Section Urban Design Framework



BEND CENTRAL DISTRICT VISION

Opportunity for the 3rd Street commercial strip to transition to a mixed use corridor

HIGHWAY 20 / GREENWOOD VISION

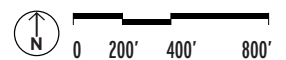
Opportunity to shift to a more walkable mixed use corridor

EAST DOWNTOWN VISION

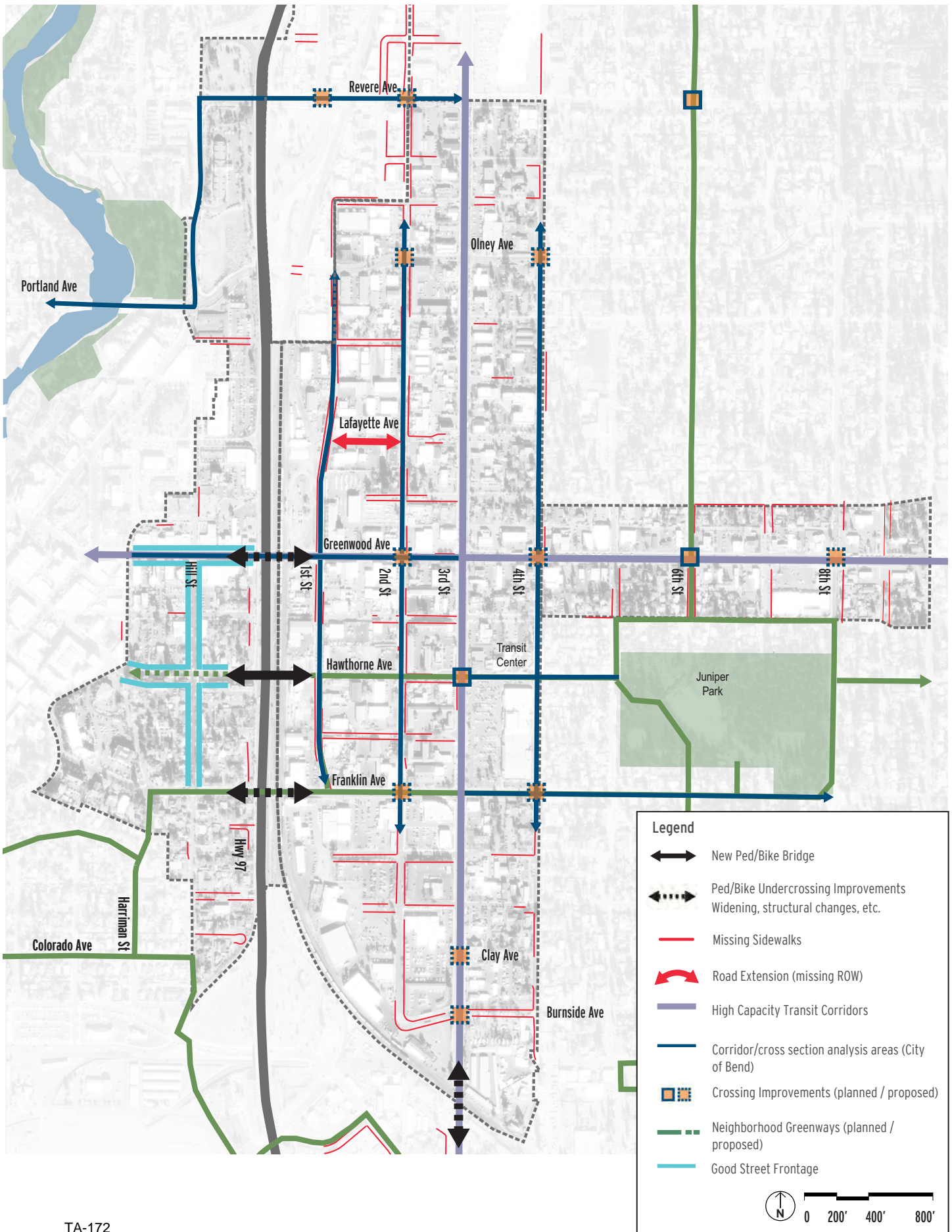
Long-term opportunity for an extension of the downtown

Legend

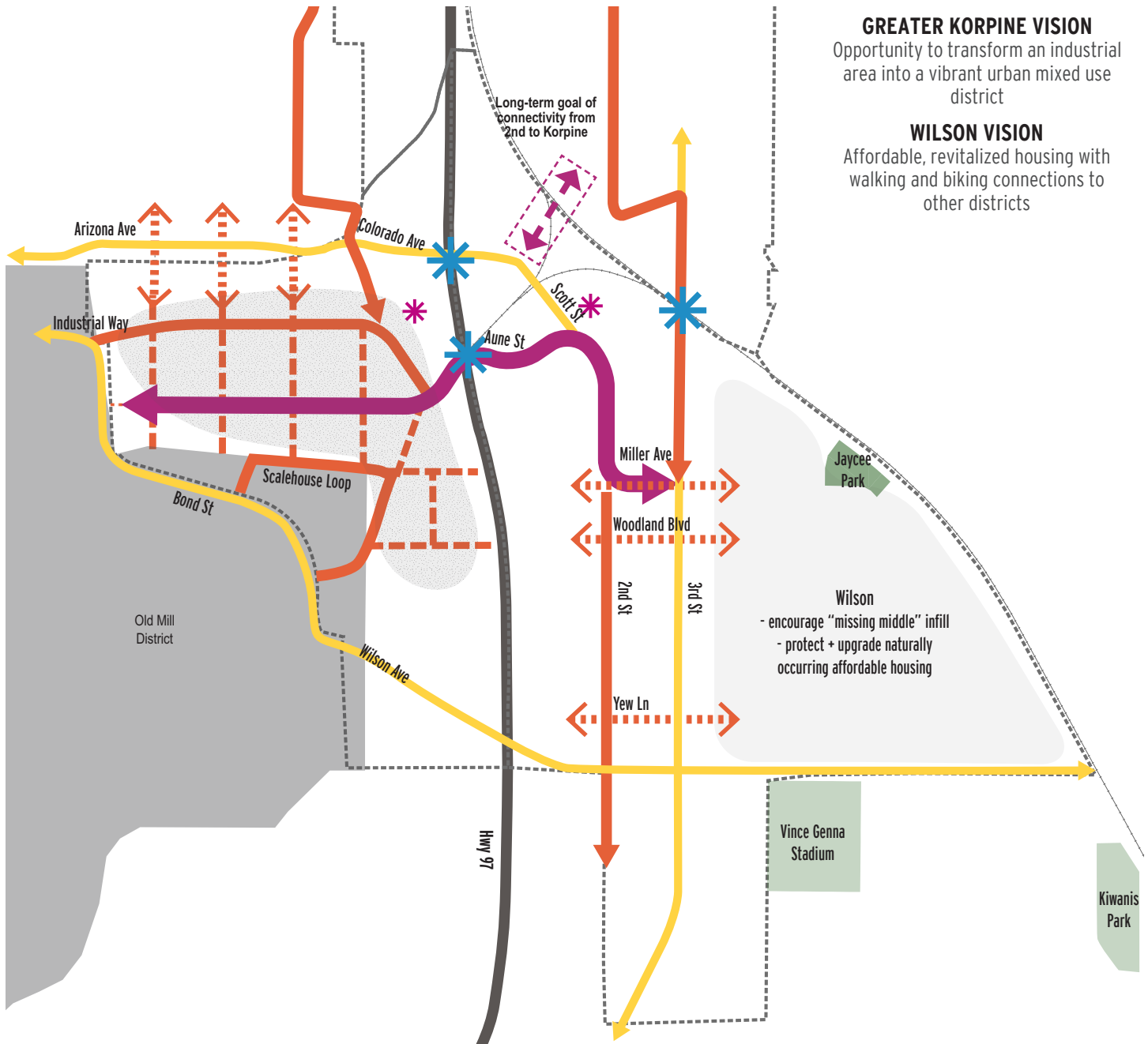
-  Gateway Improvements
Undercrossing / Overcrossing
-  East-West Spine
-  Multi-Modal Street
-  Connected Grid
-  Pedestrian Connections
-  Existing Neighborhood Landmark / Attractors
-  Public Attractor Areas (Existing / Future)



Central Section Selected Planned Projects + Existing Issues



South Section Urban Design Framework



GREATER KORPINE VISION
 Opportunity to transform an industrial area into a vibrant urban mixed use district

WILSON VISION
 Affordable, revitalized housing with walking and biking connections to other districts

Wilson
 - encourage "missing middle" infill
 - protect + upgrade naturally occurring affordable housing

Legend



Gateway Improvements
 Undercrossing / Overcrossing



Public Attractor Areas (Existing / Future)



Existing Neighborhood Landmark / Attractors



Pedestrian Connections



East-West Spine



Multi-modal Street



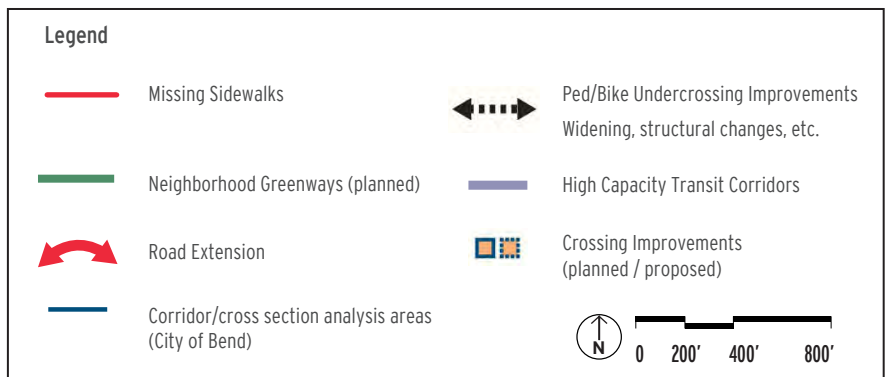
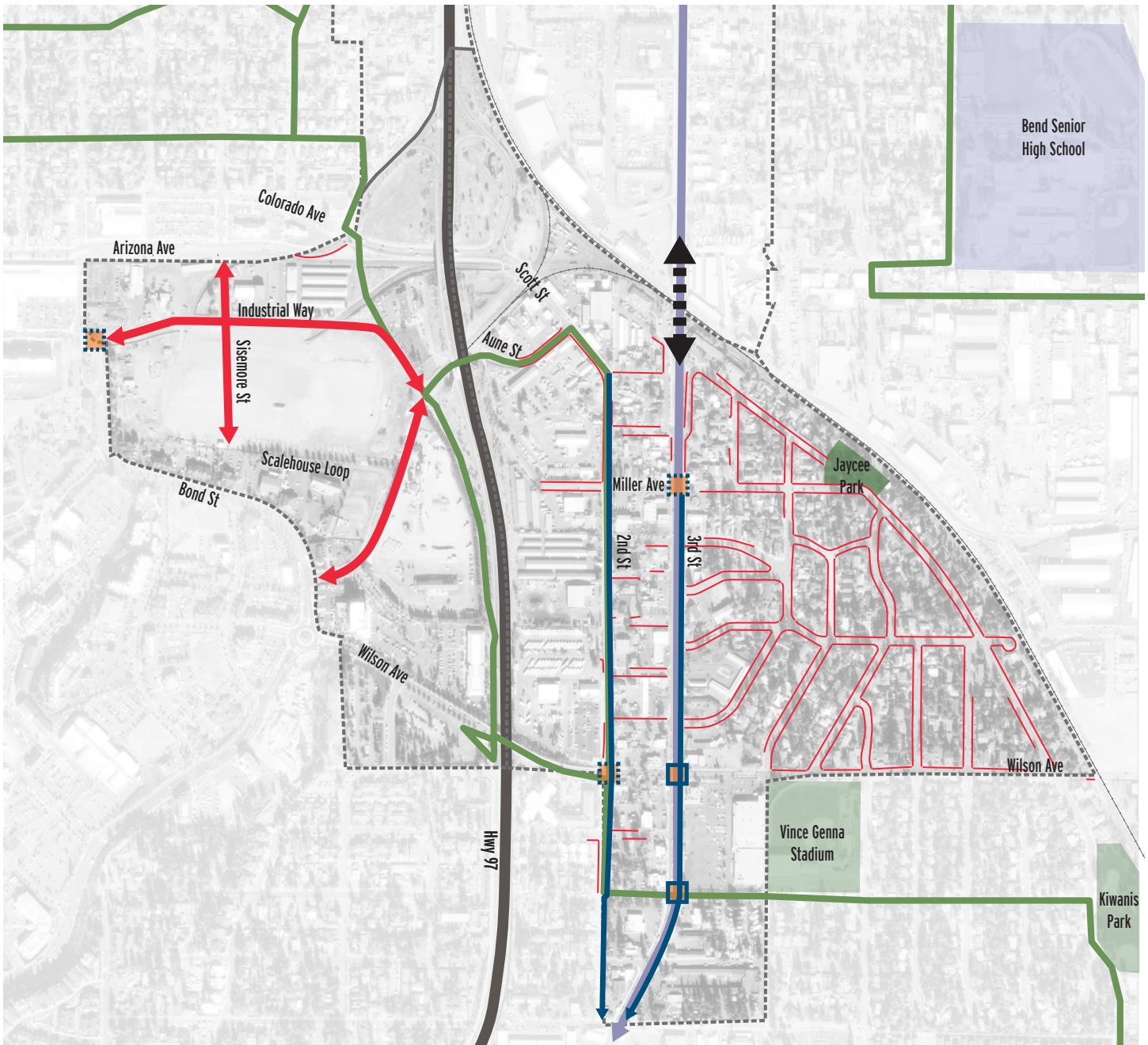
Connected Grid



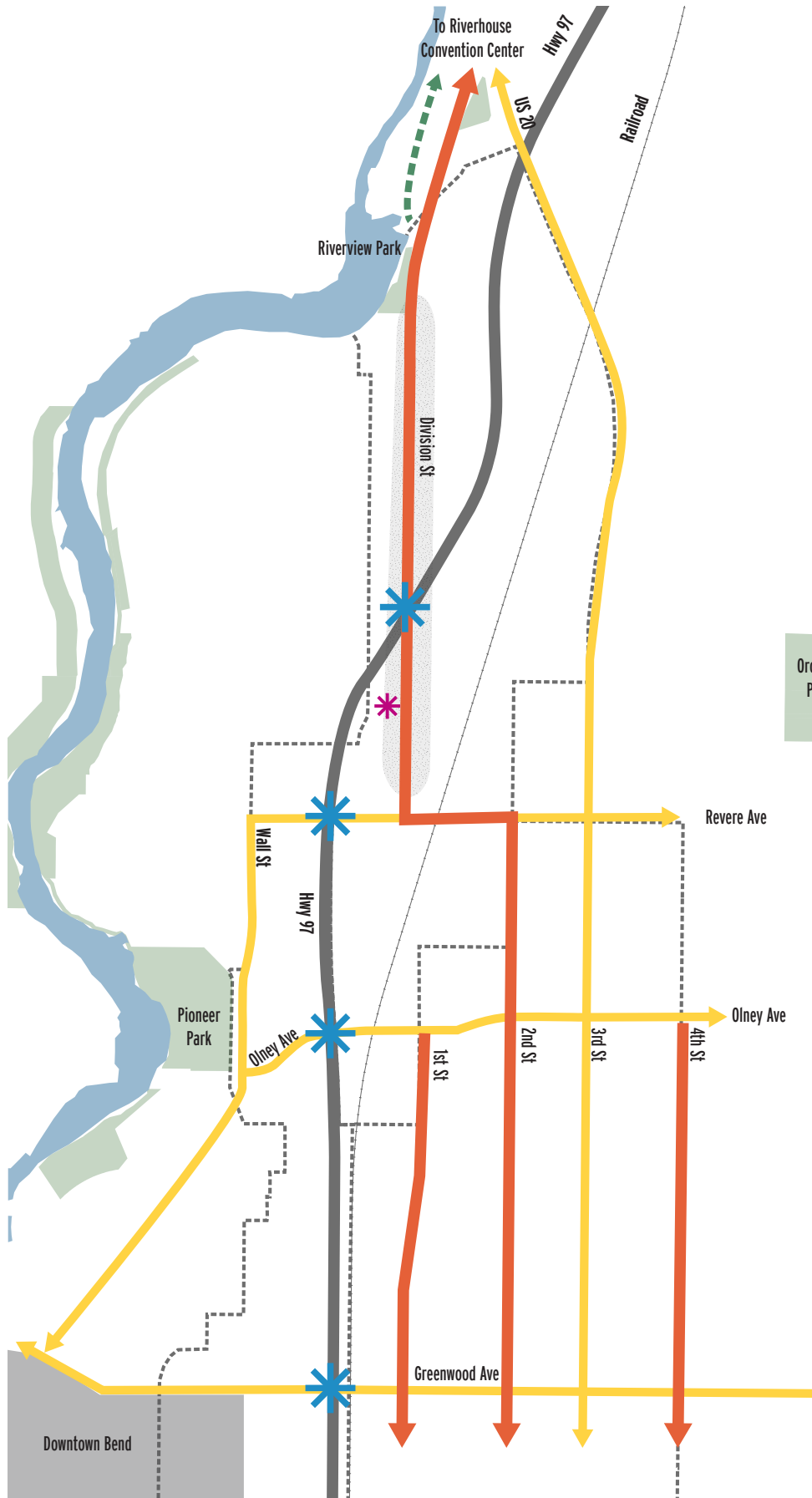
Future Connected Grid



South Section Selected Planned Projects + Existing Issues



North Section Urban Design Framework



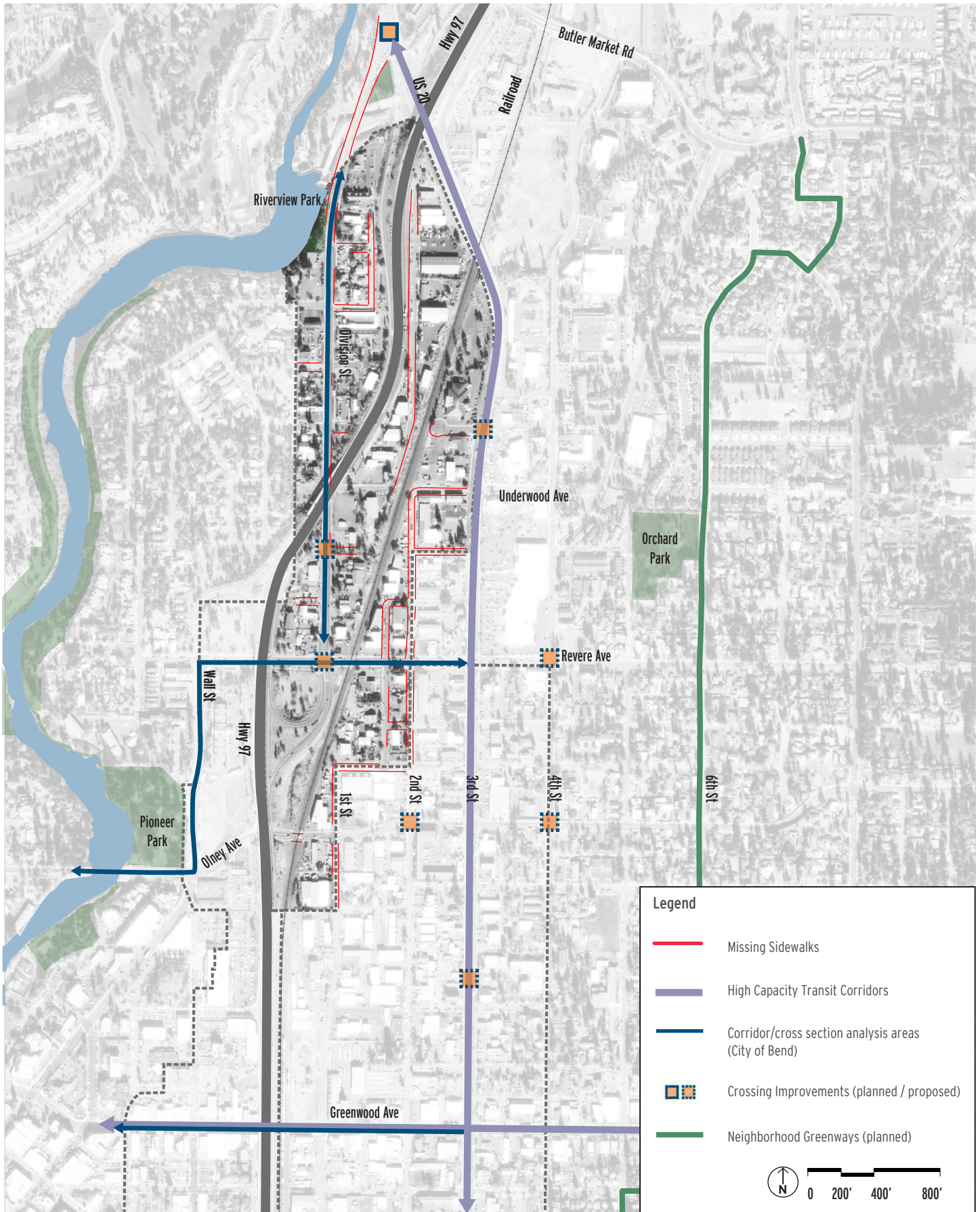
DIVISION VISION
Affordable housing and services with walking and biking connections to Downtown and other districts

Legend

- Gateway Improvements
Lighting, signage, public art, fencing
- Multi-modal Street
- Connected Grid
- Trail Connection
- Public Attractor Area (Existing / Future)
- Existing Neighborhood Landmark / Attractors

0 200' 400' 800'

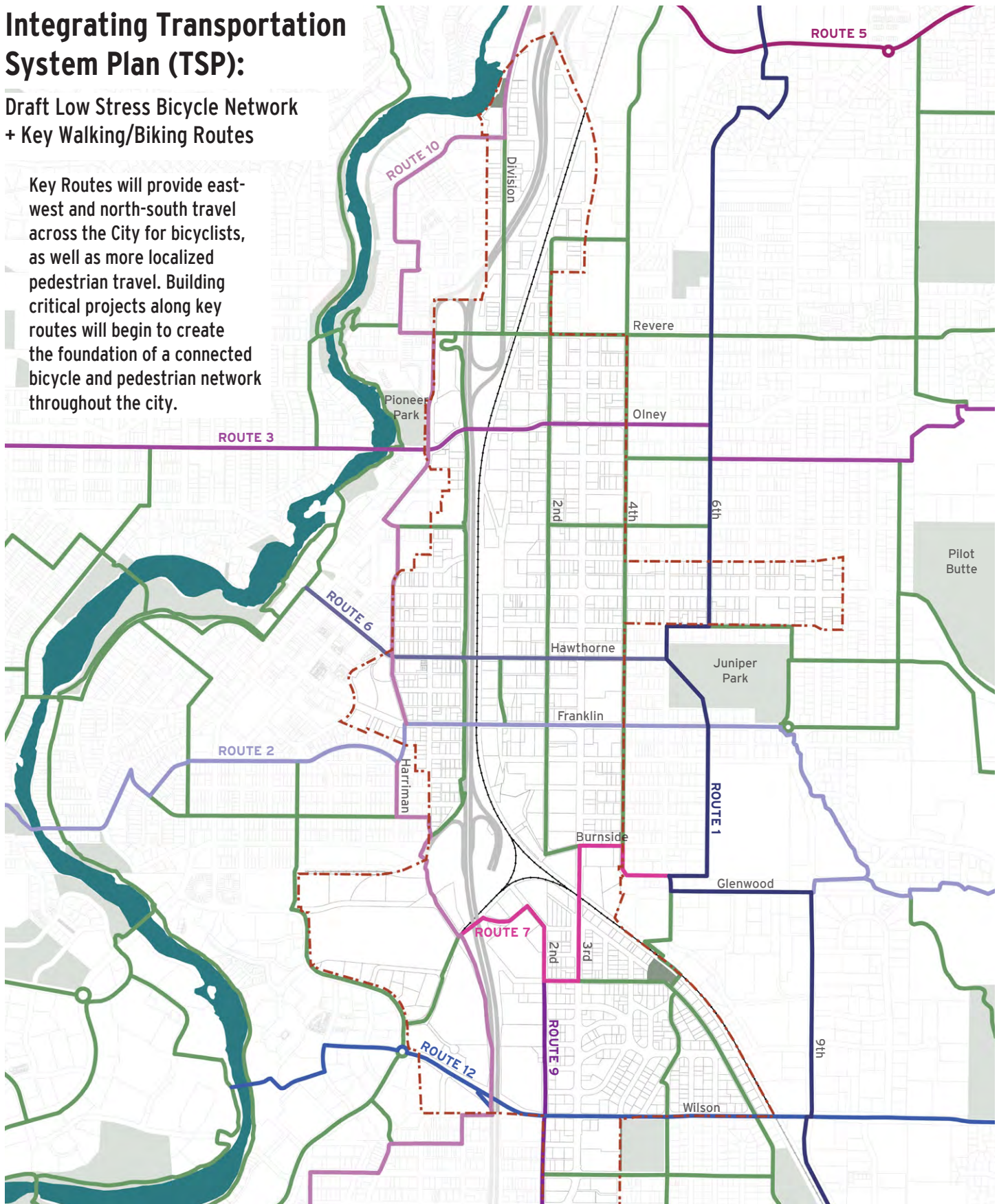
North Section Selected Planned Projects + Existing Issues



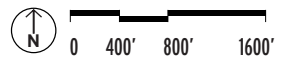
Integrating Transportation System Plan (TSP):

Draft Low Stress Bicycle Network + Key Walking/Biking Routes

Key Routes will provide east-west and north-south travel across the City for bicyclists, as well as more localized pedestrian travel. Building critical projects along key routes will begin to create the foundation of a connected bicycle and pedestrian network throughout the city.



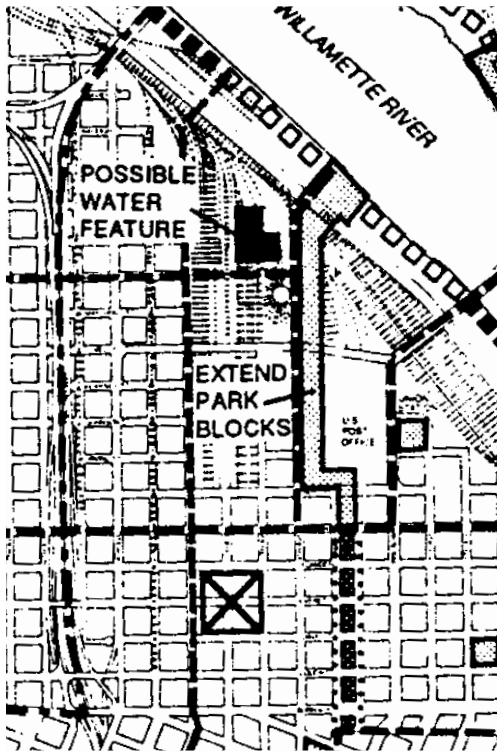
— Key Walking/Biking Routes — Bicycle Low Stress Network (LSN)





URBAN DESIGN FRAMEWORK CASE STUDY

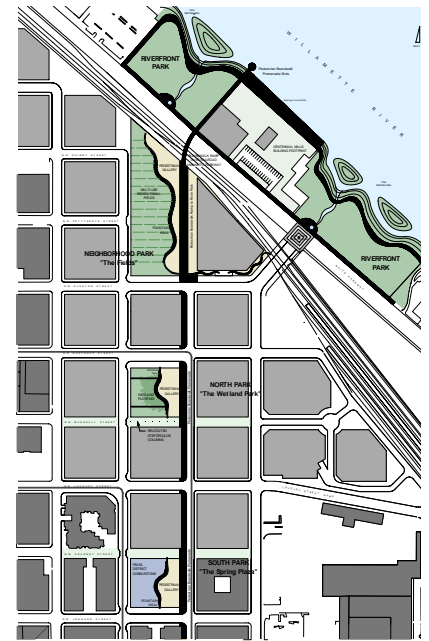
Pearl District, Portland



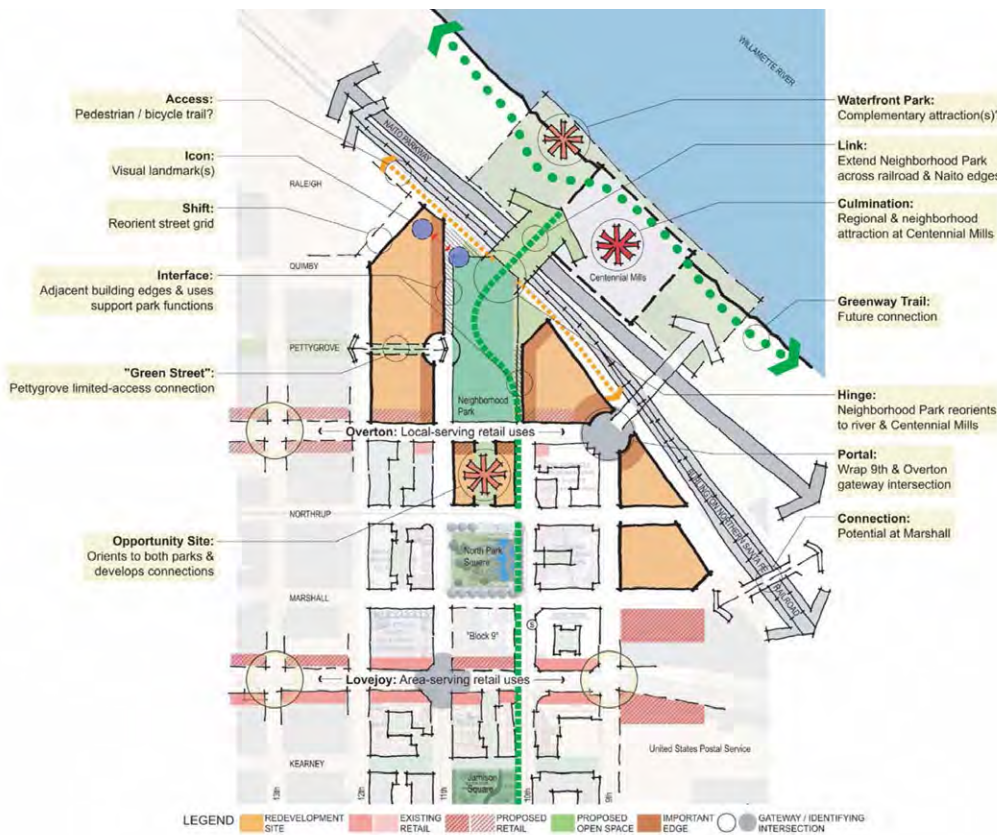
1988: Initial glimmers of a concept



2002: A simple, noble diagram



2004: Parks framework



2005: District framework

Portland's Pearl District is the result of years of planning and urban renewal investments. The neighborhood was built on former railyards, so a new urban framework was needed to guide development. Over the railyards, the big idea was to create a central green spine of three interconnected parks, linked with a wide boardwalk. This has proven to be an enduring catalyst for surrounding development, complemented by an interconnected street grid that logically extends surrounding 200' blocks. Transit and higher-volume traffic is pushed to a few key corridors that still feature a high-quality public realm. The gritty industrial character of the district has been retained through reuse of brick warehouses, honored through interpretation and artwork and revealed subtly through textures such as rail lines and cobble streets.



1991



Primary Framework Spine



Honor and integrate character



Public realm as development catalyst



Community attractors



Building proportions create 'outdoor rooms'



BEND CORE AREA PROJECT

URBAN DESIGN FRAMEWORK

July 1, 2019

TA-181



CITY OF BEND
CORE AREA PROJECT

CORE AREA PROJECT RENDERINGS

Hawthorne Avenue
Existing



Hawthorne Avenue
Conceptual Rendering



2nd Street at Greenwood Avenue
Existing



2nd Street at Greenwood Avenue
Conceptual Rendering



CORE AREA PROJECT RENDERINGS

2nd Street
Existing



2nd Street
Conceptual Rendering



3rd Street
Existing



3rd Street
Conceptual Rendering



CORE AREA PROJECT RENDERINGS

Greenwood Avenue Undercrossing *Existing*



Greenwood Avenue Undercrossing *Conceptual Rendering*





COMMUNITY ENGAGEMENT



Core Area Project Community Engagement and Feedback Summary

PREPARED FOR: Urban Renewal Advisory Board
PREPARED BY: Allison Platt, City of Bend
Kyra Haggart, Angelo Planning Group
DATE: August 13, 2019

Executive Summary

The City has engaged approximately 2,000 community members through a variety of outreach strategies including direct mailers, online advertising, pop-up events, and in person and online Open houses. Below is a summary of what we've heard from the community to date regarding the Core Area Project (CAP).

- Transportation projects are the most requested types of projects in the area and the number one priority use of Urban Renewal funding.
- Of the Urban Renewal Advisory Board (URAB)'s Guiding Principles, the three most important to the community are:
 - Create a place where you can live, work and play.
 - This is a walkable area with a balanced transportation system.
 - This area removes barriers and connects the East and West sides of Bend.
- The Community would like Urban Renewal to support a balance of project types for the area including affordable housing, infrastructure, and placemaking investments such as business improvements, public spaces, and public art.
- There is a strong desire for transportation improvements in the Core area, particularly for projects that will enhance pedestrian and bicycle connectivity and safety, including undercrossing improvements, safe crossings, and sidewalk infill.
- There is overarching community support for the visions set forth for the six subareas through the Urban Design Framework.
- There is overarching community support for the proposed Urban Renewal Boundary, as recommended by URAB on May 14, 2019.
- There is strong community support for more housing options in the area.

Introduction

One of the primary objectives of the Core Area Project (CAP) is to create a common vision and implementation plan for the Core Area of the City (**Error! Reference source not found.**). Through this process, the City is working with property owners, area residents, and other stakeholders to:

- Develop an urban design framework for the area.

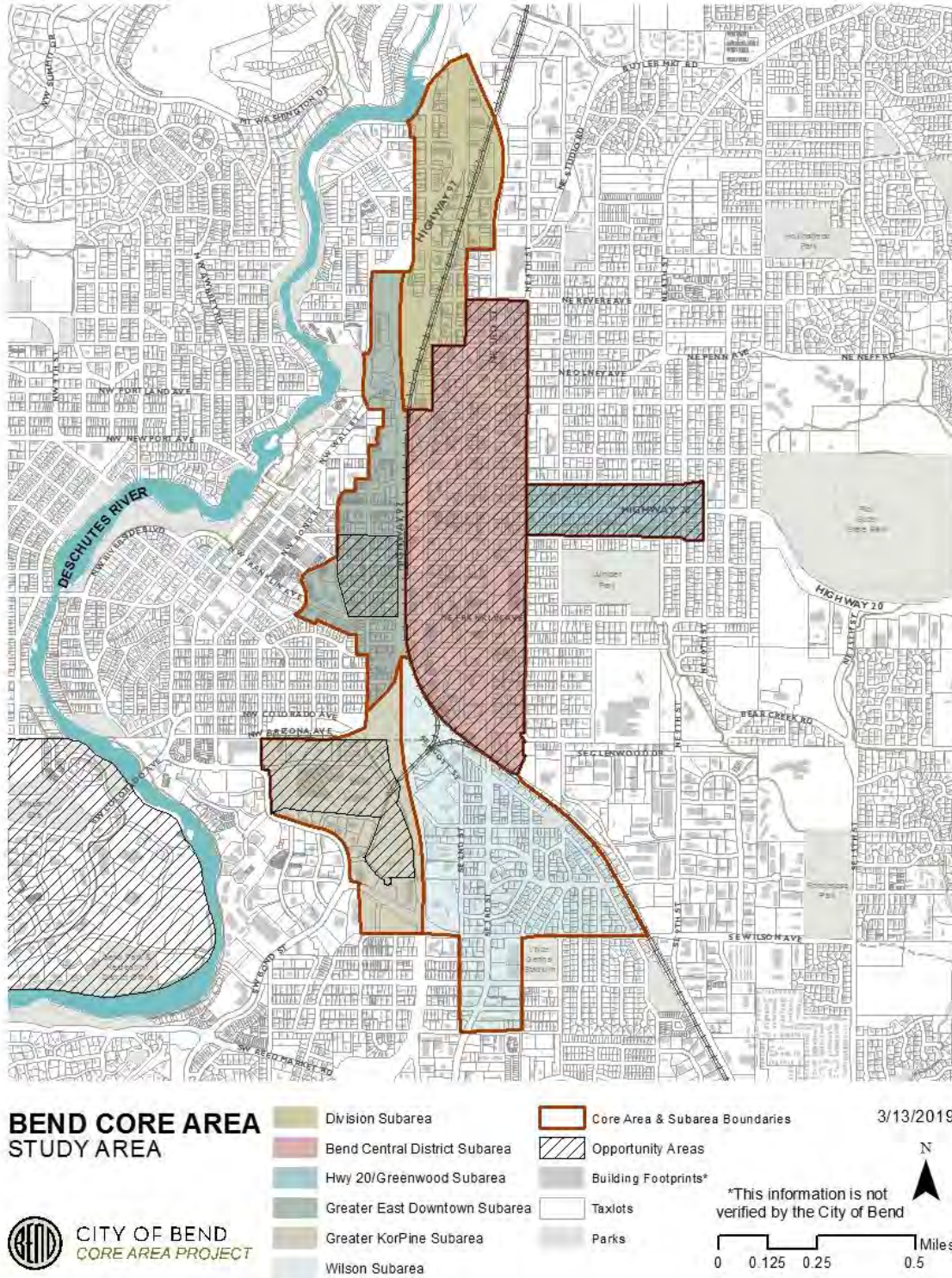
- Identify needed circulation improvements to enhance connectivity within and between areas as well as to the city at large.
- Identify programs and projects for the area, including streetscape improvements, public spaces, gateways, affordable housing, or art and beautification programs.
- Determine location, phasing, and costs for necessary infrastructure (sewer, water, storm water and transportation) to support potential development and redevelopment of the area.
- Develop funding strategies, incentives, and other implementation tools, such as urban renewal, to achieve the vision for the area and encourage public-private partnerships.
- Identify barriers to development and any needed code amendments or zoning changes, if necessary, to achieve the vision for this area.
- Determine the boundary of a potential urban renewal district that would encourage investment within the area through tax increment financing.
- If recommended by the Bend Urban Renewal Agency (BURA), adopt an Urban Renewal Plan and new Urban Renewal District.

This report summarizes the outreach activities that have occurred to-date and provides a high-level analysis of the feedback received from nearly 500 community members through the following three venues:

1. Subarea Outreach Pop-Up Events
2. Community Open House #1
3. Online Open House #1

In addition to these various outreach events, basic project information and the project website were sent by direct mail to approximately 1,500 addresses including both property owners and residences within the project study area. Licensed businesses registered within the study area were also sent emails with project information.

Figure 1. Core Area Project Boundary



Subarea Outreach Pop-Up Events

Event Summary

Dates: May 4-23, 2019

Locations: 6

Attendance: More than 80 community members attended the pop-up events, 23 new people signed up for project updates, and staff received 42 project idea comments.

Purpose of Outreach

The purposes of the subarea outreach pop-up events were to:

- Provide an introduction to the project.
- Raise the visibility and awareness of the project for the general public.
- Sign community members up on the Interested Parties email list to receive Core Area Project updates and recruit participation in the Community Open House.
- Provide an opportunity for feedback, both at the outreach events and afterwards during the online open house.

Format and Geographic Focus

The subarea outreach was conducted through “pop-up” events, which are a tabling-style informal event during which project staff set up a canopy, table, and a few displays at a public, often commercial location. The pop-ups were held during times when the location was typically busy with people (e.g. the Grocery Outlet during the after work rush). Several staff were present at each pop-up event to invite passers-by to learn about the project, attend the upcoming open house, and sign up for the Interested Parties email list.

The pop-ups were conducted over the course of approximately three weeks in May. They were scheduled to be close enough together so as to create a public “buzz” about them, but so that there were not more than two pop-up events in a given week. Six pop-ups were conducted in total, corresponding with each of the subareas. The venue, date and time for each subarea is listed in Table 1.

Table 1. Subarea Outreach Venues

| Subarea | Venues | Dates |
|-----------------------|---|---------------------------------|
| Bend Central District | Humm Kombucha, 1125 NE 2 nd Street | Thursday, May 23 from 4-6 p.m. |
| Korpine | Box Factory, 550 SW Industrial Way | Saturday, May 4 from 4-6 p.m. |
| Wilson | Grocery Outlet, 694-B SE 3 rd Street | Monday, May 6 from 4-6 p.m. |
| Greenwood | Backporch Coffee, 706 NE Greenwood Avenue | Thursday, May 16 from 8-10 p.m. |
| Division | Boneyard Brew Pub, 1955 NE Division Street | Thursday, May 9 from 4-6 p.m. |

| | | |
|---------------|--|------------------------------|
| East Downtown | Webskis/Webcyclery (Old Stone Church, 157 NW Franklin Avenue | Monday, May 20 from 4-6 p.m. |
|---------------|--|------------------------------|

Advertising and Outreach

The project team used the following techniques to notify community members about the pop-up events. All announcements were made available in English and Spanish.

- Media release sent to print, radio, and TV media
- Interested parties list email blast
- Social media (NextDoor, Facebook, Instagram, Twitter)
- Citywide activity calendar on the City of Bend website
- Bend Current e-newsletter
- Neighborhood Association News e-newsletter

Summary of Feedback

At the pop-up events, staff had a map of the study area with sticky notes that community members could share comments to answer the question: “What is your vision for the Core Area?” After the six workshops, staff reviewed all 42 comments that were placed on the maps. The comments expressed the following desires for the Core Area:

- Transportation improvements
- More parks/open space
- Affordable housing
- Adequate parking
- Public spaces and development (mixed use or development similar to the Box Factory/Arizona Ave) that would encourage desirable businesses and amenities such as book stores, farmers markets, artist markets and public art/murals, etc.

The majority of the pop-up comments received were transportation based, 63% of those transportation comments were focused on pedestrian and bicycle improvement needs such as the need for more and better sidewalks, bike infrastructure, and better east-west walking/biking connections. Several of the comments focused specifically on the uncomfortable conditions, particularly for pedestrians and bicyclists, on both the Franklin Avenue and 3rd Street under crossings. Many transportation safety concerns were also mentioned in the SE 2nd and SE 3rd Street area of the Wilson subarea.

Community Open House #1

Event Summary

Date: Saturday, June 15, 2019
Time: 10:00 am – 12:00 pm
Location: Bend High School Commons, 230 NE 6th Street
Attendance: Approximately 36 community members attended the open house

Purpose of Outreach

The purposes of the subarea outreach pop-up events were to:

- Provide an introduction to the project and information about project activities and work conducted to-date.
- Raise the visibility and awareness of the project for the general public.
- Provide an opportunity for feedback, both at the in-person open house and afterwards during the corresponding online open house.

Information about the following topics was presented on display boards, with staff available for discussion and to answer questions:

- Overview of the project scope, process, study area, and guiding principles
- Overview of what urban renewal is and examples of how it has been used locally in the past
- Summary of the Urban Design Framework
- Visions for each of the subareas in the Core Area
- Development feasibility analysis results
- Examples of the types of projects that urban renewal can pay for
- Update on current transportation projects and work happening in the Core Area
- Preliminary recommendation on the urban renewal boundary
- Kids Activity

The boards were organized into five stations:

1. Project Overview
2. Urban Design Framework
3. Development Feasibility
4. Project Types and Funding Priorities
5. Preliminary Boundary Recommendation

Open House Results and Discussion

Attendees of the open house were able to provide input on the project in several ways:

- Nine display boards included opportunities for attendees to provide topic-specific input by adding sticky dots or post-it notes.
- An interactive activity invited participants to distribute 20 beans (one bean represented \$5) into jars representing seven different types of projects that could be funded by urban renewal.

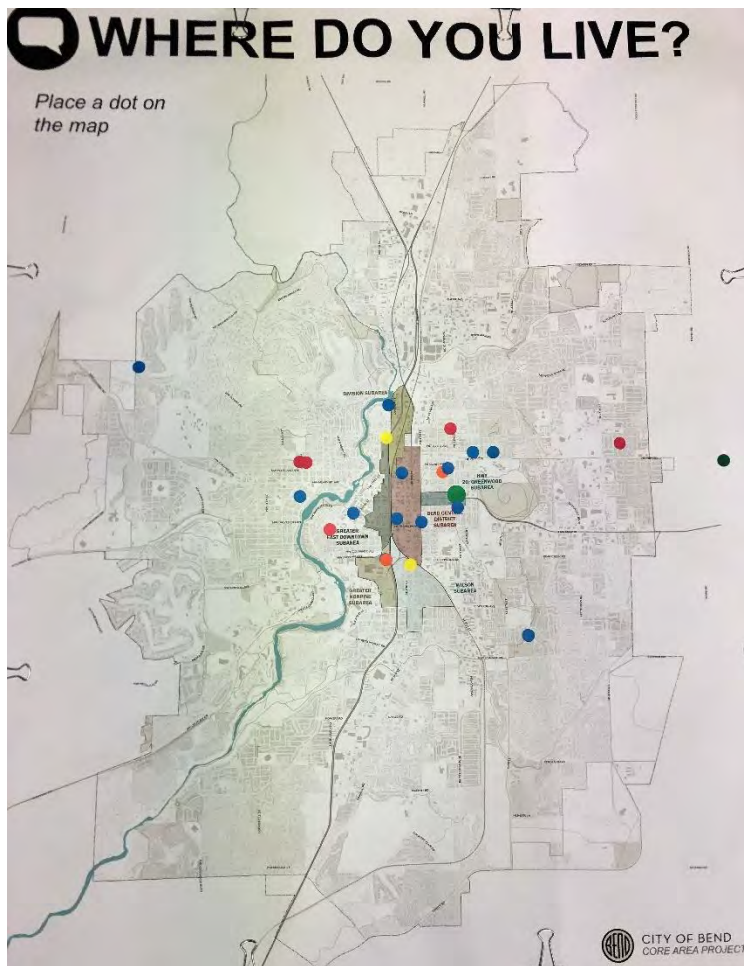
- Comment forms were available to gather input on anything that was not covered at the open house, and to offer feedback of the overall effectiveness of the open house.
- Staff were available at each display board station to have discussions with attendees, answer questions, and listen to input. In addition, a Spanish interpreter was available.

Engagement Boards

Where Do You Live?

A board at the entrance to the open house invited attendees to place a dot on a map of the City to indicate where they live. A total of 23 dots were placed on the map. The results are shown in Figure 2 below. Most of the participants identified their primary residence to be within or adjacent to the project study area with many participants coming from the Orchard District neighborhood.

Figure 2. Results of the "Where Do You Live?" Board



Guiding Principles

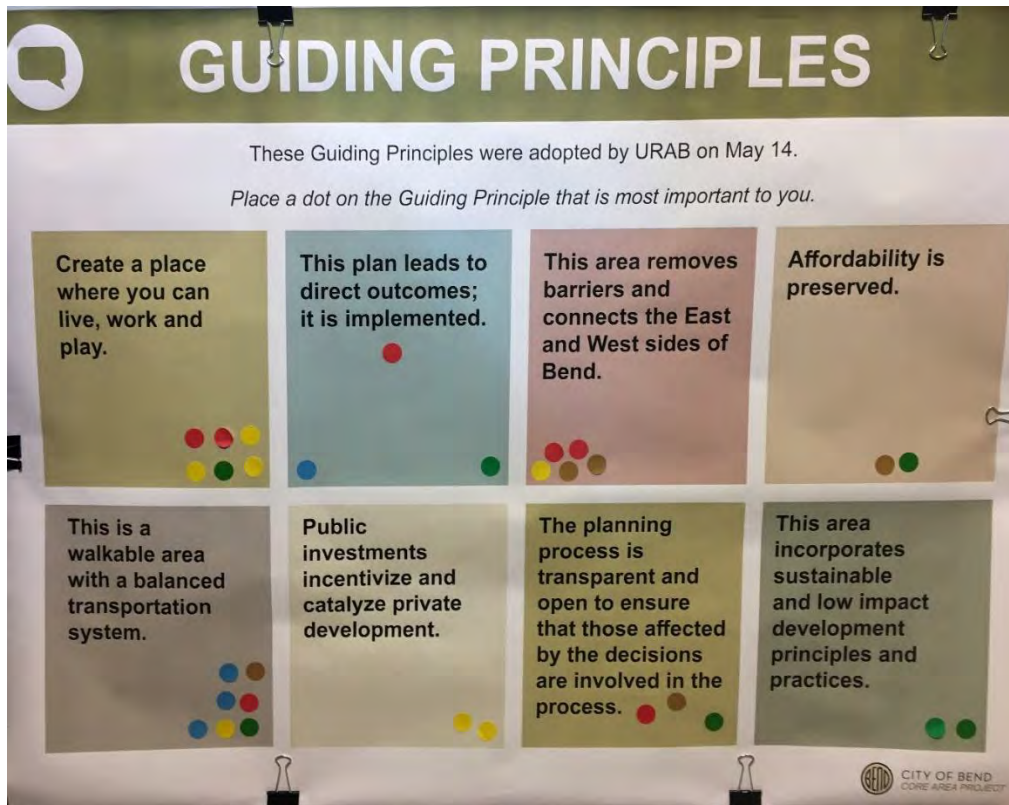
A board at the Project Overview station invited attendees to place a dot on the guiding principle that is most important to them. A total of 30 dots were placed on the board, and distributed as follows:

- This is a walkable area with a balanced transportation system. – 7 dots
- Create a place where you can live, work and play. – 6 dots
- This area removes barriers and connects the East and West sides of Bend. – 5 dots

- This plan leads to direct outcomes; it is implemented. – 3 dots
- The planning process is transparent and open to ensure that those affected by the decisions are involved in the process. – 3 dots
- Affordability is preserved. – 2 dots
- Public investments incentivize and catalyze private development. – 2 dots
- This area incorporates sustainable and low impact development principles and practices. – 2 dots

The results of the exercise are shown in Figure 3 below.

Figure 3. Results of the Guiding Principles Board



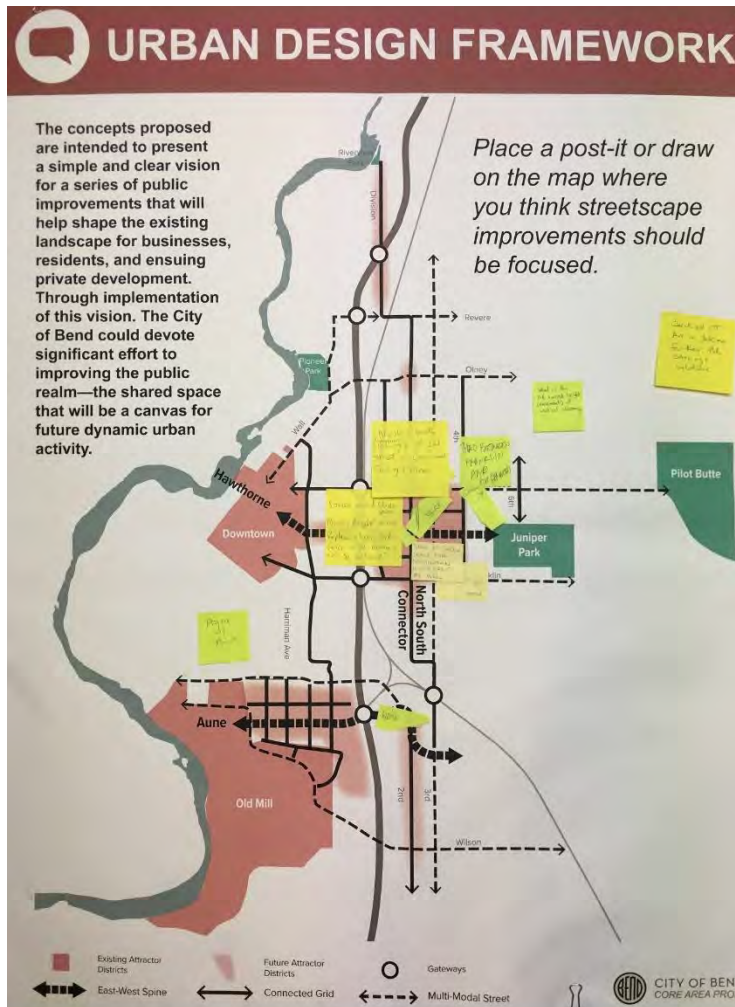
Urban Design Framework

A board at the Urban Design Framework station invited attendees to place a post-it or draw on the map of the core area where they think streetscape improvements should be focused. A total of 9 post-its were placed on the map. The results are shown in Figure 4 below. Comments included:

- Agree with Aune east/west spine
- Greenwood: mural, bright colors, replace chain link fence with railing, feels too enclosed
- North/south pedestrian crossings at 2nd and on Greenwood, Franklin, and Olney
- Focus streetscape improvements in Hawthorne Core
- Focus streetscape improvements on 3rd
- Focus streetscape improvements on 3rd between Franklin and Greenwood
- Check out 1st Street in Yakima for their railroad crossing solutions

- Think of green space for nonhuman inhabitants as well in the Core/Hawthorne area

Figure 4. Results of the Urban Design Framework Board



Subarea Visioning

A board at the Urban Design Framework station invited attendees to place a post-it on a map of the core area and its subdistricts, with the vision for each subarea listed, to respond to the following questions:

- Do you agree, disagree, or have a different vision for these subareas?
- What do you like about these areas now?
- What do you want to see in the future?

A total of 12 post-its were placed on the map. The results are shown in Figure 5 below. Comments included:

Division (2 comments)

- Agree (2)

Bend Central District (5 comments)

- If Urban Renewal funding is used for a Hawthorne Spine, funding is needed to improve Hawthorne Station
- Improvements in infrastructure + mixed-use development

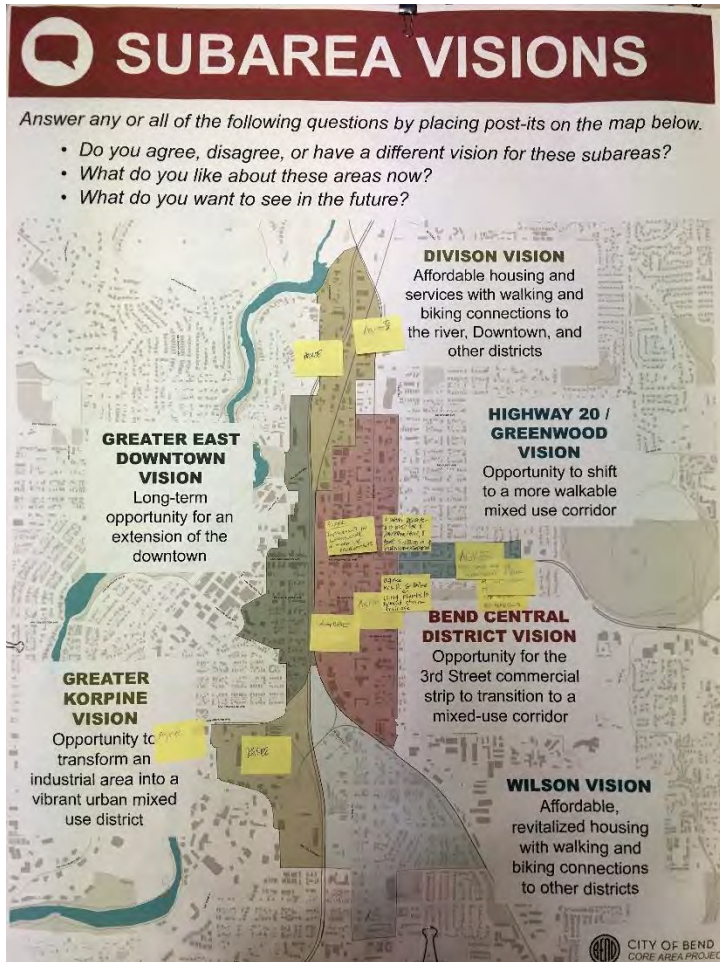
- Walk, bike and use plants to amend storm drainage

Inner Highway 20/Greenwood (3 comments)

- Agree, more walk and bike access
- Agree, slow cars down
- Agree, additional height for remodels

No comments were received regarding the Wilson or East Downtown subareas.

Figure 5. Results of the Subarea Visions Board



Planning for the Future

A board at the Development Feasibility station invited attendees to place a post-it on a map of the core area to respond to the following questions:

- Do you have plans to do something different with your property?
- If so, what do you want to be able to do?

Specific comments the team heard included:

- Eliminate parking maximums

Project Types Activity

A board at the Project Types and Funding Priorities station invited attendees to distribute 20 beans (one bean represented \$5) into jars representing seven different types of projects that could be funded by urban renewal in order to gauge community priorities.

A total of 28 community members participated in the activity. The results are listed below, in order of most to least beans:

- Transportation: 158 (28%)
- Affordable Housing: 101 (18%)
- Utilities & Infrastructure: 88 (16%)
- Business Infill & Redevelopment/ Redevelopment Assistance: 66 (12%)
- Public Buildings & Attractors: 60 (11%)
- Signage, Wayfinding, & Public Art: 45 (8%)
- Parks & Open Space: 41 (7%)

What Projects Do You Want to See?

A board at the Project Types and Funding Priorities station invited attendees to place a post-it or draw on the map of the core area projects that they think are important. A total of 12 post-its were placed on the map. Comments included:

- Traffic connection between US 97 and Bond Street through the KorPine site
- Traffic connection between US 97 and 3rd Street between Scott Street and Miller Avenue
- Crosswalk at 3rd Street on Underwood Avenue
- Pedestrian railroad overpass bridge on Underwood Avenue
- Community garden/sunny patch near the Deschutes River south of Underwood Avenue
- Pedestrian easement on Underwood Avenue to the river
- Greenway path/trail on Underwood Avenue to connect west/east
- Another downtown with a civic center at KorPine
- Bike connection path from Juniper Park to downtown
- East-west multimodal connections on Hawthorne across US 97
- Focus on school kids walking to school or riding bikes
- Traffic calming and landscaping along 3rd and US 97
- Project underpass on Greenwood
- Traffic calming and landscaping along Greenwood
- North/south bike corridor to Crux area
- Aune extension

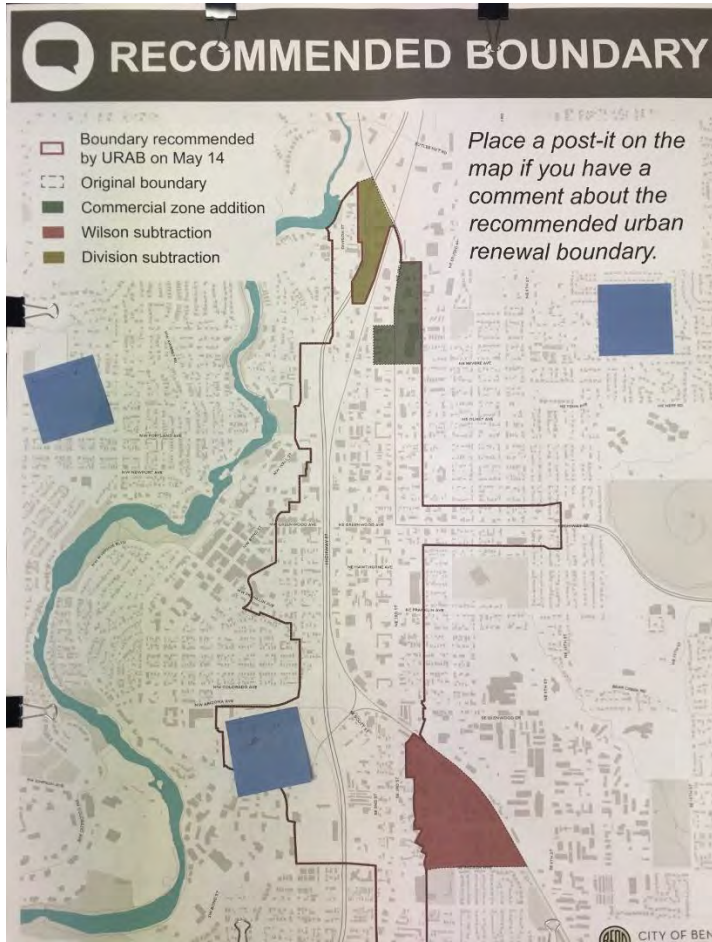
Recommended Boundary

A board at the Preliminary Boundary Recommendation station invited attendees to place a post-it on the map of the recommended core area boundary if they have any comments. A total of three post-its were placed on the map. The results are shown in Figure 6 below. Comments included:

- Looks good!- Four (4) attendees agreed with recommended boundary

- Include “spike strip” into boundary (referring to the former railroad right of way parcel just south of Arizona Avenue and north of the the KorPine site)

Figure 6. Results of the Recommended Boundary Board



Kid's Activity

A kid's corner was set up to encourage younger attendees to engage with the project. There were several kids present at the Open House that used markers and crayons to decorate their vision of the Aune Street underpass. Drawings included a “Historic Bend” gateway sign, star shaped lighting, an owl mural, a waterfall, bike path, and safe areas to host activities such as a lemonade stand.



KIDS ACTIVITY



Use markers or crayons to decorate the Aune Underpass with your vision!



Online Open House #1

Dates Available: June 15 - July 13, 2019

Participants: Approximately 373 community members participated in the online open house

Purpose of Outreach

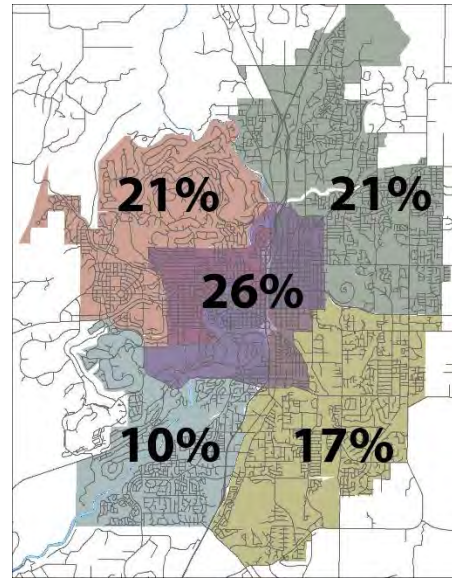
The online open house and survey was conducted as a parallel effort to the in-person open house held on June 15, 2019 and was available online for 4 weeks. The online event was intended to provide an alternative method for engaging community members who were unable to attend the in-person event, and to gather feedback from the broader community. The purpose and content of the online open house mirrored that of the in-person open house.

Participant Demographics

Participants were asked to share their age and where they live to help inform the project team about participant demographics. In total, 373 participants completed the online survey.

Where in Bend do you live generally?

- Bend’s Core- 26%
- NW Bend- 21%
- NE Bend- 21%
- SE Bend- 17%
- SW Bend- 10%
- Other- 5%

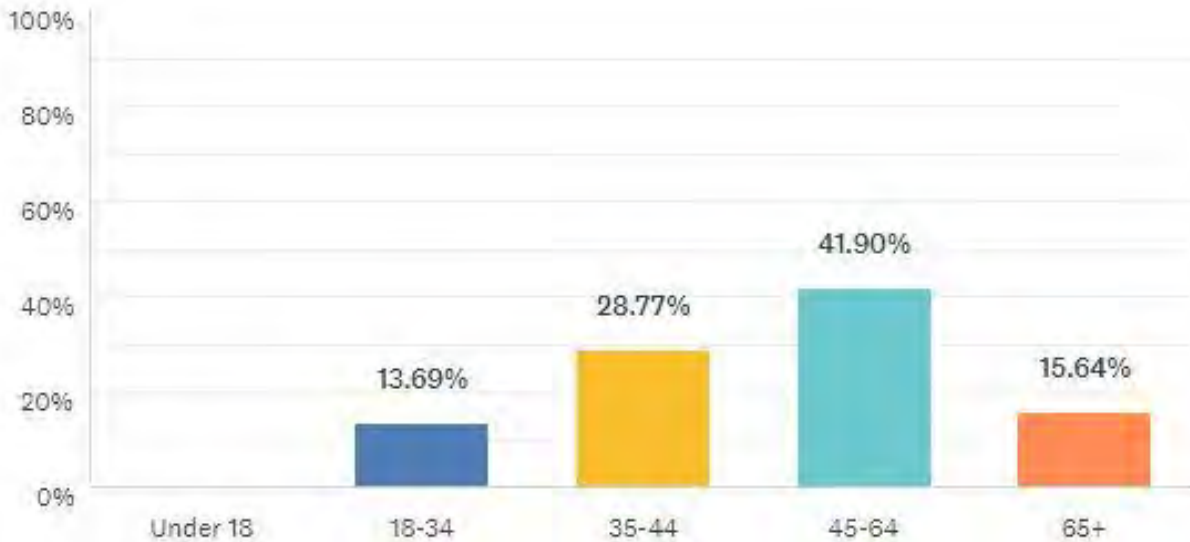


There was a fairly even geographic spread between participants across the City, with the majority of respondents (26%) from the Core area of the city.

In addition, 5% of respondents reported living in other areas including Tumalo, Deschutes River Woods, just outside of City limits, and Redmond.

What is your age?

The majority of survey respondents (41.9%) were between the ages of 45 and 64 years. The second highest group of respondents were between the ages of 35 and 44 years. There were no respondents under the age of 18 years.



Do you own or plan to own property within the study area?

Approximately 28% of respondents own or plan to own property within the study area. However, the majority of respondents (71%) do not currently own or plan to own property within the study area.

Online Open House Results and Comments

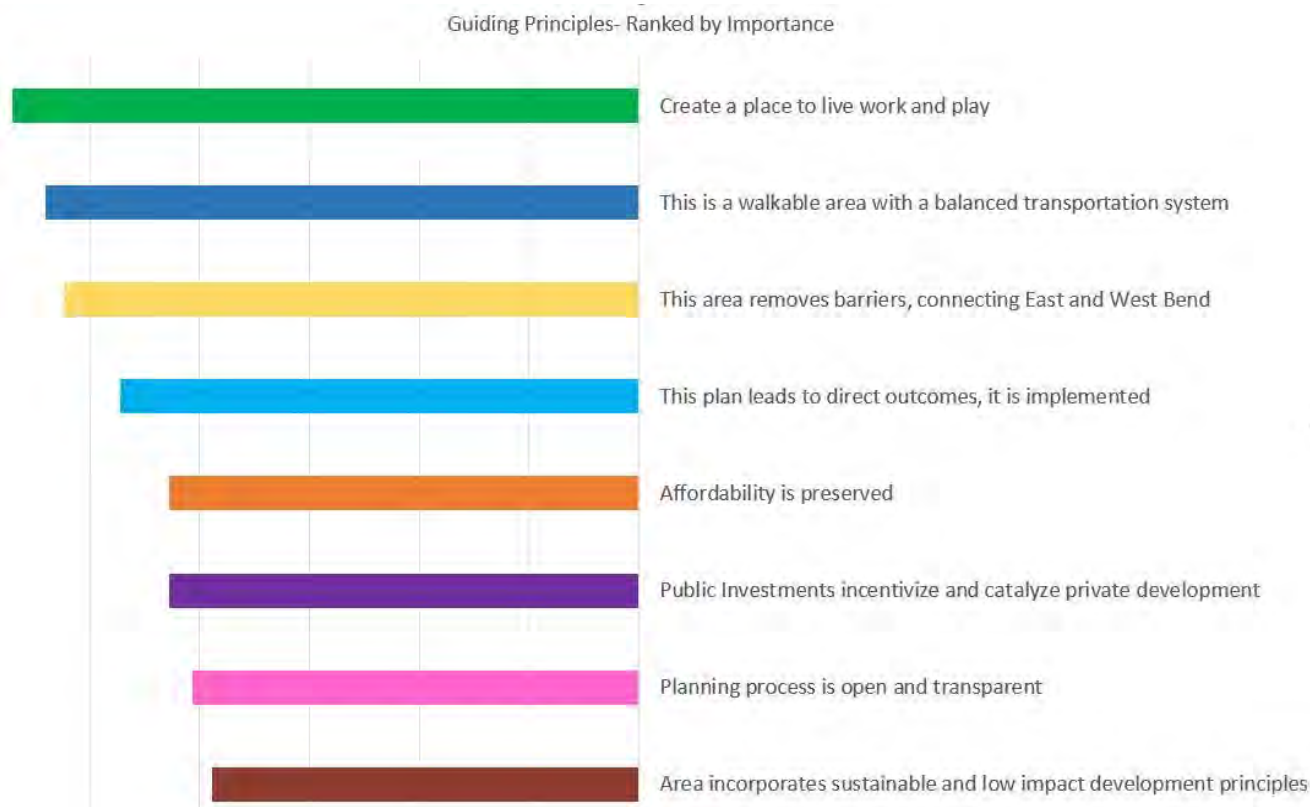
Guiding Principles

The Urban Renewal Advisory Board (URAB) adopted a set of Guiding Principles at their May 14, 2019 meeting. Survey respondents were asked to rank the importance of each guiding principle on a scale of 1 to 8. The Top 3 Guiding Principles identified by online respondents, matched the results of the in person open house:

- **Create a place to live, work and play**, 77 respondents identified as most important.

- **This is a walkable area with a balanced transportation system**, 41 respondents identified as most important.
- **This area removes barriers and connects the East and West sides of Bend**, 62 respondents identified as most important.

The graphic below demonstrates the prioritization of the eight Guiding Principles using a weighted average of respondent’s feedback.



How would you spend Urban Renewal funding?

Community members were asked how they would prioritize spending \$100 of Urban Renewal funding amongst seven project categories. After averaging the results, it was found that online respondents identified transportation as the highest priority and would split Urban Renewal funding in the following way:

- Transportation, 23%
- Utilities & Related Infrastructure, 17%
- Affordable Housing, 15%
- Parks and Open Space, 15%
- Business Infill & Redevelopment Assistance, 12%
- Public Buildings & Attractors, 10%
- Signage, Wayfinding, and Public Art, 8%

When combining these results with in person feedback and previous public comment responses, it was found that the community supported a distribution of Urban Renewal funding as shown in Figure 7.

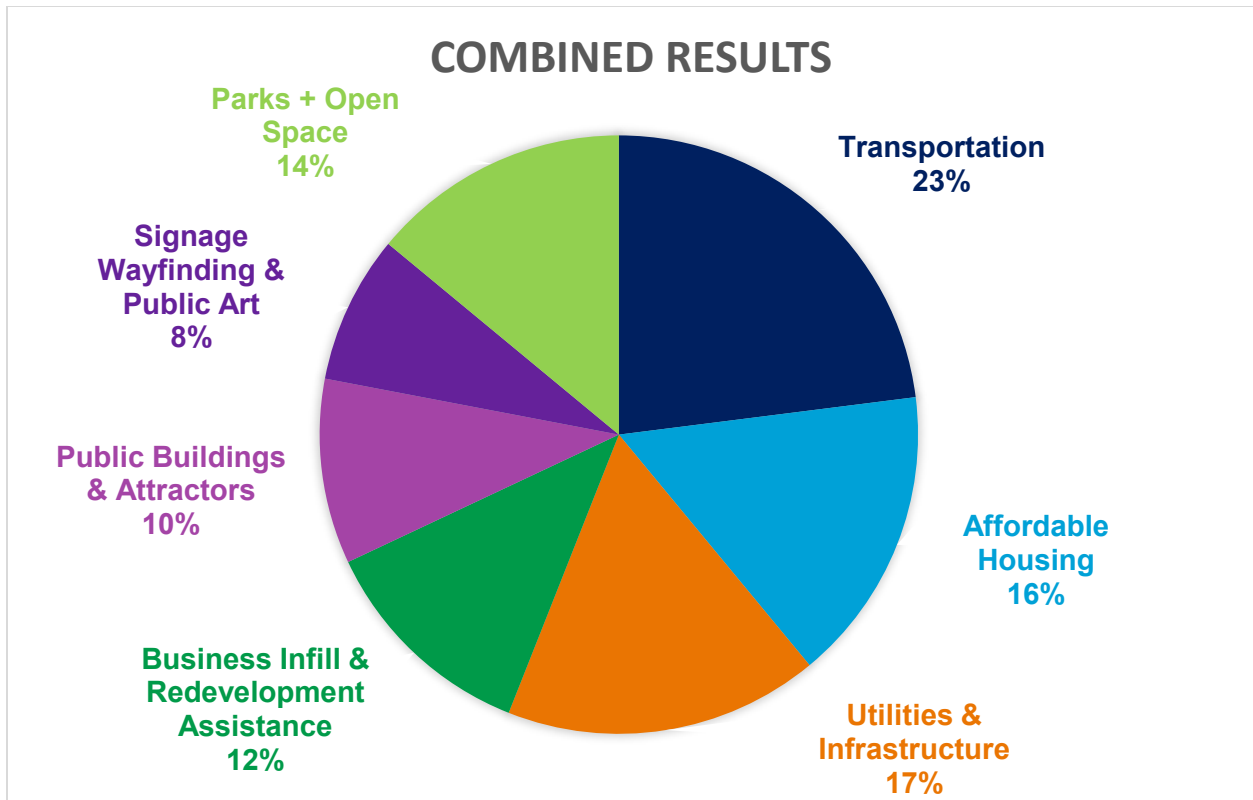


Figure 7. Combined Community Results for Urban Renewal Funding Distribution

Project Ideas

Community members were asked to share specific project ideas for the Core Areas of Bend. The majority of the 239 project idea comments received were transportation related- with a strong desire for a balanced transportation system that considered the needs of vehicles, bicyclists, pedestrians, and transit riders. The majority of transportation comments were supportive of improvements to enhance safety, walkability and bikeability of the area; **49% of all project idea comments mentioned support for improved bicycle and pedestrian facilities in the area.**

Project ideas were placed into categories to help understand overarching themes within project idea comment. These categories include:

- **Transportation (80% of all online comments):** Included project ideas that supported transportation improvements such as safety, bicycle and pedestrian facilities, over/underpasses, transit, as well as concerns related to traffic and congestion.
 - **Bicycle & Pedestrian:** 49% of all comments identified project ideas that were supportive of enhanced bicycle and pedestrian facilities in the area.
 - **Balanced Transportation:** 22% of all comments mentioned support for projects that would result in a balanced transportation system that balanced the need of all users.
 - **Over/Underpasses:** 20% of all comments mentioned project ideas specific to enhancing existing or building new overpasses or underpasses to cross the parkway and railroad.
 - **Transit:** 6% of comments were supportive of enhanced transit in the area.

- **Congestion/Traffic:** 3% of comments mentioned specific concerns with traffic and congestion in the area and a desire for wider roadways, turning lanes, or more traffic lanes.
- **Placemaking (32% of all online comments):** Includes project ideas such as streetscape improvements, public/civic spaces, parks/green space, public art, and other placemaking improvements.
 - **Public/Civic spaces:** 12% of all comments included project ideas that were supportive of public or civic spaces in the area such as a public plaza/square for a farmers market, government buildings, and music/art venues for indoor and outdoor entertainment.
 - **Parks/Green Space:** 10% of all comments mentioned a desire for parks and green space in the area such as a central park, open space, and pocket parks.
- **Mixed-use development and business improvement (38% of all online comments):** Includes comments supportive of mixed-use development providing a variety of housing and employment opportunities in the district.
 - **Housing:** 24% of comments mentioned a desire for more housing opportunities in the area.
 - **Mixed-use:** 10% of comments specified a desire for mixed-use development in the area.
 - **Business Assistance:** 8% of comments mentioned project ideas that would provide business support, creation and expansion opportunities such as development of increased office space, façade improvement programs, and live/work opportunities.
- **Affordable Housing (18% of all online comments):** Includes comments with a specific desire for affordable housing options within the area, including workforce housing options.
- **Parking (11% of all online comments):** Includes project ideas and needs specific to support parking needs in the area such as the creation of a parking district, construction of a parking garage, ensuring parking for access to businesses and more.
- **Sustainability (2% of all online comments):** Includes project ideas supporting sustainability practices in the area such as energy efficiency, solar, and storm water practices.

Where to prioritize streetscape improvements?

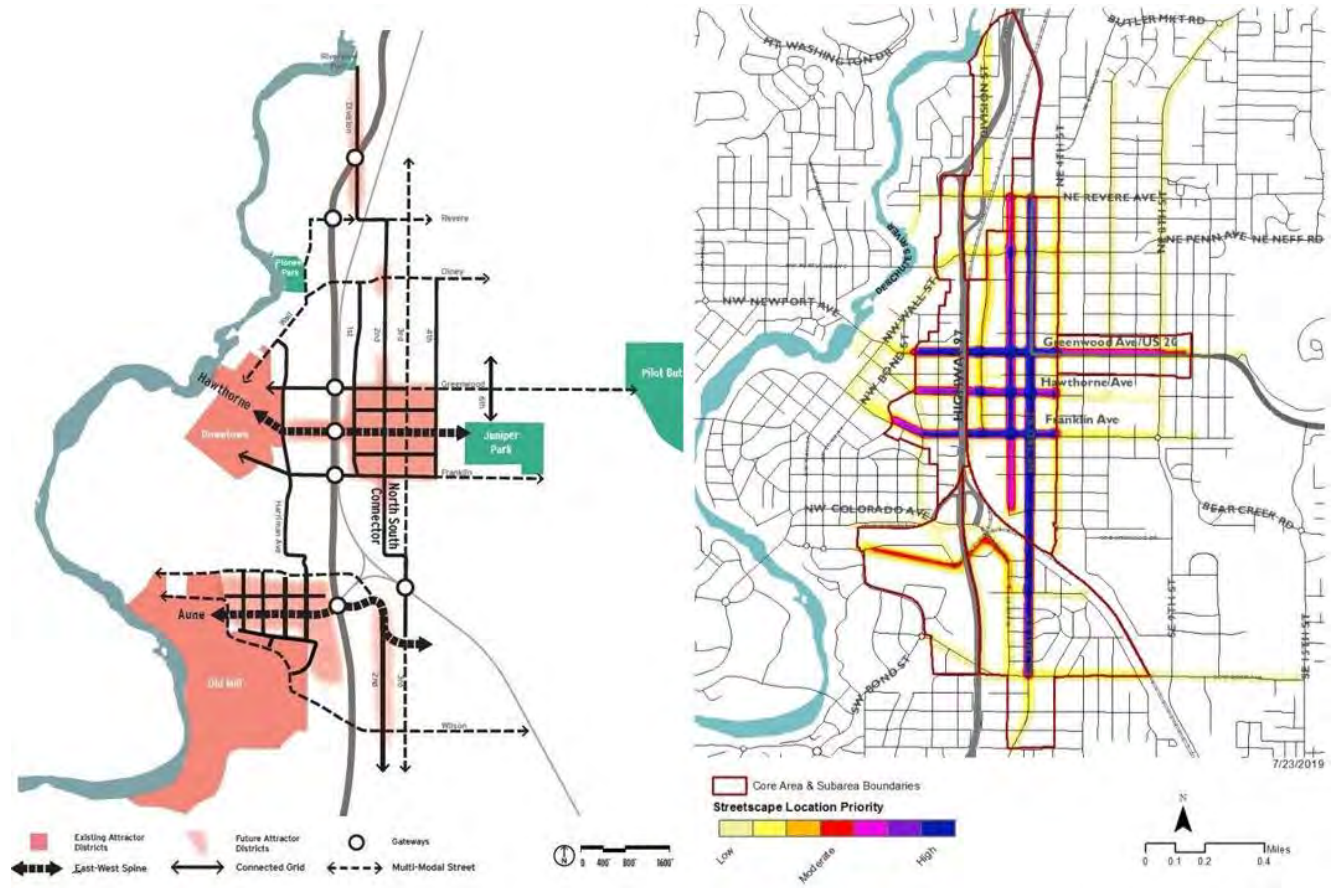
Community members, after reading information about the proposed Urban Design Framework for the area, were then asked where they would focus or prioritize streetscape improvements such as street lighting, wider sidewalks, and street trees within the study area.

A heat map was created from survey responses which is depicted in Figure 8 and included in Appendix A. Areas that show up as yellow on the map represent areas where a small number of respondents identified streetscape improvement needs, areas in orange to red color represent areas where a moderate number of respondents identified a desire for streetscape improvements; areas depicted with a purple and blue color are areas that had the highest number of respondents identify streetscape improvement needs.

The heat map demonstrates a general consensus and support for the Urban Design Framework. Many members of the community agreed with an emphasis on both the Hawthorne and Aune corridors for east-west connectivity as well the need for a north south connection such as 2nd Street and 3rd Street. One thing that was highlighted in the community's comments was

an emphasis on the Greenwood, Franklin and 3rd Street corridors, particularly undercrossing improvement needs and a desire for safe crossings of 3rd Street.

Figure 8. Heat Map of Survey Responses to Streetscape Improvement Question



Subarea Visions

Overall, the majority of respondents were supportive of the visions set forth for the subareas in the Urban Design Framework and Comprehensive Plan. Comments received specific to each subarea can provide further context as URAB makes future policy decisions about the Urban Renewal boundary and project prioritization.

Division subarea: Affordable housing and services with walking and biking connections to the river, Downtown, and other districts

- 124 respondents **agreed** with the proposed vision for the Division subarea
- 4 respondents **disagreed or had concerns** with the proposed Division subarea vision
 - Desire for more emphasis on auto-oriented transportation options in this area
 - Concern that “affordable” housing and services should not be isolated to this area and that it should be mixed-income
 - Concern that this area could not be affordable due to high property values

Overarching themes that emerged from comments:

- Desire for more businesses and housing in the area.
- Desire for placemaking to enhance safety and clean up the area.
- Desire for increased parking options.
- Desire for enhanced and safer transportation access to the area by all modes.

“I would like to see the Division subarea to become more welcoming. Right now it looks a little run down. With the exception of people specifically going to Boneyard, it seems to be mostly a cut through for people. A mix of updated housing and businesses with more inviting streetscape and perhaps a lower speed limit would make this area feel more like a neighborhood.”

Wilson subarea: Affordable, revitalized housing with walking and biking connections to other districts

- 121 respondents **agreed** with the proposed vision for the Wilson subarea.
- 4 respondents **disagreed or had concerns** with the proposed vision for Wilson.
 - Desire to focus investment in the Bend Central District.
 - Desire to create mixed income areas and not isolate affordable housing to one area of the City.
 - Recognition that “affordable” and “revitalized” could be conflicting goals.

Overarching themes that emerged from comments about the Wilson subarea included:

- Lack of connectivity of the Wilson area to nearby destinations (such as Old Mill) and need for better access for all users to/from the area.
- Recognition of the likelihood that investment or enhancements to this area could price existing renters out of the area.
- Support for missing middle housing and multifamily housing as well as improving opportunities for home ownership.
- Desire to add live/work opportunities.

Greater East Downtown subarea: Long-term opportunity for an extension of Downtown

- 114 respondents **agreed** with the Comprehensive Plan’s vision for the East Downtown subarea.
- 6 respondents **disagreed or had concerns** with the East Downtown vision.
 - Desire to enhance/focus investments into the existing downtown or to the east side of the parkway
 - Desire to preserve quieter and charming character of this district

Overarching themes that emerged through comments:

- Strong desire to enhance connectivity to this area from the east side (especially on Greenwood Avenue)
- Recognition/desire to connect and integrate the area into the existing downtown.
- Concern that parking solutions will need to be identified for this area.

Bend Central District subarea: Opportunity for the 3rd Street commercial strip to transition to a mixed-use corridor

- 116 respondents **agreed** with the Comprehensive Plan’s vision for the Bend Central District.

- 4 respondents **disagreed or had concerns** with the vision.
 - Concern that 3rd Street will likely continue to function as a high traffic roadway that supports auto-oriented users.

Overarching themes that emerged through comments:

- Desire to not only focus on the 3rd Street corridor
- Support for safety improvements and housing/mixed-use development of the area.
- Desire for enhanced connectivity, access, and safe multi-modal options to and within the district.
- Desire to create a place where you can live, work, and play.

Inner Highway 20/Greenwood subarea: Opportunity to shift to a more walkable mixed-use corridor

- 116 respondents **agreed** with the Inner Highway 20/Greenwood vision.
- 4 respondents **disagreed or had concerns** with the vision.
 - Concern that snow deters people from walking and automobiles should continue to dominate access needs in the area.
 - Recognition that Greenwood is a state highway and will need to continue to carry high speed traffic and that increasing pedestrian and bicycle activity on this corridor could cause conflicts.

Overarching themes that emerged through comments:

- Recognition that US20/Greenwood is a state highway and crucial east-west arterial that will need to continue to provide capacity for vehicular traffic.
- Desire to provide multi-modal options and safety improvements to enhance connectivity to and through this area.
- Desire to integrate and connect this area to adjacent neighborhoods, downtown, and Juniper Park.
- Desire for additional destinations (businesses, neighborhood services) and better access to those destinations especially from adjacent neighborhoods

Inner Highway 20/Greenwood

"I like the variety of retail, but the presence of speeding traffic on the Highway 20 corridor prevents me from stopping on occasion."

Greater KorPine subarea: Opportunity to transform an industrial area into a vibrant mixed use district

- 98 respondents **agreed** with the Comprehensive Plan vision for the area.
- 2 respondents **disagreed or had concerns** with the vision for the area.
 - Desire to allow industrial businesses that do not pose environmental hazards to mix with residential uses (live/work).

Overarching themes that emerged through comments:

- Desire to integrate and connect this area to destinations such as the Old Mill, Downtown and future Bend Central District.
- Desire to re-open Industrial Way/Aune Street as a through road.
- Desire for green, open space and public gathering areas.

- Desire to maintain mountain views.
- Desire for this area to maintain a Bend character as it develops with housing and local, creative businesses.

Development Plans

Respondents who indicated that they owned or planned to own property within the study area were asked to share development plans they may have. Approximately 67 respondents identified that they owned property within the study area.

Of the applicable comments received, the majority of respondents that owned property indicated a desire to keep the existing residential nature of their home in the area. Some respondents noted specific desires to enhance access to nearby destinations with a desire for sidewalks and landscaping. About 15 respondents noted an interest in developing an additional dwelling unit (ADU) on their existing property.

Approximately 21 respondents noted an interest in developing mixed-use projects in the area. Most comments that were supportive of developing in the area noted a desire to develop mixed-use buildings including restaurants, office, retail and housing, including cottage housing, multifamily, live/work units, and affordable housing. Two comments specifically noted a desire for less stringent parking requirements. Other comments included desire to allow music/concerts in the area, enhancing business facades, as well as ensuring financial feasibility of their development ideas.

Urban Renewal Boundary

About 47% of survey respondents had comments on the boundary. Of those comments, **the majority (61%) agreed with the boundary** recommended by URAB at their May 14, 2019 meeting.

A small percentage (9%) advocated for a bigger boundary while 7% advocated for a smaller, more focused boundary. Those advocating for a bigger boundary suggested expanding the boundary east to Pilot Butte along US20/Greenwood, expanding the Divison subarea to the Deschutes River Trail along Revere Avenue, and incorporating the former railroad right of way parcel near Arizona Avenue. Those advocating for a more focused boundary indicated a clear desire to focus primarily on the Bend Central District subarea. There was some concern about the need to include the KorPine subarea due to its existing desirability and market potential. Some respondents (3%) indicated a desire to stick with the original boundary and 8% advocated to keep the Wilson subarea in specifically.

Reasons noted for keeping the Wilson subarea in included a sense that the area felt blighted and could benefit from improvements. Alternatively, there were several community members that voiced support specifically for removing the Wilson subarea in their support for the recommended boundary.



URBAN RENEWAL ANALYSIS



Fact Sheet: Urban Renewal in Bend's Core Area Project

PREPARED FOR: Urban Renewal Advisory Board
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PREPARED BY: Elaine Howard, Elaine Howard Consulting, LLC
Lorelei Juntunen and Becky Hewitt, ECONorthwest
DATE: March 7, 2019

What is Bend's Core Area Project?

Bend's Core Area Project (CAP) will result in a common vision and implementation plan for the Core Area of the City. During the 2016 Urban Growth Boundary expansion process, the City identified several opportunities areas (Bend Central District, East Downtown, Inner Highway 20 / Greenwood, and KorPine) within the Core Area that require focused implementation attention. Through the CAP process, the City will work with property owners, area residents, and other stakeholders to:

- Develop an urban design framework for the area.
- Identify needed circulation improvements to enhance connectivity within and among areas.
- Identify programs and projects for the area, including streetscape improvements, public spaces, gateways, affordable housing, or art and beautification programs.
- Determine location, phasing, and costs for necessary infrastructure (sewer, water, storm water and transportation) to support potential development and redevelopment of the area.
- Identify any needed code amendments or zoning changes, if necessary, to achieve the vision for this area.

Importantly, the CAP will also identify specific funding strategies, incentives, and other tools that can be used to achieve the vision for the area's future. Urban renewal is primary among the tools that the City will evaluate. This document describes what urban renewal is, how it works by Oregon law, and how its feasibility will be evaluated as part of the CAP process.

Urban Renewal: A Primer

What is urban renewal?

Urban renewal is a program used throughout Oregon to provide a financing mechanism to implement city plans in designated urban renewal areas. The goal of urban renewal is to make investments that spur development that would not have otherwise occurred. The revenue to pay for projects in an urban renewal area is generated by the growth in assessed property value. Urban renewal funds may be invested in administration of an urban renewal plan and in capital projects, such as streetscape improvements, new construction or rehabilitation, or other

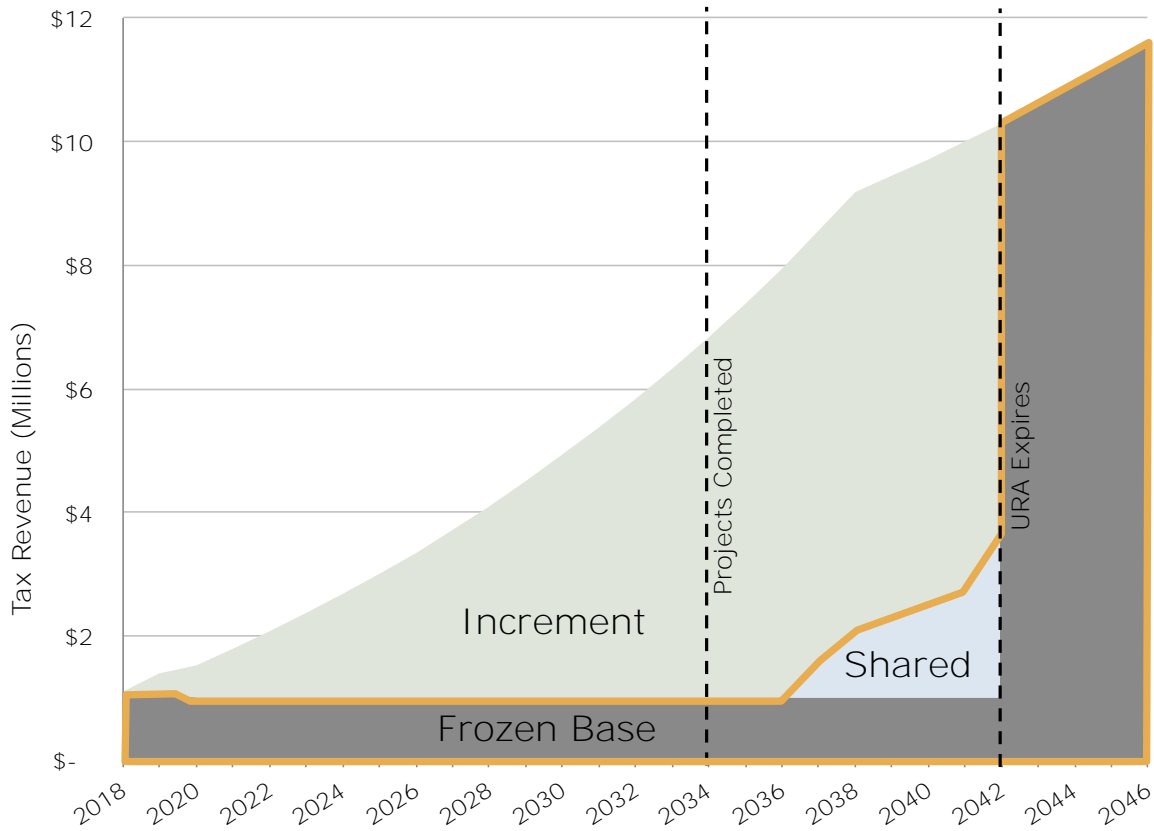
physical investments in the public or private realm. Those projects must be described in an adopted urban renewal plan that meets statutory requirements defined in ORS 457.

How are urban renewal projects financed?

In Oregon, property taxes, with or without urban renewal, increase for two reasons: 1) The assessor may increase property assessed values by no more than 3.0% per year; 2) The property owner completes new construction or substantial renovation of their property resulting in increased assessed valuation.

When an urban renewal area is created, the property tax revenue from that area is diverted into the following revenue streams:

- **Frozen Base** (shown in dark gray in the graphic below): The total assessed value of all properties in the urban renewal area when it is formed. The frozen base revenue stream continues to go to the regular taxing jurisdictions, such as the city, the county and the school district.
- **Increment** (shown in light green below): These are the funds that are available to finance urban renewal projects. When property values increase over time from new development and appreciation, taxes off this growth goes to the urban renewal agency for use in the urban renewal area for use on projects, programs, and administration throughout the life of the area, instead of going to the overlapping taxing districts.
- **Shared** (shown in blue below): Once the urban renewal area is successful and generating significant increment each year, according to standards established in ORS 457, a portion of the increment is "shared" with affected taxing districts. Revenue sharing begins when tax increment revenues reach 10% of the initial maximum indebtedness (or the cap on total spending that is defined in the adopted urban renewal plan) in a given year a portion of the annual increment over 10% is shared with the overlapping taxing districts. Once tax increment revenues reach 12.5% of the maximum indebtedness, the increment to the urban renewal agency is capped at 12.5% of the initial maximum indebtedness and the remainder of tax increment revenues are distributed to the overlapping taxing districts.



Early Years:

Increment revenues are usually small. The urban renewal area incurs loans to fund strategic improvements to stimulate new development.

Middle Years:

Development occurs, boosting increment revenue. The urban renewal has more capacity to fund projects.

Late Years:

Annual increment revenues are large. Final projects are completed, outstanding debt is repaid, and the urban renewal closes down. Revenue sharing may occur if thresholds are met.

After Expiration:

Once all projects have been completed and debt repaid, all of the tax revenue returns to overlapping taxing districts and they receive the benefits of increased property values.

Does urban renewal increase my taxes?

No. Urban renewal is not a new tax on property and does not increase the amount a property owner pays in property taxes. Property taxes are based on the tax rate and the property's assessed value and increases as the assessed value grows. Urban renewal does not increase the tax rate.

How does urban renewal generate revenue if it does not increase property taxes?

The financial impact of the urban renewal is not on the property tax payer, but on taxing jurisdictions. Urban renewal revenues are generated from increases in assessed value of property within an urban renewal area after it is formed. While the urban renewal area is active, other taxing jurisdictions' revenue from that area remains largely fixed, and the tax revenue from the increase in assessed values goes to the urban renewal agency to pay for projects that help to spur new investment. When the urban renewal area expires, taxing jurisdictions can expect to receive more tax revenue than they would have without an urban renewal area, due to the increased assessed values stemming from the increased investment in the area.

Does urban renewal affect school district funding?

School districts are not directly affected by urban renewal. Under Oregon's school funding law, the Oregon Department of Education combines property tax revenues with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone due to the use of tax increment financing are replaced with State School Fund revenues, as determined by the state funding formula. While urban renewal statewide has an impact on the amount of funding in the State School Fund, the legislature can re-allocate other funding sources to the State School Fund.

What are the benefits of urban renewal?

Over the long term, the urban renewal area could produce significant revenues for capital projects. Some examples of urban renewal investments include:

- Capital improvement loans for small or startup businesses
- Storefront improvement grants for improvements to existing properties
- Streetscape improvements and transportation enhancements, including new lighting, trees, sidewalks, and intersection improvements
- Redevelopment projects, such as mixed-use or infill housing developments
- Historic preservation projects
- Parks and plazas
- Utility or infrastructure projects to support new development

How will urban renewal be studied and potentially adopted in the CAP process?

The CAP process has two phases, as follows:

Phase 1 – Core Area Implementation Strategy. This phase will develop the vision, urban design framework, and implementation framework. It will also include a detailed urban renewal feasibility evaluation.

While not required in the Oregon Revised Statute, many communities choose to undertake a feasibility study to explore the potential for urban renewal to contribute to area revitalization. In the CAP, the urban renewal feasibility study task of Phase 1 will result in a recommendation regarding whether to proceed to a full urban renewal plan and report. It will also explore and make recommendations regarding the following components of a potential urban renewal plan:

- Goals for urban renewal investment
- Recommended boundary for the urban renewal area
- Prioritized list of the capital projects that can feasibly be funded with urban renewal dollars, to implement the urban design framework for the area
- An urban renewal financial feasibility analysis, including a recommended cap on total urban renewal spending (or maximum indebtedness)
- Discussion of the interaction among other potential implementation and funding tools and urban renewal

Phase 1 begins in January 2019 and will be completed by June 2020.

Phase 2 – Urban Renewal Plan and Report. In Phase 2, the city will prepare an urban renewal plan, which will establish an official urban renewal boundary, goals and objectives for the urban renewal area, and outline projects and programs which will help improve conditions of the area. The plan also sets the spending limit (called maximum indebtedness) for the urban renewal area. A technical report accompanies the plan, which contains the financial feasibility analysis and forecasts when funding will become available to pursue projects within the area. The urban renewal plan must go through a public review process and be adopted by the Bend City Council (City Council). The general schedule is to begin in (or before) June 2020 and to be considered for adoption by September 2020. Phase 2 is contingent upon the successful completion of Phase 1, including a conclusion by the city that a Core Area urban renewal area will feasibly implement the goals for the area.

The CAP public review process includes the following steps:

- In December 2018, the City Council established the Urban Renewal Advisory Board (URAB) to guide the project and determine the feasibility of urban renewal for Bend's Core Area.
- The URAB will meet a minimum of eight times between February 2019 and May 2020. The meetings are open to the public and public comment will be part of every agenda.
- The URAB process will be complemented by an extensive community engagement program, including workshops, outreach meetings, and on-line information¹.
- Meetings to explain the process, boundary, and potential projects will be held with all overlapping taxing districts.
- Deschutes County will be briefed on the urban renewal plan.
- The Bend Planning Commission will review the urban renewal plan for conformance with the Bend Comprehensive Plan.
- The City Council will hold a public hearing and vote on the urban renewal plan.

Any action by the City Council must be by non-emergency ordinance and after a public hearing is held. Notice of the public hearing must be sent to individual households in the City of Bend as required by statute. Non-emergency ordinances can be referred to voters within 30 days of adoption.

¹ For additional information, please go to: <https://www.bendoregon.gov/government/departments/growth-management/coreareaimplementation>



Urban Renewal Boundary Analysis

PREPARED FOR: Urban Renewal Advisory Board
COPY TO: Project team
PREPARED BY: Lorelei Juntunen and Becky Hewitt, ECONorthwest
DATE: May 7, 2019

Introduction

Purpose of this memorandum

At its May 14 meeting, Bend's Urban Renewal Advisory Board (URAB) will discuss an initial boundary for a proposed new Urban Renewal Area in Bend's Central Area.

This memorandum provides background analysis and an initial boundary proposal to inform URAB discussion and facilitate decision-making. The memorandum describes why the urban renewal boundary is important, explains the variables (key considerations) that influence boundary decisions, and describes the process for establishing the urban renewal boundary as part of the Core Area Project. It also describes the various subareas within the Core Area Project's study area and summarizes the Project Team's evaluation of the subareas to date.

The importance of the Urban Renewal boundary

Urban renewal boundary decisions are foundational; they play a primary role in defining the financial viability and effectiveness of any urban renewal plan. Tax increment (the primary funding source for urban renewal investment) may only be collected from inside an adopted boundary; this revenue stream dictates the plan's maximum indebtedness. And tax increment dollars may only be spent inside an adopted boundary.

Steps in establishing the boundary

Decisions about the boundary are on the critical path to all of the key planning work that must be undertaken when forming an urban renewal area. Until a boundary is identified, it is not possible to accurately project revenue or identify eligible projects. While boundaries can certainly be refined during a planning process, doing so will typically require re-estimating revenues and reconsidering projects. As a result, the initial boundary decision is a critical one that must be approached strategically and thoughtfully.

The process for establishing and refining the boundary as part of the Core Area Project is summarized below.

- **Initial Boundary Guidance:** This memorandum summarizes the initial analysis of subareas by the project team and presents a preliminary recommendation for URAB consideration.
- **URAB Preliminary Boundary Recommendation:** On May 14, URAB will provide input on the subareas and make an initial boundary recommendation to forward for public input.
- **Public Input on Boundary:** At Public Workshop 1 on June 15, members of the public will have an opportunity to comment on the recommended boundary.

- **URAB Initial Boundary Decision:** At the August 13 meeting, URAB will review feedback from Public Workshop 1 and make an initial decision about the urban renewal boundary that will serve as the basis for financial analysis.
- **Financial Analysis:** Following the August 13 meeting, the project team will use the initial boundary as the basis for projecting the tax increment and estimating Maximum Indebtedness and estimated amount of funding available for projects.
- **Boundary Refinements:** Based on the final project list, URAB can make small boundary revisions to pick up right-of-way or specific publicly-owned (tax-exempt) properties where projects are located. However, changes that add or remove taxable properties would require revising TIF projections, which could have schedule and budget implications.

Considerations in setting the boundary

The following is a list of considerations that informed the initial boundary proposal included in this memorandum.

- Does the area inside the boundary need targeted investment in infrastructure, development, and placemaking to achieve development outcomes that match public vision and goals?
- Does the area within the boundary contain sufficient assessed value and development potential to support tax increment revenue growth?
- Once an urban renewal plan is adopted, it may only be expanded by a total of 20% of its acreage.¹ Does the proposed boundary allow sufficient future flexibility to accommodate changing conditions?
- Does the proposed area for the URA stay within the statutory limits for acreage and assessed value?² (The URA in Bend's central area is not likely to cause the City to exceed those limits, but it is important to keep this statutory limit in mind.)
- Does the area inside the boundary meet the statutory definition of blight? (All areas under consideration are likely to meet this definition. Formal findings of blight will be completed in the final stage of project work.)

“The most logical boundary encompasses the area that is blighted and will benefit from the use of tax increment funding for projects and programs within the area.”³

¹ ORS 457.220(3)

² ORS 457.420 limits the amount of acreage and assessed value that may be in urban renewal for cities with a population of more than 50,000 to 15%. This is the combined total across all urban renewal areas.

³ Association of Oregon Redevelopment Agencies, “Best Practices for Urban Renewal Agencies in Oregon,” January 2014, p. 10.

Project Study Area

Subarea Overview

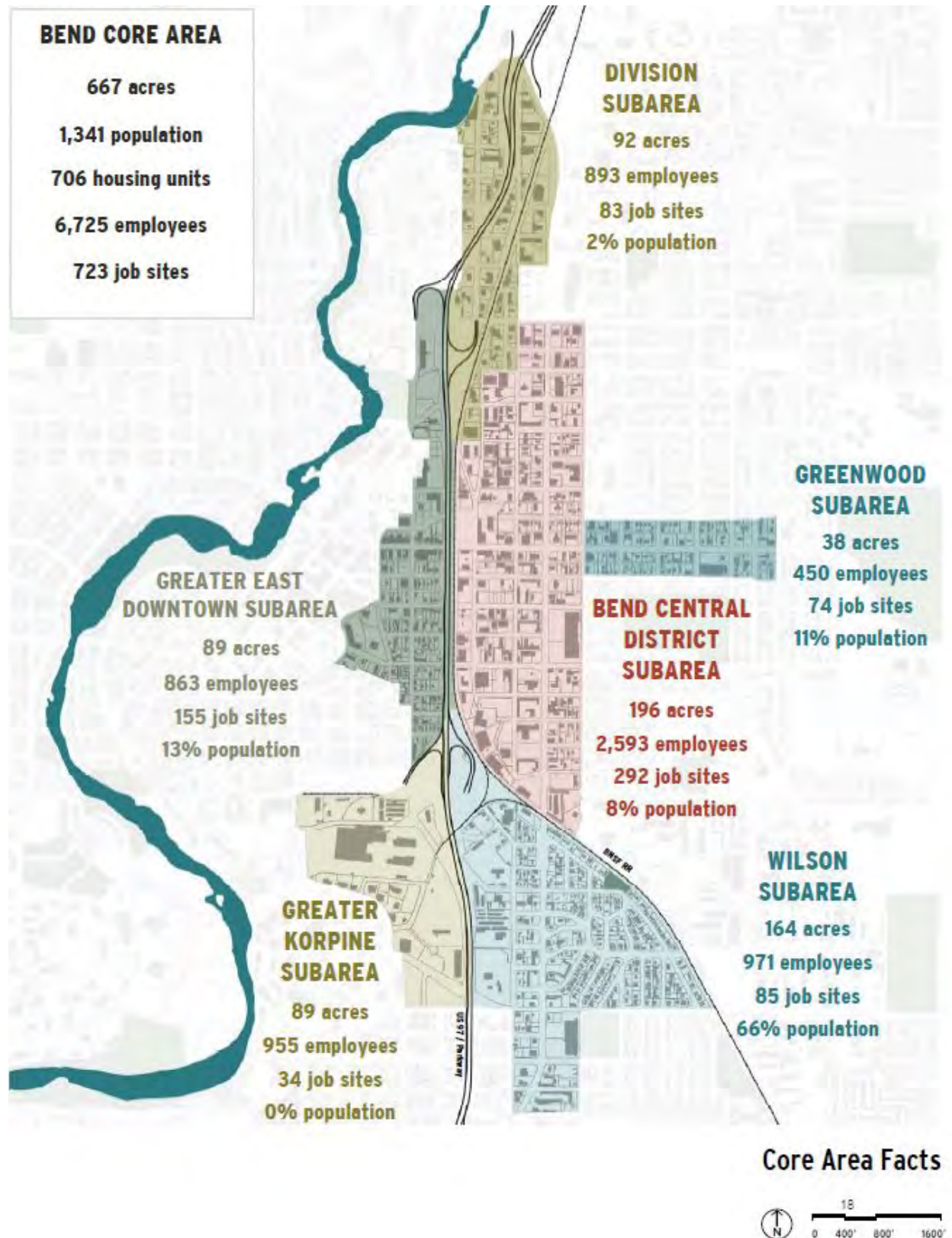


Figure 1. Study area sub-area overview

Subarea Analysis Matrix

The subarea analysis matrix (Table 1) provides information about the subareas to guide creation of the initial urban renewal boundary. The matrix provides the following information for each subarea:

- **Existing assessed value (AV) and acreage:** assessed value of real property (land and improvements) and manufactured structures based on County tax assessor’s data and total acreage (including right-of-way). More existing AV can provide more tax increment in early years based on appreciation of existing properties. The total amount also is subject to statutory limitations (though those are not a big limitation in this case).
- **Strengths:** Urban design, infrastructure, regulatory, and market strengths and opportunities that could support future development and investment in the area.
- **Challenges:** Urban design, infrastructure, regulatory, and market challenges that may be impeding development and investment in the area.
- **Needed investments:** Physical improvements needed to address the challenges and issues in the area.
- **Development potential:** Observations based on Cascadia Partners’ analysis of development potential under existing conditions and with strong market conditions and flexible zoning. Helps the City understand where tax increment revenue is likely to be produced and where investments can spur development.
- **Relationship to guiding principles:** Does the area have any particular ability to advance the guiding principles?
 - Vibrant mixed use city center—create a place where people can live, work, and play
 - Connectivity: Remove east-west and north-south barriers
 - Affordability
 - Walkability / balanced transportation system
 - Catalyzing private development
 - Benefits are distributed equitably/fairly
 - Sustainable/low impact development

Table 1. Subarea Analysis

| Subarea | Strengths | Challenges | Development Potential | Needed Investments | Other City Actions Needed to Unlock Potential | Relationship to Guiding Principles |
|---|--|---|---|---|--|--|
| <p>Greater East Downtown 89 acres \$72.2 million existing AV</p> | <ul style="list-style-type: none"> Well-connected to downtown Pleasant street frontage Creative reuse of buildings Mixed-use development on Greenwood with walkable streets | <ul style="list-style-type: none"> Isolated from Parkway, Franklin, Greenwood Lack of low stress bicycle facilities Mostly small parcel sizes | <ul style="list-style-type: none"> Higher existing property values on a per-square-foot basis Few locations identified as high development potential under existing zoning and market conditions More development potential if market conditions improve and if mixed use zoning & parking reductions expanded | <ul style="list-style-type: none"> Low stress bicycle facilities Enhanced connectivity between Bend Central District and Downtown (over- and under-crossings) Maintaining character with new development | <ul style="list-style-type: none"> Amendments to commercial zoning to create greater flexibility for mixed use development | <ul style="list-style-type: none"> Walkability/balanced transportation system. Opportunity to create a place where people can live, work, and play. |
| <p>Bend Central District 196 acres \$152.9 million existing AV</p> | <ul style="list-style-type: none"> Remodels and redevelopments in progress High traffic visibility and accessibility to the different parts of the City Dominant employment base for Industrial, Commercial, and Retail. Variety of local businesses | <ul style="list-style-type: none"> Lacking pedestrian crossings across major roadways Auto-oriented commercial and retail businesses Existing heavy-duty industrial users Poor pedestrian environment Not well connected to downtown | <ul style="list-style-type: none"> Mostly small-to-medium parcel sizes Medium-to-high existing property values on a per-square-foot basis Many locations identified as high development potential under existing zoning and market conditions More development potential if placemaking improves and zoning tweaked to facilitate mixed use | <ul style="list-style-type: none"> Enhanced transportation options and connectivity Parking management Low stress bicycle facilities “People spaces”- parks/plaza and open/green spaces; mobility hub Civic spaces and buildings Enhanced safety on major corridors | <ul style="list-style-type: none"> Amendments to zoning in some areas to create greater flexibility for mixed use development | <ul style="list-style-type: none"> Opportunity to create a place where people can live, work and play. Opportunity to remove barriers (east/west and north/south) Opportunity to create a walkable area with a balanced transportation system Opportunity to incorporate sustainable and low impact development principles/practices. Opportunity for public investments to |

| Subarea | Strengths | Challenges | Development Potential | Needed Investments | Other City Actions Needed to Unlock Potential | Relationship to Guiding Principles |
|---|---|---|--|---|---|---|
| Greenwood 38 acres \$31.8 million existing AV | <ul style="list-style-type: none"> Proximity to Juniper Park Views of Pilot Butte Prominent trees | <ul style="list-style-type: none"> Lacking streetscape improvements Frontage voids from large surface street parking lots Auto-oriented retail signage Difficult pedestrian crossings ODOT jurisdiction over Hwy 20 Mostly small parcel sizes | <ul style="list-style-type: none"> Higher existing property values on a per-square-foot basis Few locations identified as high development potential under existing zoning and market conditions More development potential if placemaking improves | <ul style="list-style-type: none"> Beautification and gateways Redevelopment incentives Environmental clean-up/DEQ analysis More comfortable inviting character for pedestrians and bicyclists Connectivity and safer crossings Neighborhood commercial services and amenities Sidewalk infill | <ul style="list-style-type: none"> <i>None identified to date</i> | <ul style="list-style-type: none"> incentivize/ catalyze private development. Opportunities to better connect area to downtown & improve synergies between the two areas Opportunity for walkable area with balanced transportation system. Opportunity to create a place where people can live, work, and play. Opportunity to remove barriers and connect north and south parts of Bend. |
| Greater KorPine 89 acres \$58.3 million existing AV | <ul style="list-style-type: none"> Mountain views Older buildings repurposed Variety of local businesses Space for cyclists on sidewalk / shoulder Large parcels | <ul style="list-style-type: none"> Not enough active uses adjacent to gateways Lacks infrastructure including a cohesive street grid and sewer | <ul style="list-style-type: none"> Lower existing property values on a per-square-foot basis Several locations identified as high development potential under existing zoning and market conditions | <ul style="list-style-type: none"> Street and infrastructure extensions Multimodal connections to other sub-areas and existing neighborhoods | <ul style="list-style-type: none"> Complete the Drake Lift Station project to provide sewer capacity for the buildout of this area | <ul style="list-style-type: none"> Opportunity to remove barriers and connect East and West sides of Bend. Opportunity to create a place where people can live, work, and play. Opportunity for public investments to |

| Subarea | Strengths | Challenges | Development Potential | Needed Investments | Other City Actions Needed to Unlock Potential | Relationship to Guiding Principles |
|---|---|--|--|---|--|---|
| | | <ul style="list-style-type: none"> Disconnected from other parts of the City | <ul style="list-style-type: none"> Already strong market area and flexible zoning—little additional development potential with constraints removed | | | <ul style="list-style-type: none"> incentivize/ catalyze private development. Opportunity to incorporate sustainable and low impact development principles/practices. |
| <p>Wilson 164 acres \$71.1 million existing AV</p> | <ul style="list-style-type: none"> Views of Pilot Butte | <ul style="list-style-type: none"> Barriers to connectivity Auto-oriented businesses and signage Access and mobility issues for pedestrians and bicyclists | <ul style="list-style-type: none"> Mostly small parcels with some very large parcel sizes Medium-to-high existing property values on a per-square-foot basis No locations identified as high development potential under existing zoning and market conditions Much more development potential if market conditions improve and zoning becomes more flexible | <ul style="list-style-type: none"> Revitalization funds Affordable housing preservation Connections to other sub-areas, especially to KorPine Sidewalk infill Community space (Jaycee Park enhancements) | <ul style="list-style-type: none"> Amendments to zoning in some areas to create greater flexibility for mixed use development and enable higher density residential development | <ul style="list-style-type: none"> Opportunity to preserve affordability. Opportunity to remove barriers and connect East and West sides of Bend. Opportunity to create a walkable area with a balanced transportation system. |
| <p>Division 92 acres \$38 million existing AV</p> | <ul style="list-style-type: none"> Emerging businesses Mountain and river views Wider underpasses with opportunities for better separation of bicycle/pedestrian | <ul style="list-style-type: none"> Scattered, auto-centric commercial area Several divided, isolated areas Unscreened surface parking Poor / neutral street frontage | <ul style="list-style-type: none"> Mostly medium parcel sizes Medium existing property values on a per-square-foot basis Many locations identified as high development potential under | <ul style="list-style-type: none"> Walkability, streetscape, trees Lighting River connections Affordability preservation for service sector Gateways | <ul style="list-style-type: none"> Amendments to commercial zoning in some areas to create greater flexibility for mixed use development | <ul style="list-style-type: none"> Opportunity for preserve affordability. Opportunity to create a walkable area with a balanced transportation system. |

| Subarea | Strengths | Challenges | Development Potential | Needed Investments | Other City Actions Needed to Unlock Potential | Relationship to Guiding Principles |
|---------|----------------------------------|---|---|--------------------|---|------------------------------------|
| | facilities and gateways/signage. | <ul style="list-style-type: none"> Limited landmarks and significant trees | existing zoning and market conditions <ul style="list-style-type: none"> More development potential if market conditions improve | | | |

Preliminary Project Team Recommendation

Based on consideration of the factors summarized above, the Project Team recommends URAB consider the following subareas for inclusion in the preliminary Urban Renewal boundary.

Table 2. Project Team Boundary Recommendation

| Subarea | Project Team Recommendation |
|-----------------------|-----------------------------|
| Greater East Downtown | Include |
| Bend Central District | Include (with addition) |
| Greenwood | Include |
| Greater KorPine | Include |
| Wilson | Include part (see map) |
| Division | Include part (see map) |

The project team used the initial project list, existing zoning, development feasibility, and urban design analysis/framework to establish a preliminary project team recommendation for an urban renewal boundary, which is depicted in Figure 3.

The majority of the project study area is recommended by the project team to remain within an initial urban renewal boundary. The high redevelopment potential and projects needs for the Bend Central District, Greater KorPine, Greenwood, and East Downtown sub-areas result in a team recommendation to leave the entirety of those sub-areas within the recommended Urban Renewal Boundary.

The following areas are recommended to be removed from a potential urban renewal boundary for the following reasons:

Division subtraction

The Division Street corridor is a compatible area for urban renewal. Community members in the area have identified blighted conditions in the area including safety concerns, crime, and lack of lighting. However the entire Division sub-area will likely not benefit from projects and programs intended to serve the area, nor does the entire sub-area have a high redevelopment potential. Therefore the project team recommends to remove the industrially zoned portion of the Division sub-area from the recommended boundary.

Wilson subtraction

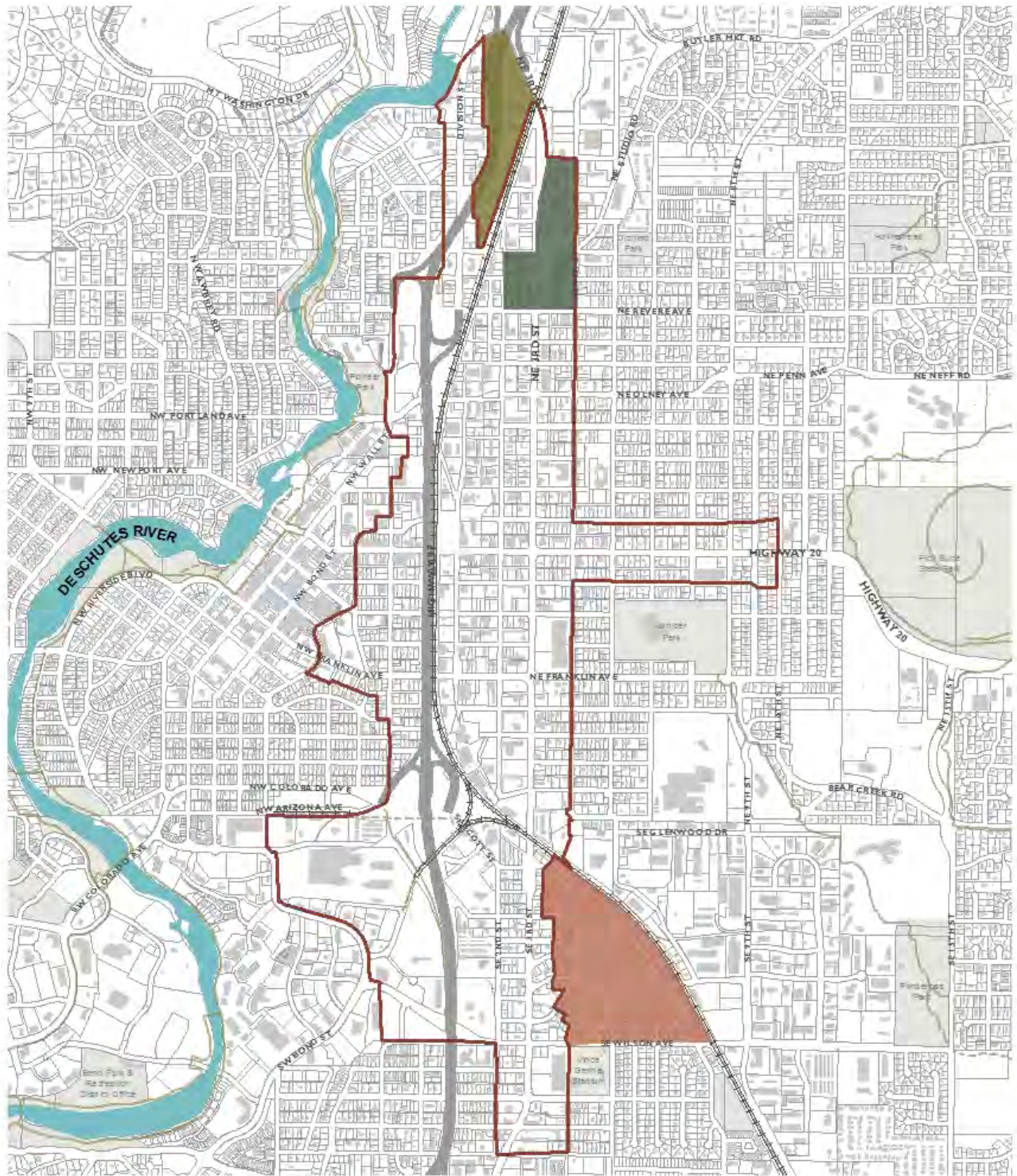
The project team recommends removing the residentially zoned areas of the Wilson sub-area. Residential areas are not typically included in urban renewal districts, unless there is a strategic affordable housing stabilization or anti-displacement strategy that is recommended for the area. Given the implementation of an affordable housing stabilization program would require significant overhead/administration proportional to the small size and potential benefit of the program, it is not recommended to include the residential portions of the Wilson sub-area within the Urban Renewal boundary.

If there are specific projects that the board feels should be invested in the Wilson sub-area, right-of-way can be easily added to the boundary.

This is a policy decision for the URAB to consider: These areas should only be included if housing affordability and anti-displacement strategies are priorities to spend urban renewal dollars.

Bend Central District Additional Commercial

For the development feasibility work, the project team looked at some additional areas adjacent to the Bend Central District, including the commercially zoned area just north of the Bend Central District. The development feasibility analysis showed high development potential in this area. It is a major commercial corridor with high retail visibility in close proximity to existing residential and high density residential zones. However, it is also auto-oriented and lacks pedestrian crossings on the major roadways. This area could benefit from potential urban renewal projects and programs such as business and infill development and redevelopment assistance. Therefore, the project team recommends adding this additional area to the preliminary boundary for analysis.



**BEND CORE AREA
RECOMMENDED
BOUNDARY**



- Recommended Boundary
- Additional Commercial
- Wilson Subtraction
- Division Subtraction
- Taxlots
- Parks
- Building Footprints*

* This data has not been verified by the City of Bend

5/1/2019

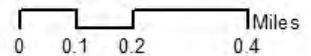


Figure 2. Recommended preliminary boundary for analysis



Urban Renewal Boundary Analysis

PREPARED FOR: Urban Renewal Advisory Board
COPY TO: Project Team
PREPARED BY: Lorelei Juntunen and Becky Hewitt, ECONorthwest; Matt Stuart, City of Bend
DATE: August 2, 2019

Introduction

At the last meeting (May 14, 2019), Bend's Urban Renewal Advisory Board (URAB) discussed a preliminary boundary for the potential new Urban Renewal Area (URA) in Bend's Core Area (Figure 1). The Project Team shared the preliminary boundary at a community open house on June 15th. This memorandum summarizes the public input to date on the preliminary boundary and describes the Project Team's recommended refinements to create a proposed Draft Urban Renewal Boundary for URAB consideration.

Public Feedback on Preliminary Boundary

About 47% of survey respondents had comments on the preliminary boundary. Of those comments, the majority (61%) agreed with the boundary recommended by URAB at their May 14, 2019 meeting.

A small percentage (9%) advocated for a bigger boundary while 7% advocated for a smaller, more focused boundary. Those advocating for a bigger boundary suggested expanding the boundary all the way to Pilot Butte along US 20/Greenwood, expanding the Division sub-area to the Deschutes River Trail via Revere Avenue, and incorporating the former railroad right of way parcel near Arizona Avenue. Those advocating for more focused boundaries indicated a clear desire to focus primarily on the Bend Central District region. There was some concern about the need to include the KorPine sub-area due to its existing desirability and market potential. Several respondents (3%) indicated a desire to stick with the original boundary and 8% advocated to keep the Wilson sub-area in specifically.

Based on community feedback, the project team recommends remaining with the boundary recommended by URAB on May 14, 2019 with the below proposed refinements.

Proposed Refinements to the Boundary

The Project Team has identified a number of suggested refinements to the boundary. The proposed Draft Boundary is shown on Figure 2, with zoom-ins identifying specific refinements on Figures 3 through 5. The rationales for each of the refinements are summarized below.

Proposed Additions

- **Right-of-way (multiple locations).** Because transportation improvements are likely to be an important part of the project list and projects must be physically within the boundary in order to receive urban renewal funding, the Project Team recommends including additional right-of-way around the exterior of the preliminary boundary. Other adjustments to include

additional right-of-way may be made later in the process without impact to the financial analysis, as right-of-way is tax-exempt.

- **A.1 (Figure 3)—IBEX facility parcel:** The initial recommended boundary split the current IBEX facility parcel in two, removing the building portion of the site from the area. The parcel currently has split zoning, with both MR (Mixed Riverfront) and ME (Mixed Employment) on portions of the parcel. Both of these zones allow for a mix of uses and a higher intensity of development than is currently present on the site. Split tax lots also create challenges for urban renewal administration. The Project Team recommends including the full parcel in the Draft Boundary.
- **A.2 (Figure 3)—Rail right-of-way along NW Arizona Avenue:** The preliminary boundary did not include the former rail road right-of-way located along NW Arizona Avenue, but was noted during public feedback as a potential site for redevelopment. The area also may be needed to provide a connection to the KorPine Opportunity Area from NW Arizona Avenue. The Project Team recommends including this rail right-of-way in the Draft Boundary.
- **B.2 (Figure 4)—County Administration facility complex:** The preliminary boundary did not include the entire County Administration facility complex. The facility complex currently includes a large asphalt parking area which has the potential to be redeveloped and provide infrastructure and services for the area (e.g.: parking, social services). As members of this board and the public have expressed a desire for urban renewal to participate in such services to better serve the area overall, the Project Team recommends including the entire County Administration facility within the Draft Boundary. (The property is tax-exempt and will not have an impact on the maximum indebtedness calculation.)
- **C.1 (Figure 5)—NE 4th Avenue commercial/industrial property:** The preliminary boundary was based on the zoning boundary in this area. As with A.1 (referenced above), this area has a split zoning between IL (Light Industrial) and CL (Commercial Limited). Only a portion (1 parcel, ~0.78 acres) of the use/user was included in the preliminary boundary. The use/user also occupies the adjacent 4 parcels and ~3.09 acres to the north, which is currently being used as a utility provider’s storage yard and maintenance facility but may be a potential redevelopment site/opportunity that could benefit and contribute to future urban renewal projects. The Project Team recommends including the full site in the Draft Boundary.

Proposed Subtractions

The properties included in the boundary should have a clear connection to the projects in the plan and should focus on the properties that are “blighted.” Including fully developed properties that do not have blight conditions and do not have a clear connection to the projects in the plan may open the URA up to criticism.¹ The project team recommends removing a number of developed properties that do not have a clear connection to the improvements envisioned in the urban design framework, as described below.

- **B.1 (Figure 4)—NW Franklin Avenue at NW Lava Road:** The preliminary boundary included an area between NW Franklin Avenue & NW Oregon Avenue, and NW Lava Road & NW Harriman Street. However, this area was previously identified specifically in the Central Bend Urban Renewal Program (Downtown) as an area for “Prime New or Redevelopment Potential” and has been fully developed per the existing CG (Commercial General) zoning standards since; including a hotel and office buildings. Redevelopment is unlikely within the assumed timeframe of the proposed Urban Renewal Plan. The Project Team recommends removing this area from the Draft Boundary.

¹ Association of Oregon Redevelopment Agencies, “Best Practices for Urban Renewal Agencies in Oregon,” January 2014, page 34.

- **B.3 (Figure 4)—Areas zoned for single family residential development:** The preliminary boundary included parcels zoned for single family residential use near Greenwood Avenue. Urban renewal investments are meant to spur urban redevelopment, but areas that are developed with and zoned for single family or low-density residential development are less likely to redevelop to urban density or generate substantial increases in taxable value. In addition, because urban renewal is intended to spur change and redevelopment, being included in an urban renewal area may cause concern for current residents. The project team recommends removing existing single family residential zoned properties fronting along NE Kearney Avenue between NE 5th Street and NE 10th Street; and south of Hwy 20 along NE 8th Street, NE 9th Street, and NE 10th Street from the Draft Boundary.

The Project Team's recommended Draft Urban Renewal Boundary based on these proposed refinements is shown in Figure 6.

Action Requested and Next Steps

The Project Team requests that the URAB discuss the proposed refinements, adjust them if needed, and approve a Draft Urban Renewal Boundary to advance to the next steps of the process.

URAB's recommended Draft Boundary will be used to calculate funding capacity and determine which projects are eligible for urban renewal funding. While minor adjustments to pick up right-of-way or additional tax-exempt parcels can be made later in the process, major adjustments or the addition/subtraction of taxable property will require additional analysis and may have schedule and budget implications for the project.



Urban Renewal Plan & Project Category Best Practices

PREPARED FOR: Urban Renewal Advisory Board (URAB)
COPY TO: Project Team
PREPARED BY: Matt Stuart, Urban Renewal Manager
DATE: September 24, 2019

Introduction

The purpose of this memo is to provide the Urban Renewal Advisory Board (URAB) with background information related to published “best practices” for drafting an urban renewal plan and the associated projects and categories identified for funding. In addition, specific examples of urban renewal plan’s from other jurisdictions around the state of Oregon have been provided for reference, as Appendix A to this document. This information is intended to assist URAB discussion and direction as it relates to the drafting of a plan’s project categories and descriptions.

It should be noted that this memo specifically references sections of the January 2014, Best Practices for Urban Renewal Agencies in Oregon document published (at the time) by the Association of Oregon Redevelopment Agencies (AORA)¹. The document, in its entirety, is provided separately for reference.

Best Practices – Project Determination

In order to appropriately identify an Urban Renewal Area’s (URA) projects and project categories, the following elements should be considered and used as reference for drafting language:

- Existing & Applicable Plans
- Guiding Principles (Goals/Objectives)
- General Project Categories & Descriptions
- General Project Category Funding

Existing & Applicable Plans

Existing & Applicable Plans play an important role in crafting an URA’s Goals/Objectives and/or Guiding Principles. They are intended to provide guidance and reference for specific planning activities that have been previously identified and/or adopted within the area that have the ability to address blight.

“The basis for the goals and objectives of an urban renewal plan usually comes from the comprehensive plan and other adopted plans for the URA. Many jurisdictions will have specific planning activities that will spur the desire for urban renewal as an implementation

¹ AORA merged with the Oregon Economic Development Association (OEDA) in 2017

tool, such as an action plan for realizing comprehensive plan goals, area plans for downtown commercial districts, Main Street actions, economic development plans, and other planning activities. These documents may be used as a basis for drafting goals and objectives for an URA.”²

As part of the initial URAB process, City staff prepared an Existing Conditions & Applicable Plans, Projects, Programs document for URAB to review, which highlighted the existing conditions within the URA.³ The document included sections referencing the Comprehensive Plan, the Development Code, previous planning efforts within the URA, the existing conditions (physical, social, economic), Affordable Housing, Transportation, Utilities, and adopted plans from partner agencies (including Bends Parks and Recreation District, Bend-La Pine School District, and Deschutes County Library).⁴

This information is intended to provide important context for identifying potential projects within an URA, especially those that may have received a previous level of planning and/or public consideration/adoption.

Guiding Principles

Guiding Principles, or Goals/Objectives, serve as summarized focal points to assist in project prioritization. They may also serve as reference points to ensure future agency members are accountable to the Plan’s intent.

“Identifying the goals for the URA makes the project prioritization process easier, as those projects that help fulfill the goals and objectives become priorities.

Well-written goals and objectives will help an urban renewal agency keep its focus as it begins accruing sufficient revenues to actually start working on projects. There is always a multitude of ways to spend funds, and it takes discipline to stick to the goals and objectives of an URA.

Goals and objectives should provide a clear identification of the desire to address the blight in an URA and make the area function at a higher level. Well-written goals and objectives will help an agency keep its focus on activities that will improve the area. If the primary goals and objectives for the area change, the goals and objectives for the urban renewal plan should be revised to appropriately reflect those changes.”⁵

URAB affirmed their guiding principles at the 3rd meeting on May 14th, 2019. They are as follows:

- Create a place where you can live, work and play
- This plan leads to direct outcomes, it is implemented.
- This area removes barriers and connects the East and West sides of Bend.
- Affordability is preserved.
- This is a walkable area with a balanced transportation system.

² Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 35.

³ Bend, C. o. (2019). *Existing Conditions & Applicable Plans, Projects, Programs*. Bend: City of Bend. Retrieved from <https://www.bendoregon.gov/home/showdocument?id=40941>

⁴ It should be noted that while the existing and applicable plans may not address all aspects related to the alleviation of blight, the intent of the Core Area Project Implementation Plan/Process is to identify and inform a variety of necessary tools (in addition to Urban Renewal) that can work in a coordinated effort to do so.

⁵ Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 35.

- Public investments incentivize and catalyze private development.
- The planning process is transparent and open to ensure that those affected by the decisions are involved in the process.
- This area incorporates sustainable and low impact development principles and practices.

The Open House participants identified the following, ranked by importance, as the top three guiding principles for the area:

- 1) Create a place where you can live, work and play.
- 2) This is a walkable area with a balanced transportation system.
- 3) This area removes barriers connecting East and West sides of Bend.

Utilizing the Guiding Principles as a reference, general project categories can be defined and projects prioritized.

General Project Categories & Descriptions

Project categories, as aforementioned, can be supported by the existing and applicable plans for an area; and are intended to provide both flexibility and the ability for an URA to adapt to the changing conditions over the life of the plan.

“(M)any plans use broad categories to describe projects, which allows for flexibility to fund a range of projects throughout the project area while still staying within the overall guidelines of each project category.

“The identification of the broader categories, however, is generally accompanied by more detailed studies, reports, or plans that clearly articulate the need for such projects and can provide justification for the recommended project budgets in the urban renewal plan and the finding of economic feasibility required to approve the overall plan. These studies may already be in place through recent planning efforts that preceded the urban renewal discussion.”⁶

URAB identified an initial list of project types that could utilize urban renewal funding at the 3rd meeting on May 14th, 2019. These project types are intended to assist in the identification of general project categories and are as follows:

- Transportation
- Utilities & Infrastructure
- Parks and Open Space
- Signage, Wayfinding, and Public Art
- Public Buildings and Attractors
- Affordable Housing
- Business and Infill Development/Redevelopment Assistance

The Open House participants identified the following when asked how to spend potential urban renewal dollars amongst the project types:⁷

⁶ Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 37-38

⁷ It is recommended that the percentage values listed be interpreted as a reflection of importance and not as a literal dollar allocation. Costs of projects and project categories may vary in order of magnitude from one another.

- 23% - Transportation
- 17% - Utilities & Infrastructure
- 16% - Affordable Housing
- 14% - Parks and Open Space
- 12% - Business and Infill Development/Redevelopment Assistance
- 10% - Public Buildings and Attractors
- 8% - Signage, Wayfinding, and Public Art

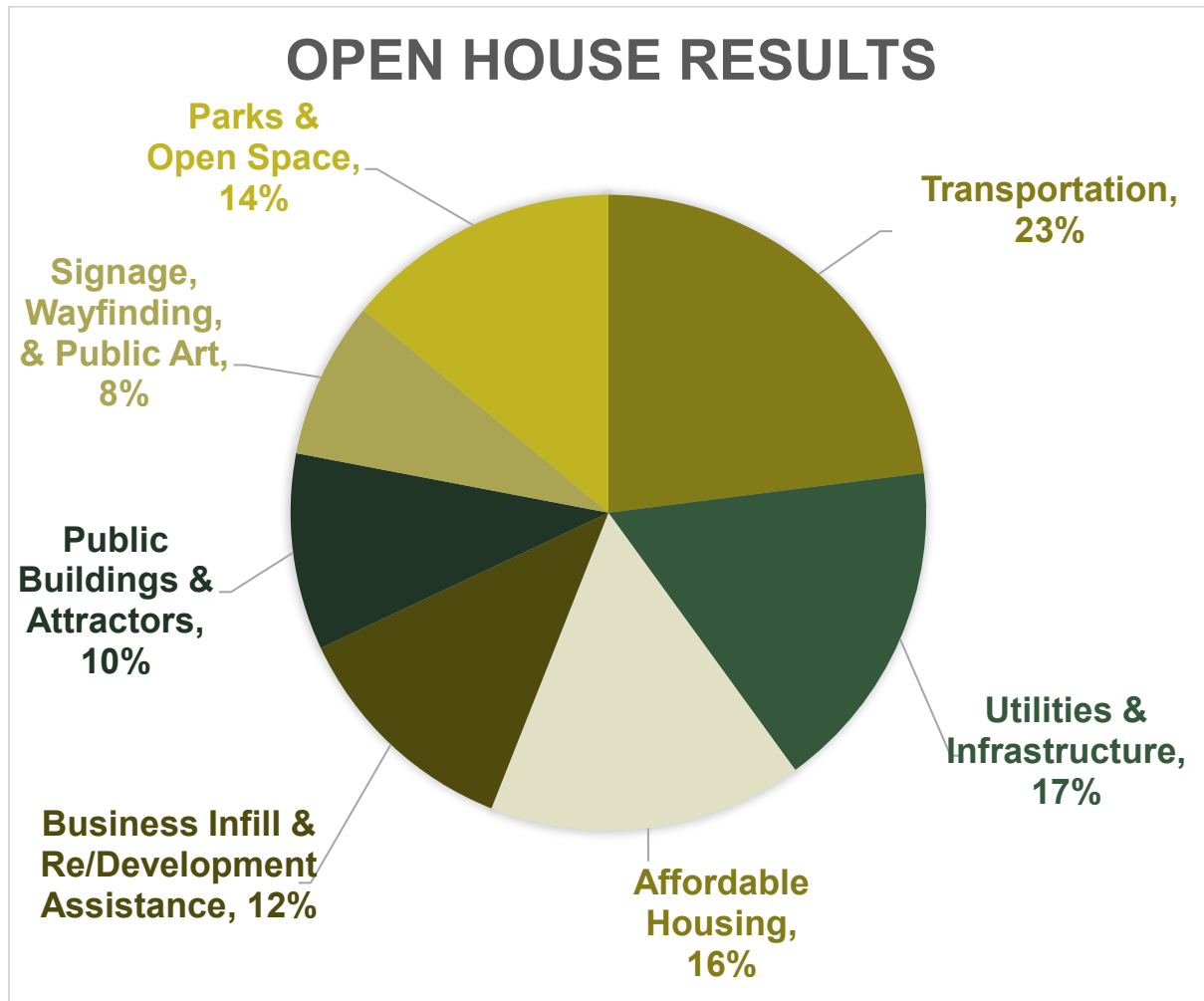


Figure 1 - Core Area Project - Open House Results

Projects contained within each project category still need to be described sufficiently, but not necessarily explicitly. The specificity regarding the project details can be derived from other plans and documents that may evolve over time - through public input and review (such as Master Plans, Implementation Plans, Comprehensive Plans, and other adopted plans or standards).

“Urban renewal project descriptions have evolved through the years and largely depend on the purpose and politics of an urban renewal plan. When describing the projects in the urban renewal plan, typically a balance must be struck between specificity and flexibility. Overly specific project descriptions can be problematic because they require the urban

renewal agency to make plan amendments when even small changes to projects are needed, such as adjusting for changing physical conditions, market conditions, policy goals, and other constantly evolving factors.”

“For example, rather than calling for a streetscape improvement at a specific location consisting of a pre-determined design (e.g., width, materials, amenities), many plans will simply include a project called “streetscape improvements” that describes a range of streetscape improvements anywhere in the URA (or possibly within a specified sub-area). Within that definition would be language that authorizes different types of improvements, but does not obligate any particular form or location (unless desired).”⁸

Following the project categories definition, an agency is enabled to identify the levels of urban renewal revenue allocated toward each category, and further provide guidance around project prioritization over the life of the plan.

General Project Category Funding

The amount of funding allocated to each project category is based on a variety of factors, including the Maximum Indebtedness (MI), capacity of MI dollars related to the total project cost, as well as an URA’s guiding principles. As aforementioned, some projects identified in existing and applicable plans can be directly associated with the alleviation of blight, however, as other projects are identified, it is important to consider a couple of factors when determining their eligibility for urban renewal funding:

“In general, an urban renewal agency may want to consider several factors when deciding the appropriate level of funding for various projects. Those factors can include:

- *Impact on blight: The primary goal of urban renewal is alleviate blight. Therefore, when deciding how to spend urban renewal funds it makes sense that the impact a project has on curing blight in the area would be a major consideration.*
- *Return on investment: Another basic goal of urban renewal is to increase property values and generate the TIF revenues necessary to carry out urban renewal activities. Therefore, another consideration should be how much TIF a project will generate, or how much additional funding will be leveraged by investment of TIF dollars.”⁹*

As project categories are intended to provide flexibility with changing conditions, so too can the level of funding each project may receive within each category:

“... (I)f a plan includes a project to provide financial assistance to private developers for vacant properties in a downtown, how much assistance should the urban renewal agency contribute? If total development costs for this vacant lot are \$10 million, should the agency contribute \$500,000 or \$5 million? There is no hard and fast rule for determining the share of urban renewal funding that should go to each urban renewal project.”¹⁰

By allocating funding to a project category, individual funding decisions around certain projects are enabled to evolve over the life of the plan; taking into consideration changing social, market, and political conditions that may both identify alternative sources of funding or general shift in prioritization.

⁸ Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 37-38.

⁹ Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 38.

¹⁰ Association of Oregon Redevelopment Agencies. (2014). *Best Practices for Urban Renewal Agencies in Oregon*. Salem, OR. Page 38.

Summary

This memo is intended to serve as an abridged resource of the January 2014, Best Practices for Urban Renewal Agencies in Oregon; and has been written to assist the URAB when evaluating a potential URA's project categories, projects, and level of funding each could be allocated.

The project team recommends reviewing this memo in conjunction with the Preliminary Urban Renewal Plan Project Categories & Project Outline memo, dated September 14, 2019.¹¹

Attachments:

Appendix A – Urban Renewal Plan Comparison & Review

¹¹ City of Bend. (2019). *Preliminary Urban Renewal Plan Project Categories & Project Outline*. Economic Development. Bend: City of Bend.

Appendix A – Urban Renewal Plan Comparison & Review

The following looks at Urban Renewal Plans from three separate jurisdictions with varying approaches to defining and funding, projects and project categories. They are intended to highlight various options related to Projects and Project Categories when drafting an Urban Renewal Plan.

These Urban Renewal Plans range from a plan that provide specific project requirements to achieve its prescribed goals (Redmond, OR); to a plan that offers broad project categories with limited specificity to enable flexibility (Corvallis, OR); to finally a hybrid plan which provides specific project requirements with categories such as transportation, but enables flexibility with categories such as re/development assistance (Tigard, OR).

Downtown Redmond Urban Renewal Plan¹²

The Downtown Redmond Urban Renewal Plan/District was originally approved by the Redmond City Council in 1995. It most recently received its 12th amendment in 2011 which increased the District’s boundary by 102.7 acres, increased the Maximum Indebtedness from approximately \$27 million to approximately \$120 million, added 18 projects to the Plan, and extended the plan expiration date to 2031.

The Plan does not provide for project funding categories, but rather lists each of the 18 projects separately and individually with specific project descriptions and costs.

| PROJECT CATEGORIES | PROJECTS |
|--------------------|--|
| N/A | Property Assistance Program |
| N/A | City Hall |
| N/A | Housing Development Opportunity Fund |
| N/A | Business Park Master Plan |
| N/A | Highway 97 Reroute Beautification |
| N/A | Business Park Master Plan |
| N/A | Wayfinding |
| N/A | Restaurant Capital Improvements Program |
| N/A | Alternative Mobility Project |
| N/A | Business/Medical Park Development |
| N/A | Business Support Programs |
| N/A | Industrial Opportunity Fund |
| N/A | Redevelopment Opportunity Fund |
| N/A | Evergreen Streetscape Improvements |
| N/A | Circulation Improvements |
| N/A | Public Open Space |
| N/A | Public Parking |
| N/A | Renewal Program Administration, Planning & Marketing |

¹² Redmond, C. o. (2011). *Twelfth Amendment to the Redmond Downtown Urban Renewal Plan*. Redmond. Retrieved from <https://www.ci.redmond.or.us/home/showdocument?id=3082>

South Corvallis Urban Renewal Plan¹³

The South Corvallis Urban Renewal Plan/Area was adopted by the City in 2018 and approved by the voters in 2019 with over 80% of the vote. The area is 407.25 acres in size, has a Maximum Indebtedness of approximately \$62 million, and does not have a time limit on tax revenue collection.

The Plan outlines 8 projects divided into 5 project categories: Affordable Housing Support; Commercial and Residential Development Support; Transportation and Pedestrian Improvements; Natural Resource Management; Plan Administration and Planning Refinement.

| PROJECT CATEGORIES | PROJECTS |
|---|---|
| Affordable Housing Support | Supports Land Acquisition, Pre-development Activities, Rehabilitation, Energy Efficiency, Accessibility Upgrades, Wetland/Floodplain/Seismic Mitigation, Capital Improvements, Infrastructure Improvements, other Support. |
| Commercial and Residential Support | Neighborhood Center and Other Commercial and Residential Development – Creation of a Major Neighborhood Center on identified location. Supports Land Acquisition, Pre-development Activities, Rehabilitation, Energy Efficiency, Accessibility Upgrades, Wetland/Floodplain/Seismic Mitigation, Capital Improvements, Infrastructure Improvements, Design Professionals, other Support. |
| | Business Support and Enhancement - Assistance to new & existing businesses and housing developments through Grants/Loans for Façade Improvements, Utilization Assistance, Landscaping Enhancements, Professional Design Services, Mechanical/Electrical Building Upgrades, Fire/Seismic/Safety Improvements. |
| Transportation and Pedestrian Improvements | Path connection between Tunison Neighborhood and Avery Park |
| | Street Design and Improvements – Pedestrian Enhancements, Gateway/Intersection Improvements, Local Street Construction, Street Design Consultation, Tree Installation, Right-of-way Acquisition, Stormwater, Utility Undergrounding, Other projects. |
| Natural Resource Management | Millrace Stream Restoration – Removal of noxious vegetation, Tree Planting, Bank Stabilization, Other enhancements. |
| | Natural Resource Management/Enhancement/Hazard Mitigation – Planning, Wetland Delineations, Hazard Mitigation, Other Projects. |
| Plan Administration and Planning Refinement | Auditing, Financing, Bond Counsel, Administration, Marketing, Preparation of Financial Plans/Analyses, Professional Consulting, Environmental Analyses, Other Professional/Design Services |

¹³ Corvallis, C. o. (2019). *South Corvallis Urban Renewal Plan*. Corvallis. Retrieved from <https://archives.corvallisoregon.gov/public/ElectronicFile.aspx?dbid=0&docid=1477698>

Tigard Triangle Urban Renewal Plan¹⁴

The Tigard Triangle Urban Renewal Plan/Area was adopted by the City of Tigard in 2016 and approved by the voters in 2017 with approximately 68% of the vote. The area is 547.9 acres in size, has a Maximum Indebtedness of approximately \$188 million, and is intended to collect tax revenue for a period of 35 years.

The Plan outlines 24 projects divided into 6 project funding categories: Transportation; Public Utilities; Public Spaces, Facilities, and Installations; Re/Development Assistance and Partnerships; Project Administration; Finance Fees.

| PROJECT CATEGORIES | PROJECTS |
|--|---|
| Transportation | New Hwy 217 Overpass (Beveland) |
| | New Street (74 th Ave) |
| | New Street (Atlanta) |
| | New Hwy I-5 Overpass (Beveland) |
| | New Hwy I-5 Overpass (Red Rock Creek) |
| | Modified Intersection (Atlanta/68 th) |
| | Modified Intersection (99W/68 th) |
| | Modified Streets |
| | New Trail (Red Rock Creek) |
| | New Streets |
| | Modified Street (72 nd Ave) |
| | Modified Street (99W) |
| | Modified Interchange (99W/Hwy 217) |
| | Modified Signals |
| Parking Management Plan | |
| Transportation Study | |
| Public Utilities | Stormwater Master Plan |
| | Regional Stormwater Facilities |
| | Extend Public Sewer System |
| | Restore Sewer/Stormwater lines |
| New Water Mains | |
| Public Spaces, Facilities, and Installations | Development of Parks, Plazas, Greenways, Restrooms, Recreational Facilities, Public Art, Wayfinding, Gateway Installations, Signage |
| Re/Development Assistance and Partnerships | Assistance to new & existing businesses and housing developments through Grants/Loans, Streetscape Improvements, Technical Assistance, Site Assembly, Site Clean-up, Site Acquisition, other Partnerships |
| Finance Fees and Plan Administration | Repayment of costs associated with implementations, administration, financing, and relocation. |

¹⁴ Tigard, C. o. (2017). *Tigard Triangle Urban Renewal Plan*. Tigard. Retrieved from https://www.tigard-or.gov/Projects/TigardTriangle/tt_UR_Plan.pdf



Approach to Forecasting Urban Renewal Revenue in Bend's Core Area

PREPARED FOR: Bend Urban Renewal Advisory Board
COPY TO: Project Team
PREPARED BY: Lorelei Juntunen, ECONorthwest; Becky Hewitt, ECONorthwest;
Nick Popenuk, Tiberius Solutions
DATE: September 24, 2019

Introduction

This memorandum provides the Urban Renewal Advisory Board (URAB) with an update on the preliminary urban renewal revenue projections. At URAB Meeting #5 (October 1, 2019), the team will seek confirmation of the appropriate assumptions and the initial funding estimate that results from those assumptions.

Context: A Summary and Reminder

Growth in property value within the Urban Renewal Area (URA) boundary generates an “increment” of property tax revenue that is used to pay for urban renewal projects. This is referred to as Tax Increment Financing (TIF). The tax increment collected over the life of the plan determines how much can be spent on projects (called the “Maximum Indebtedness” or MI). MI is one of the key pieces of the Urban Renewal plan. If projections are overly conservative and revenues exceed expectations, the planned projects can potentially be funded sooner, but no additional projects can be funded without a substantial amendment to the plan. If projections are overly optimistic and revenues fall short of expectations, it will take longer to deliver the projects than expected, leading to potential criticism or concern, especially from affected taxing districts.

There are many unknowns in projecting future development. Because of this uncertainty, TIF revenues are often projected using an assumed growth rate for taxable property value (assessed value or AV) rather than detailed property-specific assumptions. The assumed growth rate is typically somewhat higher than historical trends, but depends on the area's overall development potential. (Areas that are currently vacant create greater uncertainty for future revenues because there is little increase in property value until development occurs.)

In selecting appropriate growth projections, the important thing is to set expectations in a way that is reasonable but not so conservative that the URA cannot fund the projects needed to spur investment.

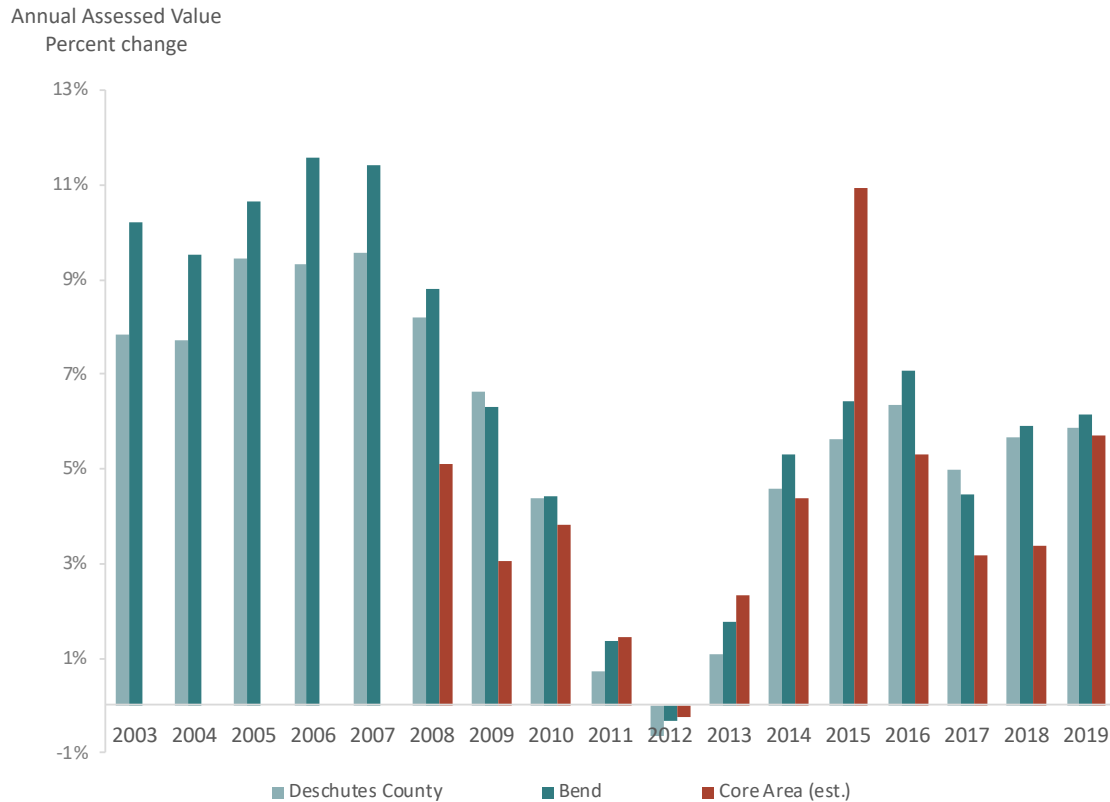
To translate the cumulative total TIF revenues into MI, we need to account for interest paid on debt-funded projects. Then, because the MI is required by statute to be stated in nominal (i.e., year-of-expenditure dollars), it is helpful to adjust the MI for inflation and present it in real terms (i.e. constant 2020 dollars) to better understand the financial capacity of the new URA. Based on the team's experience with other URAs across Oregon, we assume that for every \$1 of TIF revenue generated (year-of-expenditure dollars), the URA would have the capacity to fund

\$0.54 of projects (constant 2020\$).¹ The duration of the plan is used in the financial calculations to establish the MI, but it typically serves as an estimate, not a hard limit.

Historical Growth Rates in the Core Area

Based on the draft Urban Renewal boundary approved by URAB on August 13, 2019 and depicted in Figure 2, the Project Team has used historical tax lot data to estimate the change in assessed value within that boundary over time since 2008. This is shown in Figure 1, below, along with the County and City of Bend changes for the same year.

Figure 1. Historical Annual Percentage Growth in Assessed Value: Deschutes County, City of Bend, and Core Area



The proposed Urban Renewal Area has historically seen AV generally grow slower than the City as a whole, which is not surprising considering that the area is largely developed with little infill and redevelopment over the past decade. The average annual growth rate for the Core Area from 2010 to 2019 is 4.0%, slightly lower than the City overall, as shown in Table 1.

¹ Based on an evaluation of summary statistics of financial forecasts included in urban renewal plans or feasibility studies conducted by Tiberius Solutions for ten jurisdictions in Oregon in 2018 to 2019.

Table 1. Historical Average Annual Growth Rates, City of Bend and Deschutes County, 2002-2019

| | AAGR 2010-2019 |
|-------------------------|-----------------------|
| <i>Deschutes County</i> | 3.8% |
| <i>City of Bend</i> | 4.2% |
| <i>Core Area</i> | 4.0% |

Source: County and City from ECONorthwest and Tiberius Solutions calculations based on data from Deschutes County Assessor. Core Area based on ECONorthwest analysis of tax lot data provided by the City of Bend.

Preliminary TIF Projections

As discussed at the last URAB meeting, the Project Team has estimated TIF revenue under a range of growth scenarios, as described below. Note that with growth on existing property value capped at 3% per year, the balance of the growth must come from new development or major improvements to existing properties.

- **Low:** Based on historical growth rates, we used 4.0% for the low-end projection.
- **Medium:** Based on experience with other jurisdictions and professional judgement, we tested both 5.0% and 5.5% as a reasonable “middle of the road” growth rates assuming some increase above historical growth rates.
- **High:** Based on an optimistic assessment of the redevelopment potential of the area, we tested 6.0% as the high end of the growth range. Because of the significant amount of existing assessed value in the area, a higher percentage growth rate would require excessively high rates of development relative to what the Project Team thought would be reasonable to expect in a developed area.

We also tested several options for plan duration (20, 25, and 30 years).

Table 2 summarizes the results of the Project Team’s preliminary TIF projections based on these options, providing the following information for each scenario:

- **Average Annual Construction Value (2020\$):** This is the total value (real market value, not assessed value) of new construction that would be required as an annual average to sustain the assumed growth rate. Note that this average is reported in constant 2020 dollars.²
- **Total Net TIF:** This is the total amount of tax increment collected by the urban renewal district over the duration specified. This is the estimated total foregone revenue across all overlapping taxing districts.³
- **MI:** This is the maximum indebtedness that could be sustained by the financial projections, based on statutory requirements for how MI must be calculated (i.e. in year of expenditure dollars). This is the key number that would be adopted in the Urban Renewal plan.
- **Capacity (2020\$):** This is an estimate of the total funding available for the urban renewal district, in current dollars (i.e., the MI adjusted for inflation). This is the key number for URAB

² Scenarios with longer plan durations have slightly higher average annual construction values not because of assumed inflation (which is factored out of these numbers) but because sustaining the same growth rate on a percentage basis requires slightly more new construction each year, so the average increases slightly for the longer plan durations.

³ The City has provided each taxing district with an estimate of their foregone revenue under each scenario.

to consider in comparison to the estimated project costs to determine financial feasibility of the urban renewal area relative to the need for public investments.

Table 2: Preliminary TIF Projection Results

| Growth Rate | Duration | Average Annual Construction Value (2020\$) | Total Net TIF | MI | Capacity (2020\$) |
|-------------|----------------|--|---------------|---------------|----------------------|
| 4.0% | 20-Year | \$6,800,000 | \$59,700,000 | \$50,700,000 | \$32,500,000 |
| 4.0% | 25-Year | \$7,000,000 | \$99,600,000 | \$84,600,000 | \$54,200,000 |
| 4.0% | 30-Year | \$7,200,000 | \$154,200,000 | \$130,900,000 | \$83,900,000 |
| 5.0% | 20-Year | \$15,000,000 | \$80,100,000 | \$68,000,000 | \$43,600,000 |
| 5.0% | 25-Year | \$15,800,000 | \$136,600,000 | \$116,000,000 | \$74,400,000 |
| 5.0% | 30-Year | \$16,700,000 | \$216,400,000 | \$183,700,000 | \$117,800,000 |
| 5.5% | 20-Year | \$19,700,000 | \$91,300,000 | \$77,500,000 | \$49,700,000 |
| 5.5% | 25-Year | \$21,100,000 | \$157,600,000 | \$133,800,000 | \$85,800,000 |
| 5.5% | 30-Year | \$22,500,000 | \$252,600,000 | \$214,500,000 | \$137,500,000 |
| 6.0% | 20-Year | \$24,900,000 | \$103,300,000 | \$87,700,000 | \$56,200,000 |
| 6.0% | 25-Year | \$26,900,000 | \$180,400,000 | \$153,200,000 | \$98,200,000 |
| 6.0% | 30-Year | \$29,200,000 | \$292,800,000 | \$248,600,000 | \$159,400,000 |

Source: ECONorthwest and Tiberius Solutions calculations.

Pace of New Development: Reference Points

Prototypical Development Examples

Cascadia Partners' analysis of development feasibility provides a number of examples of the increase in property value that could result from redevelopment. Several illustrative examples are summarized in Table 3, below.

Table 3: Illustrative Development Examples and New Construction Value

| Site Size (ac) | Existing Use | New Development | Existing Improvement Value | Value of New Development | Net New Construction Value |
|----------------|----------------------|--|----------------------------|--------------------------|----------------------------|
| 2.3 | Single-story retail | Mid-rise mixed use: 222 units on 4 residential floors over ground floor retail | \$1,286,000 | \$46,598,000 | \$45,312,000 |
| 0.34 | Industrial/warehouse | Low-rise mixed use: 16 units on 2 residential floors over ground floor retail | \$10,000 | \$5,085,000 | \$5,075,000 |
| 0.22 | Parking | Townhomes (4 units) | \$14,000 | \$888,000 | \$874,000 |

Source: ECONorthwest analysis of data provided by Cascadia Partners.

Local Development Examples

Recent local development examples include:

- **The Hixon at Westside Yard:** A development currently under construction in Bend's Central Westside; estimated to be roughly a \$50 million project on 6.6 acres⁴, with just over 200 units and about 18,000 square feet of ground floor commercial space in a six-story mixed use building.⁵
- **Market of Choice:** The new Market of Choice grocery store on Arizona Avenue; estimated cost of \$8.5 million in 2015 for 34,000 square feet of single-story retail.⁶
- **Marriott Springhill Suites:** A recently-built hotel in the Old Mill District; estimated at \$10.4 million in permit value for a four-story, 106-room hotel.⁷
- **Crane Shed Commons:** A recent four-story office development in Bend's Old Mill District with 50,000 square feet of Class A office space; cost estimated at \$12.6 Million in 2017.⁸

Projected Growth

The City's past planning for this area estimated growth potential of roughly 1,819 new units and 1,649 new jobs by the year 2040.⁹

As a general rule, with current construction costs, new apartments typically cost on the order of \$200,000 or more per unit. Thus, an average of 90 new units per year (which would produce 1,800 units over 20 years) would translate to roughly \$18 million per year in new development.

Conclusions

Given the examples above, the average annual construction value of the high growth scenario would require a new large, mixed-use development project in the URA roughly every two years or a half dozen or more smaller projects every year. While this pace of development may be possible during a strong market, it is unlikely to be sustained throughout a 20- to 30-year span.

At the other end of the spectrum, the low growth scenario would only mean about one relatively modest development per year on average, or a large development every seven to 10 years. Because this is also in line with historical trends for the area, it would effectively assume that the urban renewal investments would have no effect on the likelihood of redevelopment in the area.

The two medium growth scenarios assume somewhat different levels of new development in the area. Reaching 5.0% growth would require roughly one large development every three years or a few smaller projects each year. This would appear to be a realistic level of redevelopment for

⁴ deChase Miksis. (2019, September 10). *The Hixon at Westside Yard*. Retrieved from <http://www.dechase.com/village-east-west-623828.html>

⁵ Compass Commercial. (2019, September 10). *Westside Village*. Retrieved from <https://www.compasscommercial.com/portfolio/westside-village>

⁶ Market of Choice, "Market of Choice ready to open Bend store," <https://www.marketofchoice.com/news-stories/market-of-choice-ready-to-open-bend-store>; "Our History," <https://www.marketofchoice.com/about-market-of-choice/our-history>

⁷ Andy Tullis, "Bend could have 3,200 hotel rooms by 2018," Bend Bulletin, Sept. 18, 2016; <http://www.bendbulletin.com/business/4662387-151/bend-could-have-3200-hotel-rooms-by-2018>

⁸ Simon Mather, "Iconic New Office Building Forges Links with Past," Cascade Business News, February 22, 2018; <http://cascadebusnews.com/iconic-new-office-building-forges-links-past/>

⁹ City of Bend, Angelo Planning Group, ECONorthwest, Cascadia Partners, DKS Associates, MurraySmith. (2018). *Bend Urban Growth Boundary Implementation: Return on Investment Analysis and Next Steps*. Growth Management. Bend: City of Bend. Page 31

the area on average over time. The medium growth scenario at 5.5% would require a higher average level of new investment; this could be well within reason if the KorPine site is largely redeveloped over the course of the 20- to 30-year period, but might be harder to achieve without large-scale redevelopment.

Based on the analysis summarized above, **the Project Team recommends one of the two “Medium” growth rates, and recommends assuming the URA will be in place for 25 or 30 years** in order to provide sufficient funding capacity for the type and scale of investments the area needs to flourish. **This would yield a range of roughly \$74 million to \$137 million in funding capacity** in 2020 dollars.

Next Steps

The Project Team is requesting the URAB's input on the appropriate growth rate and assumed plan duration to set the tentative MI and estimated funding capacity. Based on this input and the URAB's feedback on project priorities, the Project Team will prepare an initial draft of the Financing Plan, which will show when projects will be funded and in what amounts. The draft Financing plan will also include the amount of revenue that is anticipated to be available during five-year increments in order to help URAB refine the assumptions about when various projects can be funded. However, it is important to remember that the purpose of the Financing Plan is to demonstrate financial feasibility, and the timing and amount of funding for each project is an estimate that can be adjusted during plan implementation.

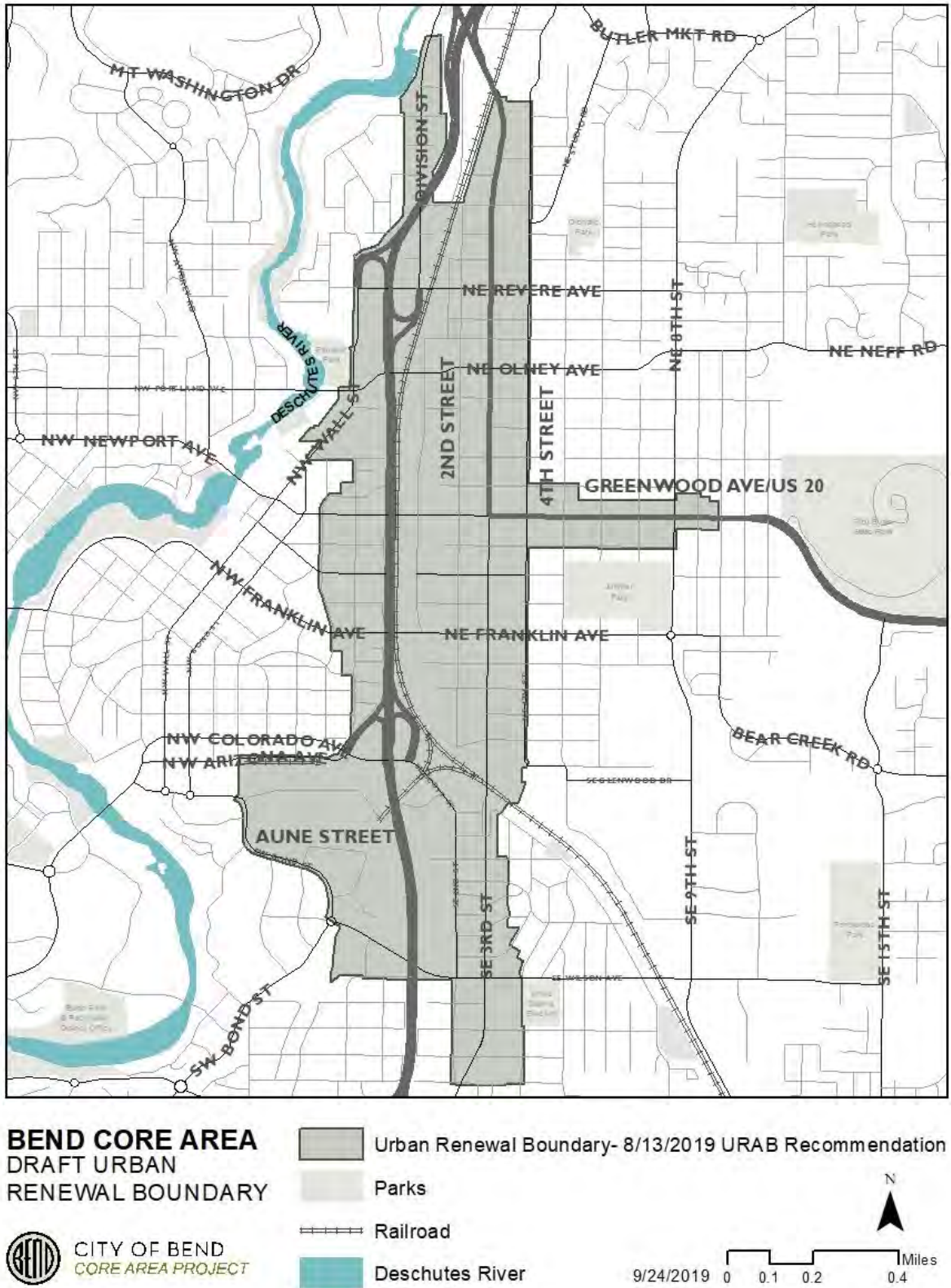


Figure 2. Core Area Urban Renewal Boundary as approved by URAB on August 13, 2019



Summary of Preliminary Draft Urban Renewal Finance Plan

PREPARED FOR: Bend Urban Renewal Advisory Board
COPY TO: Project Team
PREPARED BY: Lorelei Juntunen, ECONorthwest; Becky Hewitt, ECONorthwest;
Nick Popenuk, Tiberius Solutions
DATE: December 3, 2019

Introduction

This memorandum provides the Urban Renewal Advisory Board (URAB) with an overview of the preliminary draft finance plan for the proposed Core Area Urban Renewal District (URD).

The purpose of the finance plan is to demonstrate financial feasibility by showing that the projected increase in property value within the urban renewal boundary will create enough Tax Increment Financing (TIF) revenue to pay for the costs of the projects that will be adopted in the Urban Renewal Plan and Report. It shows when the City is likely to be able to borrow money to pay for urban renewal projects, how much it will be able to borrow each time, and how much extra revenue it is likely to have for smaller expenditures after making debt payments. It can also show when specific projects or categories of projects are expected to be funded and in what amounts.

The finance plan takes into consideration:

- Revenue assumptions:
 - Existing assessed value within the URD
 - Growth assumptions for assessed value due to appreciation and new development
 - Adjustments for non-collection of delinquent tax revenue and deferred tax payments from prior years¹
- Expenditure assumptions:
 - Timing and amount of project costs (the share to be funded with Urban Renewal), including the need for borrowing to fund projects and inflation in project costs
 - Borrowing limitations (e.g. debt coverage ratios, which set how high loan payments can be relative to the incoming TIF revenues), interest on debt used to pay for projects, and financing fees

The assumptions in the finance plan are not binding to implementation of the urban renewal plan, but they are intended to be a best guess and to create reasonable expectations about when projects can be funded.

¹ The finance plan also considers whether statutory requirements for revenue-sharing with overlapping taxing districts are applicable. In the case of this urban renewal area, the forecast shows that they are not applicable.

The current draft of the finance plan is based on the recommendations for key finance plan parameters from URAB at the last meeting:

- Assume roughly 5% average annual growth in assessed value
- Assume an urban renewal plan duration of up to 30 years
- Target \$100-125 million in funding capacity (in 2020 dollars)

Other assumptions are based on industry standard, best practices, and input from the City's urban renewal and finance staff.

At URAB Meeting #6 (December 11, 2019), the team will provide a summary of the draft finance plan and request feedback from URAB on the following key questions:

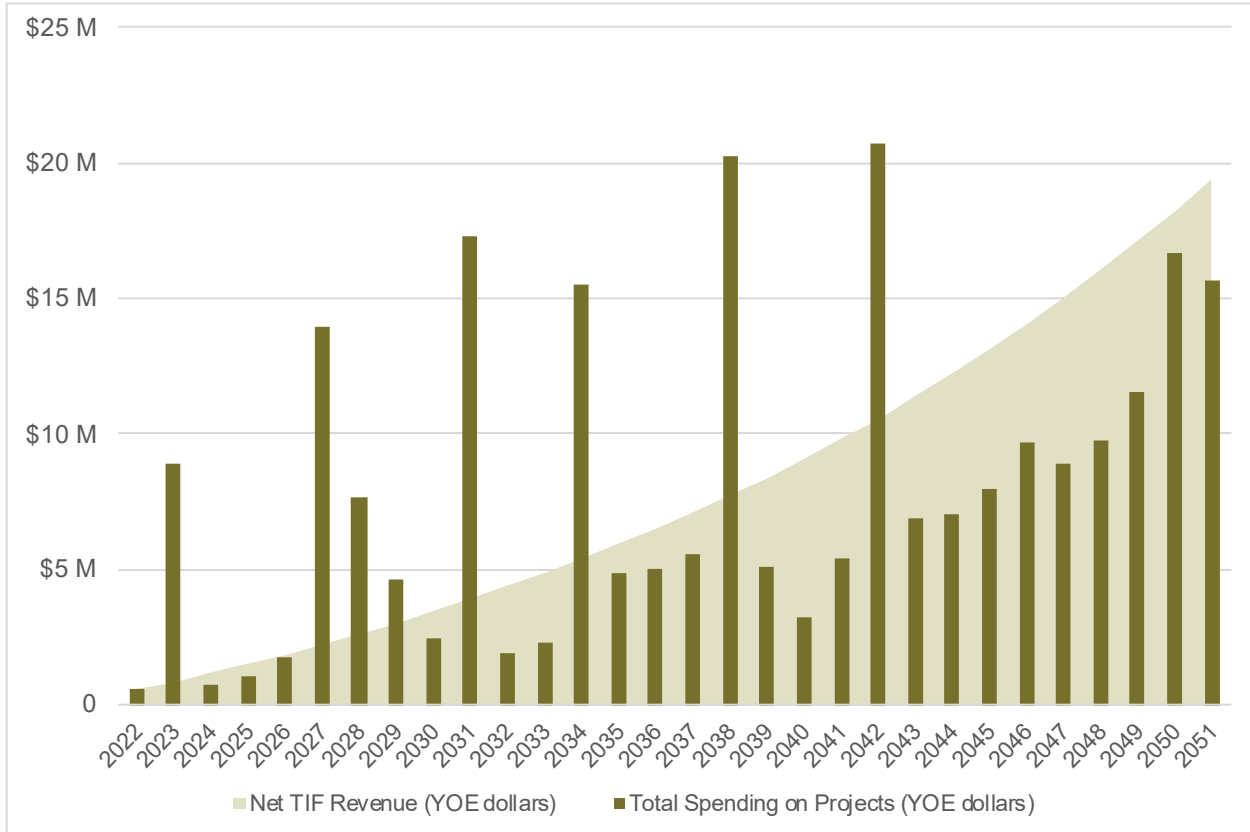
- Does funding for certain categories of projects need to be accelerated or emphasized more during earlier years?
- If so, what type of projects should be shifted to later years to free up funding?

In addition, the project team welcomes any questions or feedback from URAB on the specific projects proposed for inclusion in the plan.

Revenue Projections

Figure 1 illustrates how TIF is projected to grow over time for the proposed URD, and how Bend's Urban Renewal Agency (BURA) could borrow against future TIF revenue to accelerate the timeline to fund projects. This accelerated funding becomes available in larger increments during the years of borrowing and debt issuance, while smaller increment amounts are available (following debt repayment) in other years to support on-going programmatic investments. Debt in the early years is limited by the amount of revenue available to cover debt payments (reflected in Figure 1 by the gradual increase in "shading" of "Net TIF Revenues"); while debt in later years is limited by the remaining time available to pay off debt issued earlier in the plan.

Figure 1: TIF Revenues and Amount of Funding for Projects (in YOE dollars)²



The total tax increment collected over the life of the plan determines how much money can be spent on projects (called the “Maximum Indebtedness” or MI). Based on the assumptions described above, the URD would yield a Net Increment of just over \$237 million, resulting in an MI of just over \$195 million³, that can fund close to \$112 million (in 2020 dollars) of urban renewal projects, after taking inflation into account.⁴

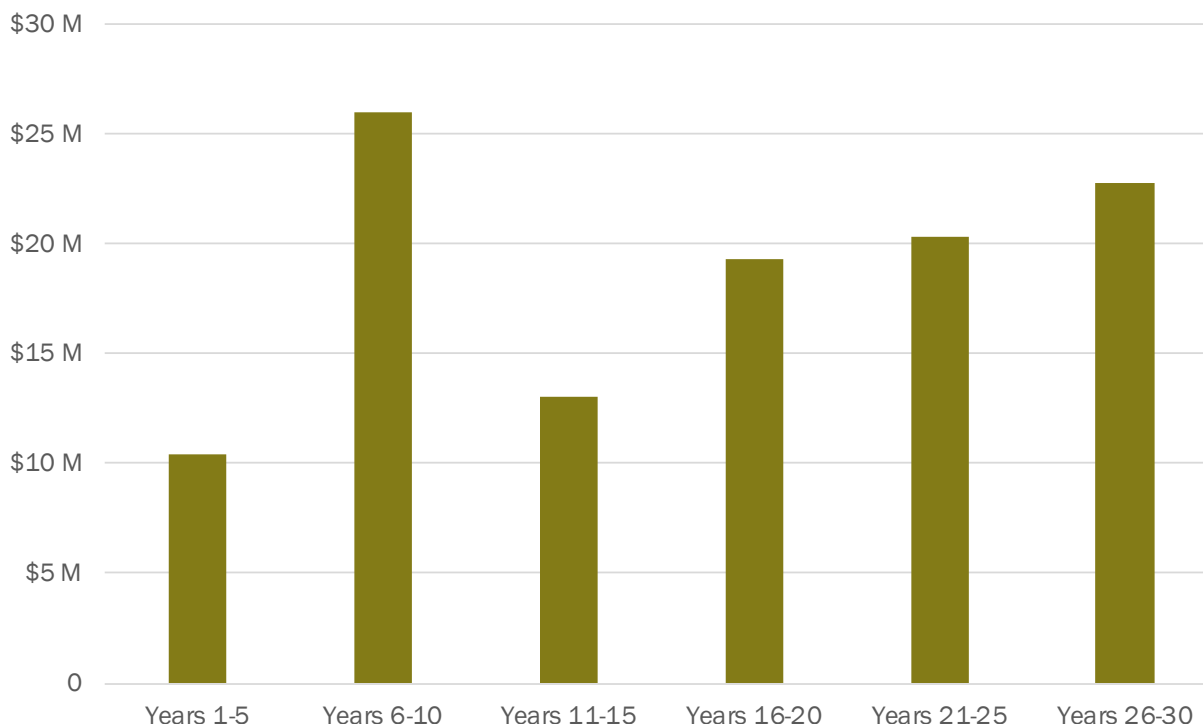
Figure 2 shows the amount of revenue that is anticipated to be available in five-year increments. Even with borrowing, funding for projects in the first five years is expected to be limited to about \$10 million (in 2020 dollars), with more available in later years. The emphasis on borrowing to deliver catalytic investments as early as possible means that potential expenditures drop in years 11-15 relative to years 6-10.

² This chart shows funding for projects in YOE dollars for consistency with TIF revenues. In other sections of this document and other charts funding for projects is reported in 2020 dollars to better align with project costs.

³ ORS 457 sets limits on the maximum indebtedness based on the urban renewal district’s total assessed value. The proposed MI for this urban renewal district is consistent with those limits.

⁴ The MI is required by statute to be stated in nominal (i.e., year-of-expenditure dollars), thus to truly understand the financial capacity of a new URD, it is helpful to adjust the MI for inflation and present it in real terms (i.e. constant 2020 dollars). Note also that funding for projects includes financing fees.

Figure 2: Estimated Financial Capacity by Time Period (in 2020 dollars)



Draft Allocation of Revenue Over Time

Based on input from URAB at previous meetings regarding the desired allocation of urban renewal funds and the priorities for funding in early years, the project team has created an initial draft of the finance plan that allocates funding to projects in specific time periods.

At the meeting on October 1, 2019, URAB recommended the following allocation of funds to broad project categories:

- Transportation, Streetscape, and Utility Infrastructure: 52%
- Affordable Housing Re/Development Assistance, Partnership, & Support: 18%
- Business and Re/Development Assistance, Partnership, & Support: 15%
- Public/Open Space, Facilities, Amenities, & Wayfinding: 10%
- Plan Administration, Implementation, Reporting, & Support: 5%

URAB also indicated support for investing in streetscapes, housing, existing businesses, wayfinding, and art in the early years of the urban renewal plan.

Figure 3⁵ shows the proportion of project spending in the first five years and the total spending on projects over the life of the URD. The overall distribution of funds closely matches the allocations recommended by URAB. In the first five years, the proposed allocations direct a significant portion of funding toward transportation (primarily bike/pedestrian improvements) and streetscape improvements, with additional funding for affordable housing, business enhancement and support, and utility infrastructure.

⁵ For informational and illustration purposes, the Transportation, Streetscape, and Utility Infrastructure project category is broken out into three project types – Transportation & Bicycle/Pedestrian, Streetscape, and Utility Infrastructure, to better demonstrate funding allocation.

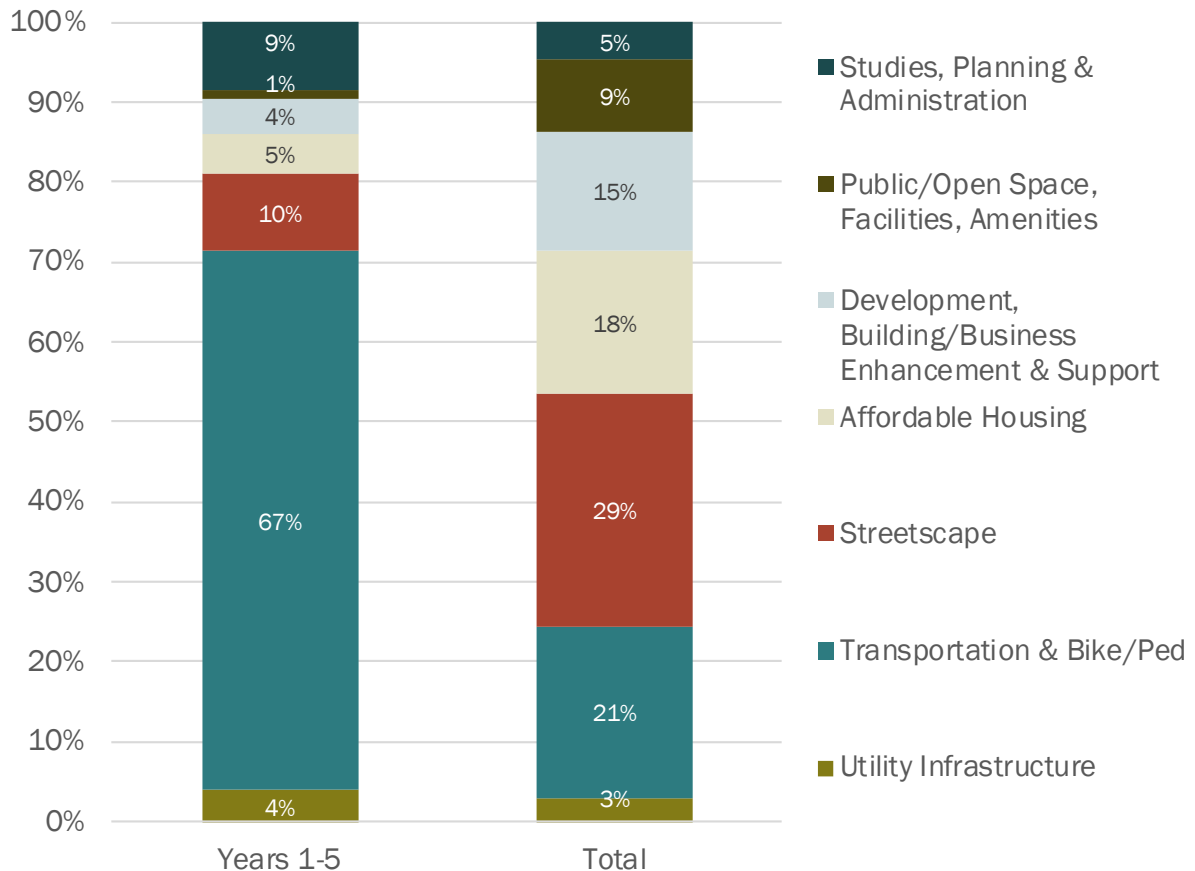
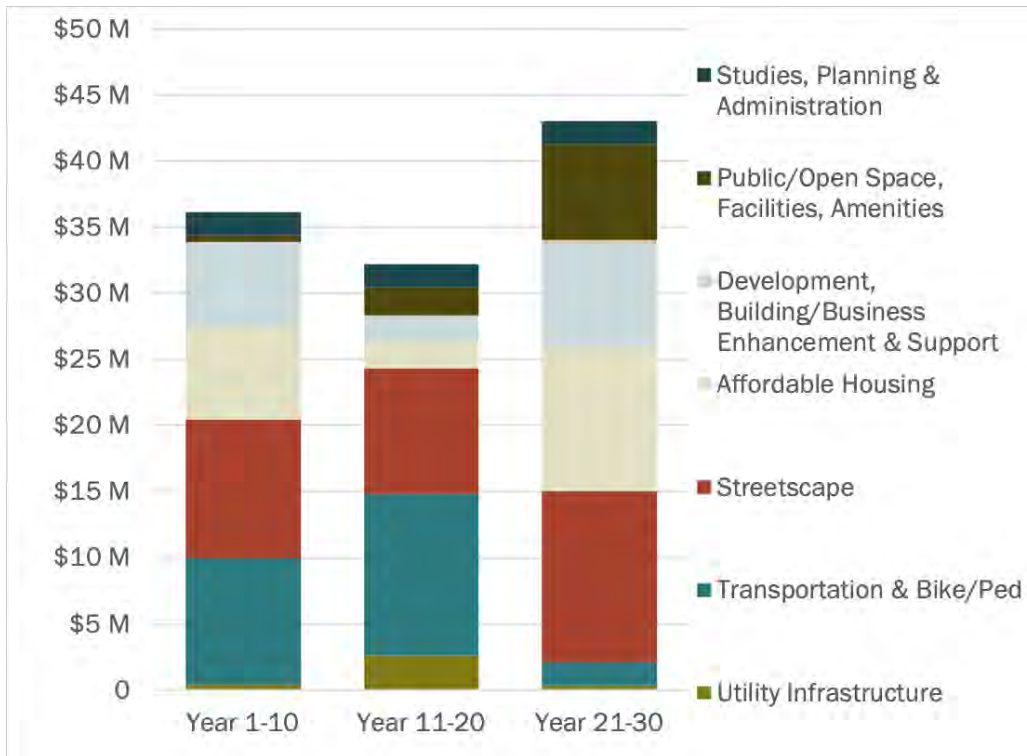
Figure 3: Proportion of Projected Spending First 5-Years and Total Project Cost by Project Type

Figure 4 illustrates potential urban renewal spending by category in 10-year increments. Staff identified the recommended project timing based on the following considerations.

- **Transportation, streetscape, and utility infrastructure projects:**
 - Water, sewer, and stormwater projects are reflective of the recommendations identified in their respective adopted public facilities and master plans.
 - The timing of transportation and bicycle/pedestrian projects is reflective of the phasing recommendations in the current TSP project list (note that years 1-9 in the urban renewal plan correspond to the “Near-Term” in the TSP).
 - Streetscape projects are reflective of synergy projects and “low-hanging fruit” in the early years, with larger efforts in the later years.
- For **affordable housing**, the timing is reflective of initiating funding prior to potential property value escalations, and continuing to fund programmatically throughout the life of the plan, as funding allows.
- For **business, building, enhancement & development support**, the timing is reflective of providing seed funding (e.g. for a revolving loan fund) for improvements to existing buildings/businesses in the early years, with greater emphasis on supporting new development in the latter years.
- For **public/open space, way finding, and amenities**, the timing is reflective of emphasizing smaller investments in wayfinding, signage, and private art installations early, with funding in the later years for larger public parks/plazas and open space capital projects.

- For **studies, planning, and administration**, the timing is reflective of consistent funding throughout the life of the plan to develop and advance other projects as necessary.

Figure 4: Projected Spending by Time Period by Project Type (in 2020 dollars)



Draft Project List

Table 1 below provides a list of projects for urban renewal funding, building on the preliminary project outline prepared by staff for URAB Meeting 5 (October 1, 2019), with the draft funding amount (total, throughout the life of the urban renewal plan) and generalized timing anticipated for funding. The project descriptions will be refined for the official urban renewal plan and report, but are anticipated to be at roughly the same level of detail as provided below.

Table 1: Draft Project List

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|---|--|---|--------------------|---------------------|---------------------|
| <i>TRANSPORTATION, STREETScape, AND UTILITY INFRASTRUCTURE</i> | | | | | |
| <i>Utility Infrastructure</i> | | | | | |
| Sewer System Improvements | Support projects identified in the 2018 Sewer Public Facility Plan that are located within the URD, including the Drake Lift Station and Force Main (under construction) and the Drake Downstream Trunk/2nd Street Trunk. | \$1,000,000 (about 30% of total project cost in URD boundary) | | ✓ | |
| Stormwater System Improvements | Support projects identified in the 2014 Stormwater Master Plan that are located within the URD, including the costs associated with stormwater improvements for the Franklin and Greenwood Underpasses | \$2,000,000 (about 35% of total project cost in URD boundary) | ✓ | ✓ | |
| Water System Improvements | Support projects identified in the 2011 Water Master Plan that are located within the URD, including the Norton Ave, Olney Parallel, Revere, and Division upgrade/replace projects | \$300,000 (about 30% of total project cost in URD boundary) | | | ✓ |
| <i>Transportation & Streetscape</i> | | | | | |
| Streetscape enhancements | Streetscape enhancement (including wide sidewalks, decorative paving, lighting, landscaping, furnishings - planters, seating, bicycle amenities, curbing, on-street parking) for key streets identified in the Urban Design Framework. | \$32,900,000 (75-100% of total project cost in URD boundary) | ✓ | ✓ | ✓ |

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|--|--|--|--------------------|---------------------|---------------------|
| East/West Multi-modal Crossing Improvements (Franklin, Greenwood, Hawthorne) | Greenwood Undercrossing Sidewalk Widening Improvements: Widen Parkway undercrossing to include improved multimodal facilities. Hawthorne Parkway Overcrossing: Close sidewalk gap along Hawthorne and create a grade-separated footbridge over BNSF Railroad and Hwy 97. Franklin Undercrossing, Hill Street to 1st Street. Shared use path adjacent to roadway: Widen sidewalk paths under Railroad and Hwy 97 to modernize design for roadside safety. | \$12,000,000 (about 50% of total project cost in URD boundary) | ✓ | ✓ | |
| Intersection Improvements | Improve safety, access, and mobility for all users and implement improvement at key identified intersections in the URD. | \$3,157,000 (about 25% of total project cost in URD boundary) | ✓ | ✓ | ✓ |
| 3rd Street Undercrossing | Widen 3 rd Street to 4-lanes under the Railroad, including complete street design from Emerson Avenue to Miller Avenue. | \$2,740,000 (about 20% of total project cost in URD boundary) | | ✓ | |
| Sidewalk Infill | Improve pedestrian safety and connectivity throughout the URD by closing sidewalk gaps along key routes and streets. | \$1,250,000 (about 5% of total project cost in URD boundary) | ✓ | ✓ | ✓ |
| Low Stress Bicycle Network | Implement various bicycle safety and connectivity projects throughout the URD and identified in the Low-Stress Bike Network. | \$1,250,000 (about 15% of total project cost in URD boundary) | ✓ | ✓ | ✓ |
| Aune Road Extension | Two-lane roadway extension of Aune Road to connect 3rd Street and Bond Street. Includes intersection improvement at 3rd Street and roundabout (RAB) at the intersection of Bond Street and Industrial Way. | \$675,000 (about 5% of total project cost in URD boundary) | ✓ | | |
| Mobility Hubs | Citywide implementation of mobility hubs in coordination with Cascade East Transit (CET) and High Capacity Transit (HCT) routes. Assumes up to 5 hubs. | \$500,000 (about 25% of total | ✓ | | |

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|--|---|---|--------------------|---------------------|---------------------|
| | | project cost in URD boundary) | | | |
| Sisemore Street Extension | Improve connectivity for all users by constructing a street extension of Sisemore from Arizona Avenue to Bond Street. | \$480,000 (about 20% of total project cost in URD boundary) | | ✓ | |
| Revere Ave Interchange | Parkway coordination project to construct roadway upgrades and intersection improvements to improve mobility for all modes. | \$425,000 (about 5% of total project cost in URD boundary) | ✓ | | |
| Olney Bike Lanes | Improve bicycle safety and provide protected bicycle lanes on Olney Avenue at Parkway undercrossing. | \$320,000 (about 15% of total project cost in URD boundary) | ✓ | | |
| 3rd Street/Miller Intersection | Improve safety and access for all users by constructing intersection improvements and 3 rd Street modifications. | \$310,000 (about 10% of total project cost in URD boundary) | | ✓ | |
| Olney Railroad Crossing | Improve safety and multimodal connections by upgrading the Railroad crossing to include dedicated sidewalks and bike lanes. | \$275,000 (about 15% of total project cost in URD boundary) | ✓ | ✓ | |
| Colorado Ave/US 97 Intersection | Improve pedestrian/bike crossing opportunities and improve safety for all users. Includes construction of a traffic signal or RAB. | \$86,000 (about 20% of total project cost in URD boundary) | ✓ | | |
| 3rd Street High Capacity Transit (HCT) | Includes HCT transit service connecting northern Bend ("the Triangle") to southern Bend. Includes improved transit connections from neighborhoods to HCT stops. | \$40,000 (about 20% of total project cost in URD boundary) | ✓ | | |

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|---|---|---|--------------------|---------------------|---------------------|
| 3rd Street/KorPine Connection | Create a safe crossing of 3rd Street between BNSF Railroad and Wilson Avenue using a Rectangular Rapid Flashing Beacon (RRFB) crosswalk and safety island. | \$30,000 (about 15% of total project cost in URD boundary) | ✓ | ✓ | |
| Safety Improvements | Improve safety, access, and livability for all users at key sites including the Colorado Avenue/US 97 improvements. | \$30,000 (about 5% of total project cost in URD boundary) | ✓ | | |
| Newport/Greenwood High Capacity Transit (HCT) | Includes HCT service connecting COCC to downtown and St. Charles Area. Includes improved transit connections from neighborhoods to HCT stops. | \$20,000 (about 20% of total project cost in URD boundary) | ✓ | | |
| AFFORDABLE HOUSING RE/DEVELOPMENT ASSISTANCE, PARTNERSHIP, & SUPPORT | | | | | |
| Affordable Housing Development Support | Partner with, and offer funds to support affordable housing organizations and developers to create low income, affordable housing opportunities as defined by the 2016 Bend Comprehensive Plan (Policy 5-20) within the URD. Project funds may be used for activities that support the development or rehabilitation of low-income affordable housing, including land acquisition/assembly; environmental review, mitigation, and remediation; pre-development assistance; payment of fees; frontage improvements (including utility undergrounding); and off-site infrastructure improvements. | \$20,000,000 (about 20% of total project cost in URD boundary) | ✓ | ✓ | ✓ |
| BUSINESS AND RE/DEVELOPMENT ASSISTANCE, PARTNERSHIP, & SUPPORT | | | | | |
| Development Support | Partner with and offer funds to support redevelopment and new development projects within the URD. Project funds may be used for activities that support non-profit, commercial, mixed-use and residential market-rate housing development projects, including land acquisition/assembly; environmental review, mitigation, and remediation; pre-development assistance; payment of fees; frontage improvements (including utility undergrounding); and off-site infrastructure improvements. | \$16,000,000 (about 5.5% of total project cost in URD boundary) | ✓ | ✓ | ✓ |

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|--|---|---|--------------------|---------------------|---------------------|
| Existing Business/Building Support & Enhancement | Provide and administer loans and grant programs to assist start-ups, existing local business owners and property owners in developing, redeveloping, or rehabilitating property. Loans and/or grants may be used to improve older buildings to meet current code standards; assist in the assessment, permitting and possible mitigation or remediation of environmental conditions; assess the feasibility of development or redevelopment; assist in other improvements to allow for the intensification of under-utilized sites; and other programs to eliminate blight in the area and retain existing businesses while also attracting new businesses that will provide needed goods and services. | \$450,000 (about 7.5% of total project cost in URD boundary) | ✓ | | |
| PUBLIC/OPEN SPACE, FACILITIES, AMENITIES, & WAYFINDING | | | | | |
| Parks/Trails/Plazas/Open Space | Support the acquisition of land for the purposes of a park, plaza, recreation, trail, and/or open space use. | \$9,250,000 (about 75-100% of project acquisition cost in URD boundary) | | ✓ | ✓ |
| Wayfinding & Signage | Assist in creating a clear identity for those that live, work, and/or visit the area through the development of a wayfinding system and distinct district signage. | \$200,000 (about 100% of project cost in URD boundary) | ✓ | | |
| Private Art Installations | Provide and administer loans and/or grants that provide new and existing businesses, or new and existing property owners, with the ability to contribute to the creative vibe of the area. Funds could be used for events, performances, and/or commissioned artist fees for murals or other art installations on private property. | \$350,000 (about 50-100% of project cost in URD boundary) | ✓ | ✓ | |
| PLAN ADMINISTRATION, IMPLEMENTATION, REPORTING, & SUPPORT | | | | | |
| Planning & Studies | Provide funds for staff and/or independent professionals or organizations to provide additional planning or studies to refine or advance implementation of projects (e.g. market | \$2,250,000 | ✓ | ✓ | ✓ |

| Project Category/Type/Title | Preliminary Project Description | Draft Urban Renewal Funding Amount (in 2020 dollars) | Funding Years 1-10 | Funding Years 11-20 | Funding Years 21-30 |
|-----------------------------|--|--|--------------------|---------------------|---------------------|
| Administration | <p>studies, transportation analysis, design / engineering, cost estimating, etc.).</p> <p>Provide funds to retain the services of City personnel or other independent professionals or organizations that provide administrative and/or project management services; for costs associated with the implementation of the Plan and outlined activities; and ongoing administration and financing costs associated with issuing long- and short-term debt, relocation costs, and other activities required by ORS Chapter 457.</p> | \$3,600,000 | ✓ | ✓ | ✓ |

Conclusions / Questions

The draft finance plan shows that it is financially feasible, based on the projected TIF revenues generated from a 5% average annual growth in assessed value over a 30 year time period, to fund roughly \$112 million of projects (in 2020 dollars). The project team has estimated the amount of funding available in different time periods based on these revenues and best practices for ensuring adequate funding to cover debt obligations. Funding available is likely to shift slightly through refinement of the finance plan, but not in a way that affects overall financial feasibility.

The overall allocation of funds to project categories aligns with input from URAB at previous meetings, but a key focus for URAB's input is the timing of expenditures within each category. Put another way, the height of the bars in the charts is largely set, but URAB can offer feedback about how to allocate the funds in each period among the project categories or to specific key projects.

The key questions for URAB at Meeting 6 (December 11, 2019) are:

- Does funding for certain categories of projects need to be accelerated or emphasized more during earlier periods?
- If so, what type of projects should be shifted to later years to free up funding?

DEVELOPMENT CODE AUDIT & RECOMMENDATIONS

ZONING AUDIT

PREPARED FOR: Urban Renewal Advisory Board (URAB)

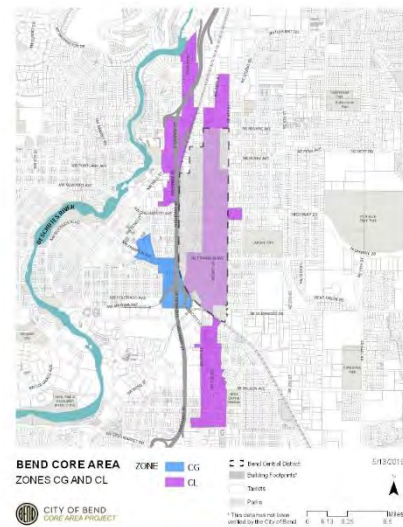
PREPARED BY: Cascadia Partners LLC

DATE: 07/10/2019

Introduction

Cascadia Partners (CP) performed a market-driven assessment of the zoning standards within the BCD Overlay and the CL and CG zone districts. The purpose of the zoning audit is to determine which zoning standards within the study area may be limiting investment, redevelopment and preventing the area from achieving Citywide goals, such as new housing.

There are several reasons why reducing barriers to investment in this area are important. Bend's City Council has prioritized a focus on reducing barriers to housing development in general. The CAP project is investigating the viability of using Tax Increment Financing (TIF) revenue to fund certain types of projects within the study area. TIF relies on new investments to generate the new tax revenue needed to pay for these enhancements. The development feasibility analysis performed by Cascadia Partners for an earlier phase of the Core Area Project pointed to several zoning standards as potentially limiting redevelopment feasibility, especially for housing. This audit represents a deeper investigation into those issues and provides recommended changes. These recommendations are based on best practice zoning standards and will need to be evaluated further for their appropriate application in the Core Area.



Evaluation Process

The assessment included an in-depth review of selected elements of Bend's Development Code, including the sections of chapters relevant to the application of the BCD Overlay, and CL and CG zones within the Core Area Project boundary. Existing zoning standards were modeled using pro forma tools to assess both financial feasibility as well as building form. Best practice zoning standards were also tested and compared to the existing standards. CP has conducted zoning audits across the US, including Coeur d'Alene ID, Gunnison CO, Austin TX, Grand Junction CO and Salt Lake City UT and has developed a strong sense of what is market-feasible in locations very similar to the CAP study area. Recommendations were made based on this comparative

analysis. CP has provided detailed notes on specific code language to City staff. This memo summarizes the key issues and recommendations.

While CL and CG zone districts extend beyond the CAP project boundary, this analysis focused within the CAP boundary. The issues identified in this analysis are likely relevant for other areas of the city that have CL and CG zoning and could be considered for citywide adoption.

Key Findings: BCD Overlay

The BCD Overlay area represents a major portion of the CAP study boundary. Both the development feasibility analysis and interviews with developers indicated a set of issues within the existing BCD code standards, such as prescriptive mixed-use requirements, parking requirements, and other issues, that are hindering new development in the area.

Prescriptive Mixed-Use Requirements

The existing BCD standards include several prescriptive mixed-use requirements within the 1st/2nd Street Subdistrict. By-right approval of a mixed-use building with residential uses requires that at least a “ground floor equivalent” amount of a secondary use, such as retail, must be included. Not all sites are good for retail, however the code appears to assume they are. Retail is only viable in very limited amounts and in specific locations, such as frontages on Franklin, Greenwood etc. This “ground floor equivalent” requirement means the amount of secondary use is determined by the building footprint rather than the market. This also means that no residential uses can be located on the ground floor, which poses serious design challenges and is unnecessarily restrictive.

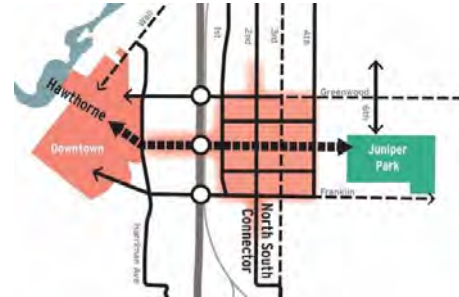
Mixed-use zone standards should be informed by how modern mixed-use buildings are constructed. For instance, most mixed-use buildings constructed recently are podium-style buildings, with a 1-2 story concrete base and several stories of wood framed residential or office above. In many instances, the ground floor of these buildings are not entirely retail (and often less than half of the ground floor is retail). Rather, there is a combination of amenity spaces for upper floors, like lobbies and gyms, rear tuck under parking, storage, mechanical, garbage etc. Even in very strong retail locations, populating the entire ground floor with retail space can be too much square footage for the market to absorb. Requiring the construction of more retail space than the market



can absorb means either the project does not get built or the residential rental rates must be higher to absorb the cost of building empty/low rent retail space.

Recommendations:

- Designate key main streets within the study area where active ground floor building frontages are deemed necessary, such as Greenwood, Franklin, and 3rd Street. Specifically, a minimum 5% secondary use requirement for buildings with frontage on designated main streets.
 - The CAP process and framework design documents could provide the street designations needed (see the draft framework image to the right)
- Allow single use buildings, such as apartment buildings, creative office, or “maker spaces” on lots or portions of lots not fronting these key main streets



Limited Residential Allowances

Residential uses are restricted in a number of ways within the BCD overlay.

Allow Townhomes Enable Live-Work

Townhomes are not allowed at all within the 1st/2nd Street Subdistrict and are limited in 3rd Street Subdistrict. Permitting townhomes could allow for low-cost, owner-occupied, live-work buildings within the district at relatively high densities.

*“Residential uses that are not part of a mixed-use development are **prohibited.**”*

Allow Apartment Buildings Where Retail Not Viable

Single-use residential buildings are not allowed in either the 1st/2nd Street or 3rd Street Subdistricts. The BCD is a large area with very limited residential today. Not all areas are feasible for mixed-use and retail, particularly the interior portions of the district. Financing single-use buildings is less complicated than mixed-use. Residential opportunities exist today that can support the vitality of the district and the City’s priority for new housing.

Recommendations:

- Allow multi-unit buildings and townhomes on lots or portions of lots not fronting designated main streets

Parking

Simplify Used-based Parking Requirements

The BCD Overlay contains use-based, off-street parking requirements and several potential allowed parking reductions. Use-based parking requirements are problematic. The uses in buildings change far more often than buildings themselves change. Many communities are moving away from detailed use-based parking requirements and simplifying parking requirements, often only distinguishing between residential and non-residential uses.

Expand Ground Floor Parking Exemption

The current code contains a parking exemption for up to 5,000 square feet of retail or restaurant uses only. This is an innovative policy but should be expanded to include all ground floor uses, not just retail or restaurant. This would encourage the inclusion of creative office, maker space, or even ADA-accessible residential units on the ground level of buildings.

Expand Mixed-Use Parking Reduction

In order to be eligible for the mixed-use parking reduction of 25%, a mixed-use project is required to have at least 20% secondary uses, such as ground floor retail. Again, the code is determining the amount of that secondary use, even if the market cannot sustain that amount of square footage. For instance, if a building is proposed with 50,000 square feet, at least 10,000 square feet must be secondary uses in order to be eligible for the mixed-use parking reduction – but 10,000 square feet of retail, for instance, may not be market feasible.

Recommendations:

- Reduce residential parking requirements to 0.5 spaces per unit on average from 1
- Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1,000 square feet
- Expand the 5,000 square feet parking exemption to include any ground floor use, not just retail and restaurant
 - Ground floor design guidelines should seek to maximize glazing (windows) and transparency (no reflective or tinting to enable viewing inside and out)
- Reduce the amount of secondary space required to be eligible for the mixed-use parking reduction to 5% from 20%
- Eliminate the parking maximums which cause unintended consequences and pose challenges for transitional land use types that are currently market-feasible

Note: the metrics stated above are preliminary for discussion. They are based on best practices for coding pedestrian-oriented, mixed-use areas.

Front Setback

Implement Context-Sensitive Minimum Front Setback

The front setback within the BCD is a minimum of 5 to 10 feet and maximum of 10 to 15 feet, depending on the Subdistrict. The purpose of the minimum front setback is to expand the sidewalk realm, however, this implies that every street within the BCD area is constrained and not sufficiently wide to accommodate all the elements of a “complete street,” such as wide sidewalk, bike lanes and on-street parking. This is not the case. The minimum front setback should be context sensitive and be required only in areas where the right of way is truly constrained.

Allow Flexible Max Front Setback for Active Spaces

The maximum front setback is intended to bring building massing towards the street and create a complete and active street wall. However, activating streets does not always require a uniform street wall. Some of the most successful businesses and active streets in



Bend have a wide variety of setbacks, with active “front yards” that support ground floor uses. If the front setback is used for pedestrian area or outdoor area that supports the building’s uses in an active way, then there should be flexibility in the maximum front setback. The code is already explicit in precluding the front setback from being used for parking. This preclusion should be expanded to include all inactive space, such as landscaping not useable by people.

Recommendations:

- Reduce the minimum front setback to 0 feet, except on designated streets or sections of streets where the right of way is too narrow to accommodate the designated “complete street concept”
- Increase the maximum front setback allowance if the setback is used for enhanced pedestrian area and other active space that can support the businesses
- Explicitly and more clearly restrict inactive uses within the front setback, such as passive landscaping (unless stormwater management features), storage areas etc.

Minimum Lot Width

Allow for Smaller Scaled Buildings

The BCD minimum lot width is 30 feet. The width of many new, innovative modular building forms is 14-15 feet. In addition, allowing a 15' townhome unit can help reduce costs for live-work units like those shown on the right. CP helped write the zone code standards for a Maker District in Gunnison Colorado that allowed small, narrow lots. Townhomes are a relatively dense and cost-effective, ownership product that aligns well with Bend's strong owner market.



Recommendations:

- Eliminate the minimum lot width and let building code dictate the minimum
- Alternatively, reduce the minimum lot width to 15'

Building Size Limitations

The current code places limits on building sizes based on the land use. This could potentially limit development/redevelopment of desirable businesses within the study area. For example, the code limits retail sales and service uses within the Bend Central District to 30,000 square foot limit per business and 50,000 square feet per building. The average size of grocery store ranges between 35,000-50,000 square feet which would exceed the current limit per business. Current limits on business and use size is overly prescriptive and could potentially detract valuable users and businesses to the Bend Central District.

Recommendation:

- Consider reducing or eliminating limitations on building size, particularly for Entertainment/Recreation and Retail Sales and Service uses

Parking Exemption for Small Footprint Projects

Most Lots in BCD are Relatively Small

Half of all lots in the BCD are less than 12,000 square feet. A very common lot size in the older neighborhoods of Bend ranges in size between 5,000 and 6,000 square feet. So one way to understand this is that most of the lots in the BCD are smaller than a two standard-sized lots. The zoning in the BCD technically allows up to 85 feet (4-5 stories), but with the current required parking standards, that is impossible to achieve on at least half of the lots in the district.

Accommodating surface parking and structured parking requires a significant amount of lot area. For example, the drive isles and ramps associated with a parking structure have very specific minimum dimensions that are very difficult (if not impossible) to accommodate on lots less than one-half acre (21,780 square feet). Essentially, there is no way to accommodate these things – and be left with enough space to also build a building – on half the lots in the BCD. As a result, the majority of lots have a much lower development potential under current zoning standards than what is envisioned. The market reality is that a 12,000 square foot lot is likely to develop at 1-2 stories with current standards (most notably parking standards).

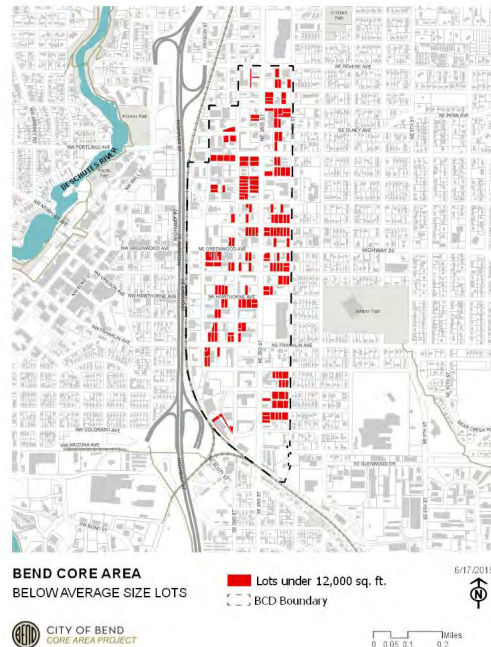
Similar to the existing parking exemption for ground floor retail and restaurants, exempting small-scaled projects from parking requirements can unlock a significant portion of the BCD property for near-term development.

Encouraging small-scale projects has several benefits. There are many more property owners and builders who could self-finance small-scaled projects compared to larger projects which can easily cost tens of millions of dollars. In addition, smaller projects add architectural and business variety to a district that aims to support small-scaled entrepreneurs.

Recommendations:

- Exempt the first 10,000 square feet of lot area from on-site parking requirements to encourage redevelopment on small lots and for smaller footprint projects

Half of All Lots in BCD are less than 12,000 Square Feet in Size – Roughly Two Standard-Sized Lots



Pro Forma Evaluation

Testing a Mixed-Use Building: BCD Comparative Analysis

CP ran three pro forma models for a 6-story mixed-use building on a hypothetical, small 7000 square foot site. The BCD is comprised of mostly small sites. The average site size within the BCD is roughly 18,000 square feet and half of all sites are less than 12,000 square feet. Zoning standards tend to pose the most challenges on small sites, so evaluating a small site provides benefits for our analysis even if most 6-story buildings will likely be built on sites larger than 7,000 square feet.

For each scenario we assume that land costs \$30 per square foot, construction costs are \$200 per square foot (hard costs), residential rents are \$1,500 per unit and retail rents are \$25 per square foot, triple-net. These assumptions are in line with current conditions, but costs and rents are currently at historically high levels. Land prices vary widely based on the size of the property, exact location and whether it has a useable building. Properties with useable buildings, for example, have sold for significantly more than \$30 per square foot. There are also many longtime property owners who likely bought for a fraction of this price. For this example, we are assuming a vacant small site.

It is important to note that not all landowners have paid top dollar for land, not all must use 3rd party contractors for construction, and not all can get these rents. However, using consistent figures across the analysis allows us to isolate the relative impact of policy changes. Even if the underlying assumptions change, the relative impact of the policy changes will be consistent. And the impact of the potential policy changes are significant.

The analysis below shows that no single zone standard change will solve the issues identified. There are relationships between standards that mean several changes are necessary to achieve the most feasible outcomes. To show these relationships and compounding benefits of multiple changes, CP conducted a 3-step pro forma analysis to evaluate how the existing zone standards compared to two sets of potential changes. The summary of the analysis with diagrams of the building forms that result from each



set of standards on top. A narrative description of the 3-step process is below the graphic.

In summary, the results indicate that the prescriptive mixed-use requirements have negative (and unintended) impacts to financial feasibility and building form. In addition, urban parking standards and expanded parking reduction allowances can enable the development of an efficient podium-style mixed-use building form. When all of the recommended zone changes are tested, the buildings leasable square footage increases 69% and residential units increase 76% with no added height, and the ground floor uses can be scaled to a market-supportable square footage. These critical changes result in an 18% improvement in return rate from 5.6% to 6.6%. Typical desired cash-on-cash return rates are between 8 and 12% depending on a developer's sources of funding. In Opportunity Zone areas, there may be lower return expectations because of the value of tax savings in these areas.

Step 1: Model Existing Zoning Standards

The current zoning standards make building a mixed-use building challenging. The requirement to include a "ground floor equivalent" amount of secondary use, such as ground floor retail predetermines that nearly 3,000 square feet of retail must be built, in this example, regardless of the market demand. In addition, it prevents using part of the ground floor for rear tuck-under parking for the residences – a common parking strategy in this type of building. Since we can't tuck a row of parking under upper floors of the building, all of the parking is exposed surface and limits the building footprint to less than half of the site area. This example is not financially feasible, but also has design problems, such as a shallow building depth, that may prevent it from being logical to construct.

Step 2: Loosen Mixed-Use Requirements Only

By only relaxing the ground floor equivalent use requirement, the building can accommodate other uses on the ground floor such as tuck-under parking. However, the reduced ground floor allowance means that secondary use is now less than 20% of the building area. As a result, the project is no longer eligible for the mixed-use parking reduction. As a result, the amount of off-street parking increase and the project is even less viable.

Step 3: Loosen Mixed-Use + Expand Parking Reductions

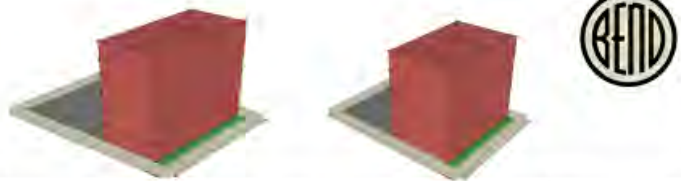
In order to align the zoning standards with modern mixed-use building forms, further changes are needed. Allowing more urban off-street parking ratios is the most effective remaining strategy. Examples of the recommended changes include: reducing residential parking standards to 0.5 spaces per unit, simplifying the non-residential parking requirements to 1 space per 1000 square feet of all non-residential uses, expanding the 5000 square foot exemption to include all ground floor uses, and enabling multimodal project elements, such as bike parking, car/bike share space, etc., to be "traded" for a further reduction in off-street parking spaces.

Testing an Apartment-Only Option

Building on the previous analysis, CP investigated the potential of permitting stand-alone apartments within the interior of the BCD (i.e. - not on main street frontages). A 5-story wood frame apartment building can be built more cost effectively than a mixed-use building. Financing is less complex, retail is not a potential drag on the financial strength of the project, and with urban parking standards, the project can be parked entirely with low-cost surface parking. As a result, the project has a 43% higher return rate than the mixed-use project that assumed current zone standards (from 5.6% to 8%). In addition, 11% lower residential rents are required to make the project “pencil.”

The next phase of CP work will focus on further implementation strategies and incentives. As a preview of this work, we tested the impact of tweaking the program that allows for the financing of System Development Charges (SDC) to evaluate the impact. In the apartment scenario, the SDCs are over \$300,000. Normally a developer must pay these fees as a lump sum at permitting. However, if these fees can be financed instead, that spreads the payment over a 10 years period which has a significant impact on the project’s financing. In this example, SDC financing raises the return rate from 8% to 10% - a market-feasible project – and allows for residential rents to drop to below \$1500 per month, which is in line with the current market. We will evaluate this and other tools in more detail in coming months.

APARTMENT SENSITIVITY TESTING ZONE: BCD OVERLAY



OBSERVATIONS:

- Retail not viable in most locations
- Mandate for mixed-use suppressing redevelopment
- Apartment nearly financial feasible
- Over 11% reduction in needed rents
- >\$300k in SDCs
- Financing reduces required rent to <\$1,500 per month or 23%

| Building Characteristics | Existing Zone Standards | Allow Apartments | % Change |
|---|----------------------------------|-----------------------------|----------|
| Building Floors | 6 | 5 | -17% |
| Building size (sf) | 14,700 | 16,300 | +11% |
| Building Lot Coverage | 35% | 47% | +86% |
| Retail (sf) | 2,940 (20%) / 1 Floor Equiv. | 0 (0%) / <1 Floor Equiv. | - |
| Residential (units) | 17 | 23 | +35% |
| Parking (sf) | 4,550 (surface) | 3,731 (surface) | -18% |
| Parking (spaces) | 14 MU Parking Reduction - YES | 11 (0.5 spaces per Unit) | -21% |
| Return (%) @ \$2.5 for 605 SF Avg Unit | 5.6% | 8.0% | +43% |
| Required Res Rent | \$1,924 (\$3.18 / SF) | \$1,704 (\$2.82 / SF) | -11.4% |

Key Findings: CL/CG Zones

The CL and CG zones generally extend to the north and south of the BCD area within the CAP study area. They also exist in other parts of the City beyond the CAP study area. As with the BCD Overlay area, both the development feasibility analysis and interviews with developers identified several barriers with the current zone standards.

Prescriptive Mixed-Use Requirements

The existing CI/CG zone standards include several prescriptive mixed-use requirements. Current standards require that commercial or public/institutional uses occupy at least a “the floor area equivalent to the entire ground-floor area of the development.”

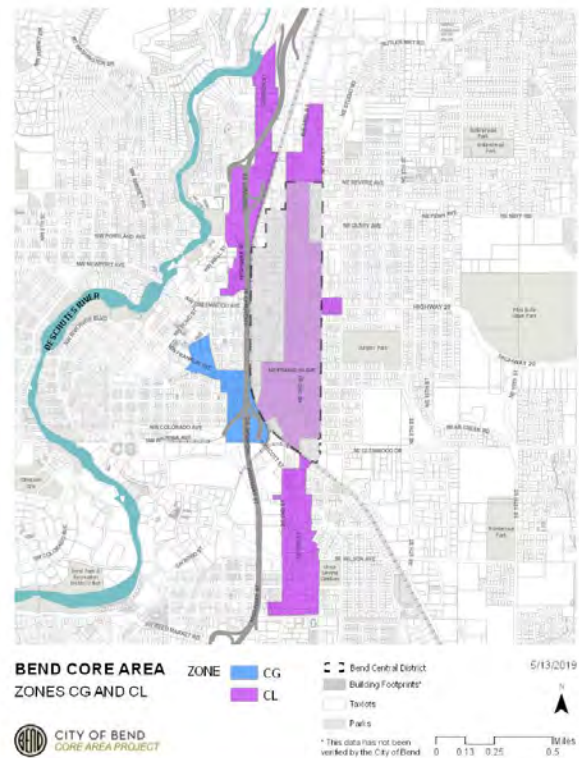
From 3.6.200.1.5:

The commercial or public/institutional uses shall occupy at least the floor area equivalent to the entire ground-floor area of the development. The commercial or public/institutional uses shall be constructed prior to or concurrently with the residential uses.

There are several problems with this standard. First, not all sites are good for commercial, however the code appears to assume they are. Second, this “floor area equivalent” requirement means the amount of retail is determined by the building footprint rather than the market need. Third, retail rarely works above the ground floor so assuming this standard can be accommodated by programming retail on the 2nd floor is not reasonable.

Recommendations:

- Only require active ground floor building frontage uses on designated main streets (same as BCD Overlay recommendation)
 - Specifically, a 5% secondary use requirement for buildings with frontage on designated main streets
- Allow single use buildings, such as apartment buildings, creative office, or “maker spaces” on lots or portions of lots not fronting these shopping streets



- Horizontal mixed-use is technically allowed in the code today, but the requirement to have a “floor area equivalent” of commercial makes it very difficult to achieve, especially if you’re adding an apartment building to a site that already has retail, as this recommendation anticipates

Limited Residential Allowances

Residential uses are restricted in a number of ways within the CL/CG zones.

Allow Stand-alone Residential Buildings Where Retail Not Viable

Stand-alone residential uses are not allowed within the CL/CG zones; they must be built in conjunction with commercial uses. The current standard allows up to 25% of ground floor residential uses on arterial and collector street frontages. Essentially this means that 75% of the ground floor must be in non-residential uses, such as retail. This is overly prescriptive and is likely to result in more retail space being required than the market can sustain for many sites.

“On arterial and collector street frontages ... ground-floor residential uses are limited to 25 percent of the street frontage, except ground-floor entrances or breezeways for housing located above or behind a nonresidential use.”

Similar to the recommendations for the BCD, buildings should be considered mixed-use if at least 5% of the building area is in a secondary use. If the lot is adjacent to a designated main street, then those secondary uses should be located along that frontage and should be active uses. If a secondary use is required and retail is viable, the market will build useable retail space.

On lots or portions of lots not fronting key main streets, standalone uses (including residential) and ground floor residential uses should be permitted by-right. Permitting stand-alone residential uses would allow for building types such as townhomes that could in turn allow for low-cost, owner-occupied, live-work buildings within the district at relatively high densities.

Recommendations:

- Allow multi-unit buildings and townhomes on lots or portions of lots not fronting designated main streets
- Eliminate the current residential ground floor limitations of 25% of the ground floor
- Allow up to 95% of the building square footage to be in residential use

Parking

Simplify Used-based Parking Requirements

The CL/CG zones contain use-based, off-street parking requirements and a few potential allowed parking reductions. Use-based parking requirements are problematic. The uses in buildings change far more often than buildings themselves change. Many communities are moving away from detailed use-based parking requirements and simplifying parking requirements, often only distinguishing between residential and non-residential uses.

Adopt Ground Floor Parking Exemption

There is currently no exemption for ground floor uses in the CL and CG zones, as there is in the BCD Overlay.

Expand Mixed-Use Parking Reduction

Mixed-use developments are eligible for a parking reduction of 5%, which is insignificant and does not provide a sufficient incentive for mixed-use. The BCD mixed-use parking reduction is 25%.

Recommendations:

- Reduce residential parking requirements to 0.5 spaces per unit on average from 1
- Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1000 square feet
- Extend the ground floor parking exemption currently in the BCD Overlay (with recommended modifications) to the CL and CG Zones.
- Increase the on-street parking credit allowance to 100% from 50%
- Increase the mixed-use parking reduction incentive from 5% to 25% to be consistent with the BCD Overlay

Setbacks

Adopt Commercial Frontage Standards to Support Pedestrian-friendly Building Design

The front setback within the CL/CG zones is a minimum of 10 feet and maximum of 80, depending on whether on-street parking exists. This does not allow for a building to be up to the street, like in many walkable areas. And it allows buildings to be far away from the street behind large parking lots. Commercial frontage standards have been crafted and adopted in many communities to address the transition of suburban strip commercial land uses to a more main street-style of development pattern. These frontage requirements usually require a certain portion of building frontage to be closer to the street. For instance, requiring 50% of a building's frontage to be at the minimum setback is not uncommon. These standards usually require care and flexibility in

implementation to avoid rendering certain sites unbuildable, such as small or irregularly shaped sites.

Recommendations:

- Adopt commercial frontage standards that support more pedestrian friendly development patterns with a larger portion of buildings frontages closer to the street
- Reduce minimum front setbacks
- Allow flexible front setbacks if the setback is used for enhanced pedestrian area and other active space that can support the businesses

Pro Forma Evaluation

Testing a Mixed-Use Building: CL/CG Zone Comparative Analysis

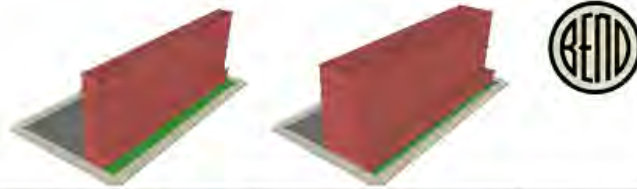
CP ran three pro forma models for a 6-story mixed-use building on a hypothetical, small 10,000 square foot site. The CL/CG zones are comprised of mostly small sites. The average site size within the CL/CG zones is roughly 20,000 and half of all sites are less than 9,000 square feet. Zoning standards tend to pose the most challenges on small sites, so CP used a 10,000 square foot hypothetical site for this analysis.

For each scenario we assume that land costs \$30 per square foot, construction costs are \$200 per square foot (hard costs), residential rents are \$1500 per unit and retail rents are \$25 per square foot, triple-net. These assumptions are in line with current conditions, but costs and rents are currently at historically high levels. Not all landowners have paid top dollar for land, not all must use 3rd party contractors for construction, and not all can get these rents. However, using consistent figures across the analysis allows us to isolate the relative impact of policy changes. Even if the underlying assumptions change, the relative impact of the policy changes will be consistent. And the impact of the potential policy changes are significant.

The analysis below shows that no single zone standard change will solve the issues identified. There are relationships between standards that mean several changes are necessary to achieve the most feasible outcomes. The changes tested below include reduced front setback, elimination of “ground floor equivalent” for ground floor uses, urban parking standards of 0.75 spaces per residential unit and 1 per 1000 square feet of non-residential uses, and a 5000 square foot ground floor use parking exemption like the recommended standard for BCD.

In summary, the results indicate that the prescriptive mixed-use requirements have negative (and unintended) impacts to financial feasibility and building form. In addition, urban parking standards and expanded parking reduction allowances can enable the development of an efficient podium-style and/or surface parked-only mixed-use building form. When all of the recommended zone changes are tested, the buildings leasable square footage increases 144%, the ground floor uses can be scaled to a market-supportable square footage and the return rate increase 600% from 0.3 to 2.1%. While the increase in return rate is significant, the ultimate return rate of 2.1% is not market feasible with these set of assumptions, such as land prices. CP’s next phase of work will focus on additional incentives and implementation tools that can help get these return rates to a market-feasible level.

**SENSITIVITY TESTING
ZONE: CG/CL ZONE DISTRICTS
(OUTSIDE OF BCD)**



OBSERVATIONS:

- Suburban parking standards make vertical mixed-use infeasible
 - Particularly when restaurants included
- 10' minimum front setback results in more suburban development pattern
- Mandated retail in mixed-use limits ability for "horizontal mixed-use"

| Building Characteristics | Existing Zone Standards | Proposed Changes | % Change |
|---|----------------------------------|------------------------------|----------|
| Building Floors | 6 | 6 | |
| Building size (sf) | 18,686 | 45,616 | +144% |
| Building Lot Coverage | 19% | 48% | +153% |
| Retail (sf) | 3,924 (21%) / 1 Floor Equiv. | 2,280 (5%) / <1 Floor Equiv. | -42% |
| Residential (units) | 21 | 57 | +171% |
| Parking (sf) | 16,107 – 81% of parcel (surface) | 14,298 (tuck-under, surface) | +2% |
| Parking (spaces) | 43 | 44 (0.75 spaces per Unit) | |
| Front setback (ft) | 10 | 5 (Expanded Sidewalk) | -50% |
| Return (%) @ \$2.2 for 605 SF Avg Unit | 0.3% | 2.1% | 600% |
| Required Res Rent | \$2,205 (\$3.65 / SF) | \$1,880 (\$3.11 / SF) | -15% |



Step 1: Model Existing Zone Standards

The current zone standards make building a mixed-use building challenging. The requirement to include a “ground floor equivalent” amount of commercial means that nearly 4,000 square feet of retail must be built, in this example, regardless of the market demand. This example is not financially feasible, but also has design problems, such as a shallow building depth, that may prevent it from being logical to construct.

Step 2: Loosen Mixed-Use + Expand Parking Reductions

In order to align the zoning standards with modern mixed-use building forms, further changes are needed. Allowing more urban off-street parking ratios is the most effective remaining strategy. Examples of the recommended changes include: reducing residential parking standards to 0.5 spaces per unit, simplifying the non-residential parking requirements to 1 space per 1000 square feet of all non-residential uses, enabling the 5000 square foot exemption similar to BCD, and enabling multimodal project elements, such as bike parking, car/bike share space, etc., to be “traded” for a further reduction in off-street parking spaces.

Testing a Horizontal Mixed-Use Apartment

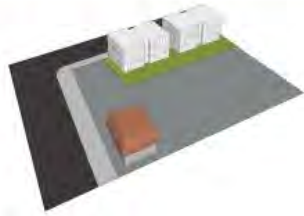
Building on the previous analysis, CP investigated the potential of permitting stand-alone apartments on existing, large CL/CG zoned lots (ie- not on portions of the lot fronting main streets). A 4-story wood frame apartment building can be built more cost effectively than a mixed-use building. Financing is less complex, retail is not a potential drag on the financial strength of the project, and because the land is already owned and parking is already built, the costs are even lower.

As a result, the project has a market-feasible rate of return of 10% cash-on-cash. In addition, the market-feasible residential rents in line with the current market which makes this the most feasible building types we tested.

HORIZONTAL MIXED-USE SENSITIVITY TESTING
 ZONE: CG/CL ZONE DISTRICTS
 (OUTSIDE OF BCD)

OBSERVATIONS:

- Allow horizontal mixed-use
- Stand-alone apartments can take advantage of existing, large parking lots
- Very cost effective, wood frame construction
- Easier to finance



| Building Characteristics | Apartment – Horizontal Mixed-Use |
|---|----------------------------------|
| Building Floors | 4 |
| Building size (sf) | 40,000 |
| Residential (units) | 56 |
| Parking (spaces) | 0 New – Use Existing Lot |
| Return (%) @ \$2.2 for 605 SF Avg Unit | 10% |
| Required Res Rent | \$1,500 (\$2.50 / SF) |

Development Code Recommendation

PREPARED FOR: Urban Renewal Advisory Board (URAB)

PREPARED BY: Allison Platt, Senior Planner
Pauline Hardie, Senior Planner

DATE: November 19, 2019

Introduction

At the last Urban Renewal Advisory Board (URAB) meeting on August 13, 2019, URAB directed staff to look at development code amendments for the Core Area in order to reduce barriers to development/redevelopment within the study area, particularly for housing. These recommendations were grouped into three categories that all received support from URAB:

- 1. Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements.**
- 2. Recommendations that simplify and reduce parking requirements, particularly for small lots.**
- 3. Recommendations that maximize buildable space for private development while balancing public needs such as creating walkable and attractive streets.**

URAB directed staff to provide specific recommendations to implement the three development code categories. In particular, the Board asked staff to look at how to provide balanced parking recommendations.

Staff has analyzed the recommendations that were summarized in the Early Implementation Action Memo, presented at August 13, 2019 URAB #4 meeting, in conjunction with the Zoning Audit, prepared by Cascadia Partners. In addition, City staff have reviewed best practices for main street district zoning codes.

Evaluating Recommendations

Staff has analyzed the recommendations from the Zoning Audit and has included a discussion of policy implications for each recommendation.

Bend Central District Overlay recommendations are organized into the attached tables that include the following:

- 1. Zoning audit recommendation:** Recommendations made and documented in zoning code audit.
- 2. Bend Development Code (BDC) Section:** Location of specific language that would be modified in the BDC.
- 3. Current regulation:** Language of the current BDC provision/regulation.

4. **Policy implications:** Brief discussion about the tradeoffs (pros and cons) of each recommendation and potential impacts of implementing the zoning audit recommendation.
5. **Proposed Recommendation:** Recommendation based on consideration of policy implications. These are working recommendations, subject to comment by URAB and refinement as they are reviewed in further public processes.

Request to URAB and Next Steps

1. Staff requests that URAB review the evaluation and recommendations related to the **Bend Central District overlay**, as described in the following tables. Staff will compile the questions and comments made by URAB, and use those in subsequent drafts of the recommendations. Staff is not asking URAB to approve all of the detail in the attached tables. **URAB comments from the October 1, 2019 meeting are shown in the tables below in grey highlighter.**
2. After discussion, staff requests that URAB vote again on the three high-level recommendations (listed below) – this time as a formal recommendation to the City Council and Bend Urban Renewal Agency (BURA): A sample motion would be:

“URAB recommends that the City amend the Bend Development Code to incorporate, within the Bend Central District:
 - a. **Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements.**
 - b. **Recommendations that simplify and reduce parking requirements, particularly for small lots.**
 - c. **Recommendations that maximize buildable space for private development while balancing public needs such as creating walkable and attractive streets.**
3. Staff will bring forward URAB’s recommendation and the attached tables of more detailed evaluation and recommendations related to the **Bend Central District overlay** to the City Council for further direction. Recommendations will be presented at the October 16th City Council meeting.
4. Staff will bring recommendations to the **CL/CG** zones back to URAB at a subsequent URAB meeting, as part of the CAP Implementation Plan. Delaying the CL/CG recommendations, for a few months, is appropriate because the Urban Renewal boundary has not been finalized. Staff’s expectation is that this discussion would come back to URAB in December or January, with more detailed recommendations ultimately forwarded to the Bend City Council in Spring/Summer of 2020.

Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements

From the development feasibility work prepared in the Core Area Project, the project team has found that mixed-use buildings are challenging to deliver in current market conditions. In addition, mixed-use areas typically benefit from nearby single-use residential buildings to support the market feasibility of commercial uses. The following recommendations are focused on relaxing mixed-use and design requirements to encourage housing development in the area.

| Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements | | | | |
|---|--|---|--|--|
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
| Designate key “main streets” within the Bend Central District where active ground floor uses building frontages are deemed necessary. Allow stand-alone residential including multi-family and townhomes on lots or portions of lots not fronting these main streets. | Bend Central District Overlay BCD 2.7.3220 (D)(1) | Residential uses that are not part of a mixed-use development are prohibited in the 1 st /2 nd Street and 3 rd Street subdistricts. Attached Single Family Townhomes are not allowed in the 1 st /2 nd street subdistrict and are currently limited in the 3 rd Street subdistrict under the following provision: “Residential uses that are part of a mixed-use development in which nonresidential uses occupy less than the floor area equivalent to the entire ground floor area of the development area are conditional.” | Revising this standard would encourage housing development and does not preclude commercial uses, such as office, retail, etc. as allowed uses. Lots on interior streets within the district may not be as successful for commercial uses due to low visibility. Revising this standard would matches best practices for zoning mixed use districts: “Ground floor commercial requirements are a common pitfall when establishing mixed-use districts. Non-residential ground floor uses may be required along the primary retail corridor (typically no longer than ¼ mile), but should not be required throughout the district. In the greater downtown area, permitting residential as a single use should be allowed, which provides population support for the area. ¹ ” City would need to explain in findings how employment land supply would not be adversely impacted. | Designate the following as key “main streets” within the Bend Central District: 3 rd Street, Greenwood Avenue, Revere, Franklin Avenue, Olney Avenue and Hawthorne as key “main streets” (See Figure 1). URAB comments: Consider adding 2 nd Street between Greenwood and Franklin. On the main streets listed above, the requirement for ground floor commercial, currently in the BCD overlay, would remain. URAB Comments: Concern that this may be too many lots or corridors to consider requiring ground floor commercial. Comments that it is better to allow the ground floor uses to be flexible but require them to be built “commercial ready”. Another option is to look at requiring that a certain % of the main street lots need to be built to commercial ready standards. On all other lot frontages in the BCD overlay that do not front the above-listed main streets, allow stand-alone residential |

¹ Enabling Better Places: User’s Guide to Zoning Reform. *Congress for New Urbanism*. September 15, 2018. <https://www.cnu.org/sites/default/files/PCR-9-15-18.pdf>

Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements

| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
|------------------------------------|--------------------|---------------------------|------------------------------|--|
| | | | | <p>including multi-family, townhomes, live/work and ADA units.</p> <p>Staff recommendation: Add 2nd Street between Franklin and Greenwood as a key main street. Require that on key main streets that 5% of total building square footage fronting those key main streets be built to “commercial-ready” standards including a 12 foot floor to floor height requirement and window/glazing standards.</p> |

Recommendations that allow for more housing by relaxing prescriptive mixed-use requirements

| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
|---|--|--|--|--|
| <p>Review and simplify architectural design guidelines to maximize glazing (windows) and transparency for ground floor buildings on key main streets.</p> | <p>Bend Central District Overlay</p> <p>BCD 2.7.3230 E</p> | <p>. Buildings exceeding 65 feet in height are allowed subject to the following provisions:</p> <p>Buildings shall be constructed using a combination of architectural features and a variety of building materials....Ground story walls that can be viewed from public streets shall be designed with nonreflective windows totaling a minimum of 25 percent of the wall area and using architectural features (see subsection (E)(2) of this section).</p> <p>For new buildings, the front building facade must be at the minimum setback for at least 50 percent of the lot frontage; outdoor public gathering spaces such as plazas are encouraged and count toward the setback</p> | <p>Best practices for zoning urban mixed-use areas including eliminating architectural treatment requirements. These requirements often include façade articulation, dimensioned building elements and prescriptive style requirements. The key to success for main street areas is the treatment of the ground floor shop front including clear, non-reflective glazing and frequent entries.</p> <p>Amendments ensure that clear and objective standards are in place.</p> | <p>Modify design requirements to:</p> <p>Buildings shall be constructed using a combination of architectural features and a variety of building materials....Ground story walls that can be viewed from front public main streets shall be designed with non-reflective windows totaling a minimum of 25 percent of the wall <u>area and for nonresidential developments</u> using architectural features (see subsection (E)(2) of this section) for non-residential developments.</p> |

URAB Recommendation: Consider adding 2nd Street between Greenwood to Franklin

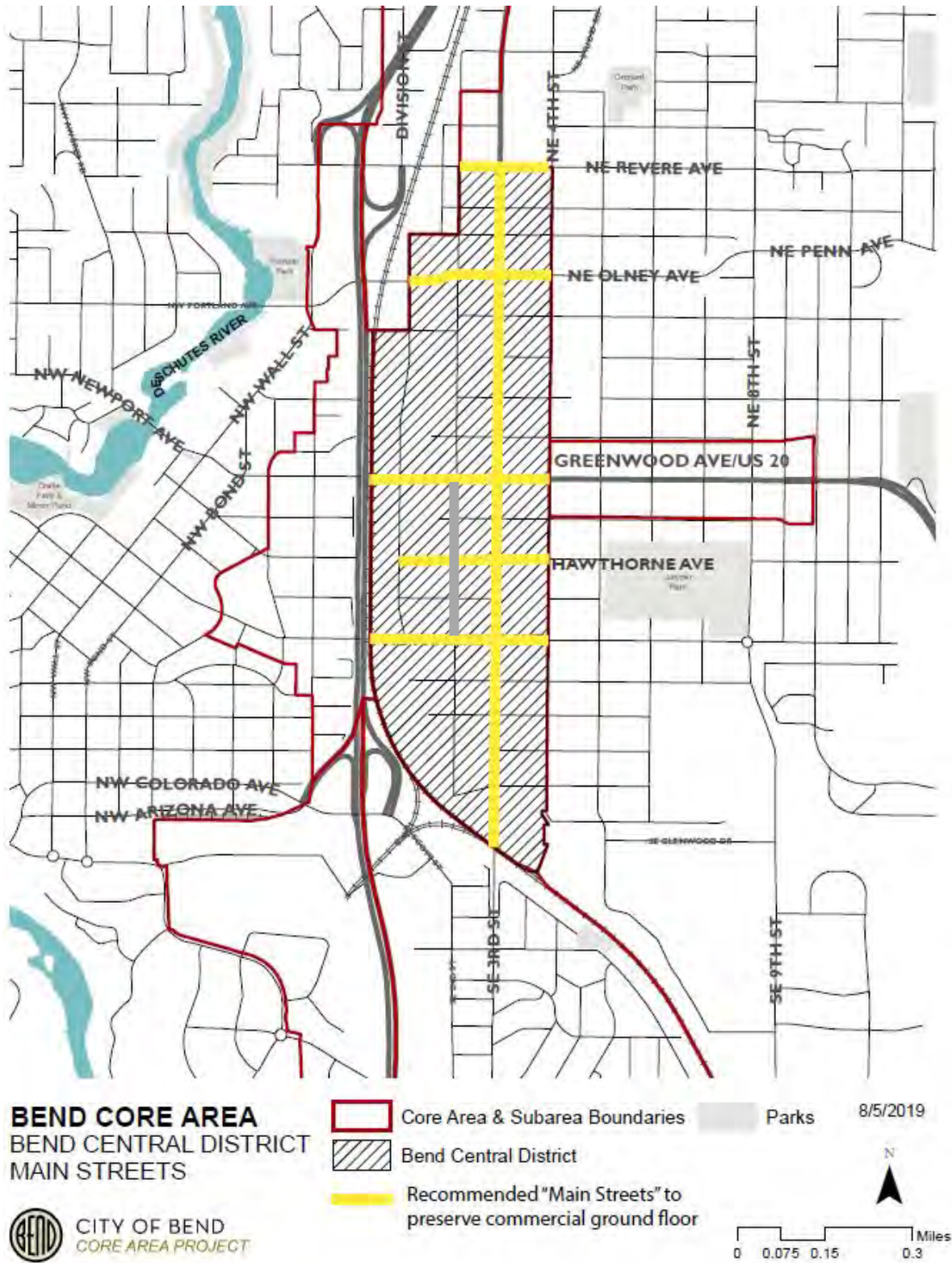


Figure 1. Bend Central District Recommended Main Streets

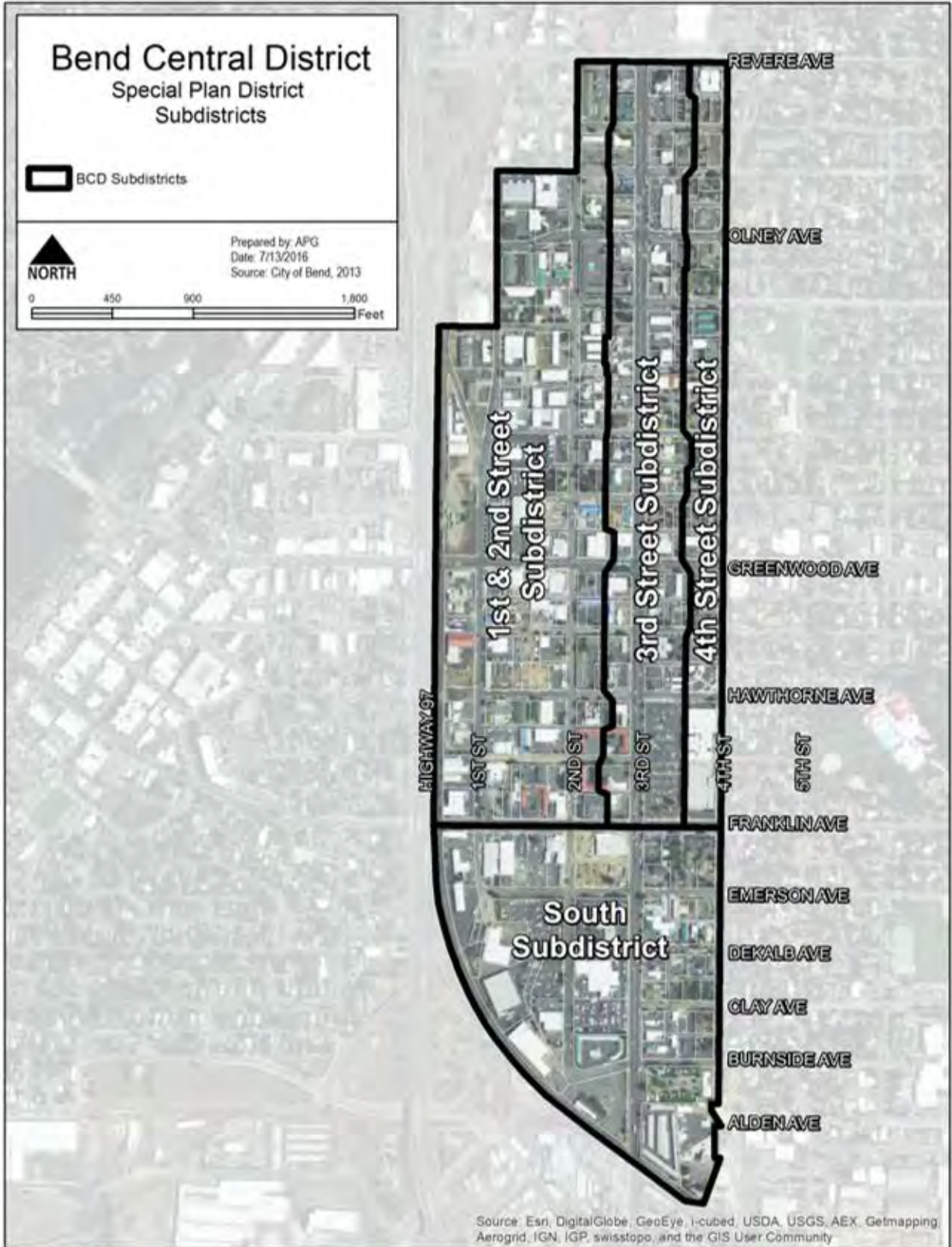


Figure 2. Map of Subdistricts of Bend Central District

Recommendations that simplify and reduce parking requirements, particularly for small lots

From work to date, the project team has found that parking is one the greatest impediments to development/redevelopment, particularly of housing, in the area. This is particularly true for small lots. Staff is continuing to evaluate impacts of parking recommendations and potential parking code revisions, including how and where off-site parking is allowed.

| Recommendations that simplify and reduce parking requirements, particularly for small lots | | | | |
|--|--|--|---|---|
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
| Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1,000 square feet | Bend Central District Overlay BCD 2.7.3250 (A)(1) | <p>Commercial:</p> <ul style="list-style-type: none"> Retail or restaurant uses totaling less than 5,000 square feet of floor area: none. Retail or restaurant uses in excess of 5,000 square feet or more of floor area: one space per 1,000 square feet of gross floor area The maximum for retail or restaurants is 150 percent of one per 1,000 square feet of gross floor area. <p>Entertainment uses: determined by conditional use.</p> <p>Hotel/motel: 1 space per room.</p> <p>Office uses: 1.5 spaces per 1,000 square feet of floor area.</p> <p>Light industrial/manufacturing uses: 0.7 spaces per 1,000 square feet of floor area.</p> <p>Public and institutional uses, government uses: 1.5 spaces per 1,000 square feet of floor area.</p> | <p>Simplifying parking requirements:</p> <p>Provides greater certainty for developments considering various uses or changing uses (building uses change more frequently than buildings).</p> <p>Does not require that development take into consideration varying parking needs by use.</p> <p>Is considered best practice for mixed-use areas.</p> <p>Would affect light industrial/manufacturing uses, requiring more parking than currently required (see recommendation for the remedy). It should also be noted however that the citywide parking study indicated that in some cases industrial users were undersupplying parking.</p> | <p>Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1,000 square feet.</p> <p>Ways to mitigate impact: Consider maintaining light industrial/manufacturing uses at 0.7 spaces/unit.</p> |

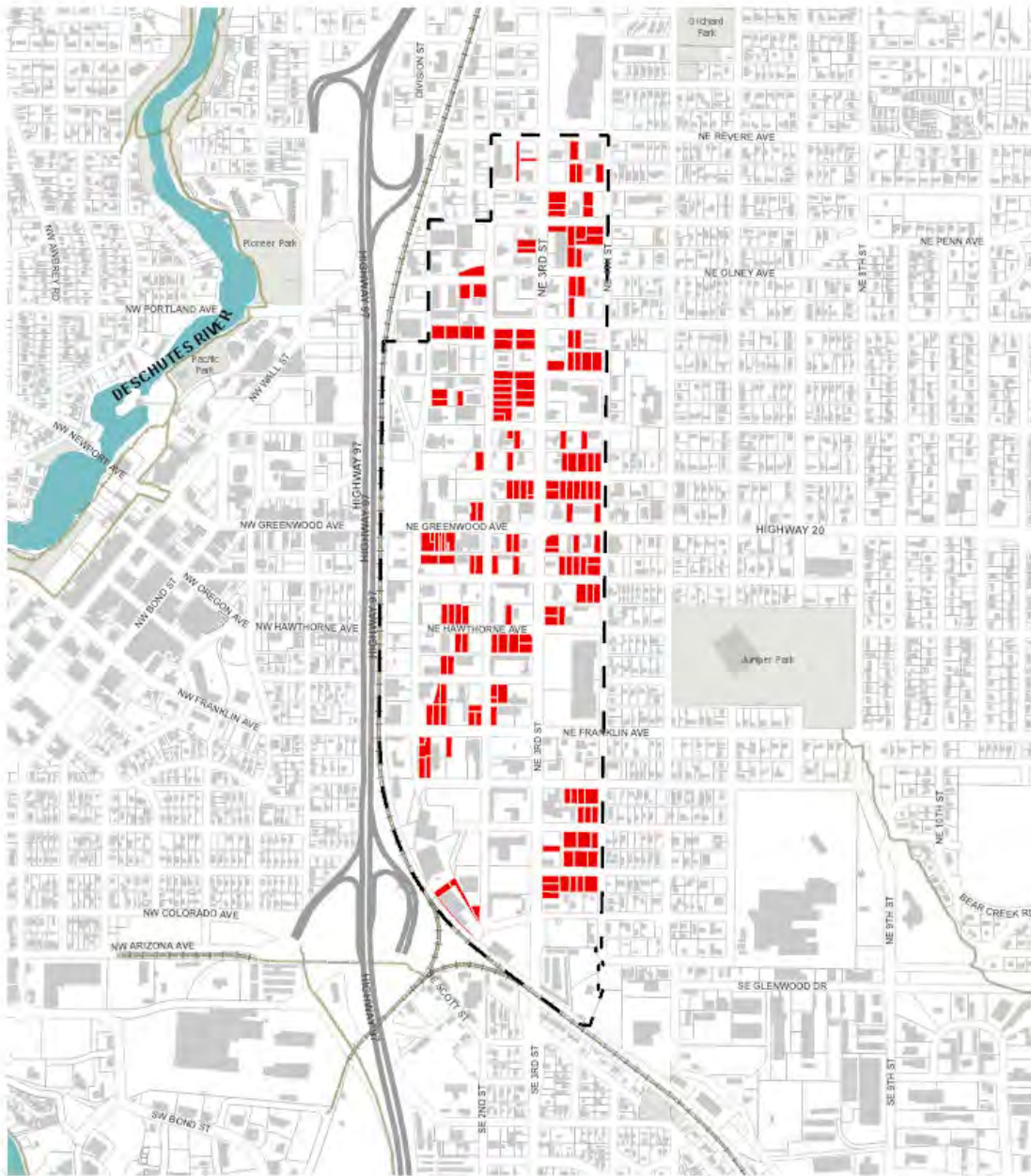
Recommendations that simplify and reduce parking requirements, particularly for small lots

| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
|---|--|--|---|--|
| Expand mixed-use parking reductions for all non-residential ground uses not just retail and restaurants. This would include offices, maker spaces, etc. | Bend Central District Overlay BCD 2.7.3250 (A)(1) | Retail or restaurant uses totaling less than 5,000 square feet of floor area: no parking required. The parking maximum for retail or restaurants is 150 percent of one per 1,000 square feet of gross floor area. Exemption is not expanded to any other commercial use currently. | Encourages not only restaurant and retail developments, but any small scale non-residential ground floor use. Increases the amount of projects that are eligible for parking reductions. | Revise mixed use parking reduction to: Any non-residential ground floor use as part of a mixed use development where the ground floor use totals less than 5,000 square feet of floor area: no parking required. |
| Reduce the amount of secondary space required to be eligible for the mixed-use parking (no more than 80% single use requirement to 95%) | Bend Central District Overlay BCD 2.7.3250 (A)(2) | Mixed-Use Developments: If more than one type of land use occupies a single structure or property with no single use occupying more than 80 percent of the total square feet of the building, the minimum off-street parking is 75 percent of the sum of the requirements for all uses. | Increases feasibility of mixed-use development, allowing for tuck under parking on the ground floor (especially for 4 over 1 building types). Allows the market to determine the amount of secondary space that will be built (instead of the code). Increases housing feasibility, if housing is the primary use. More developments would be eligible for the mixed-use parking reduction. | Change to: If more than one type of land use occupies a single structure or property with no single use occupying more than 95 percent of the total square feet of the building, the minimum off-street parking is 75 percent of the sum of the requirements for all uses. |
| Eliminate the parking maximums | Bend Central District Overlay BCD 2.7.3250(A)(1) and (B)(iii) | The minimum number of required off-street vehicle parking spaces is established below. Unless otherwise provided below, the number of parking spaces provided by any particular use in ground surface parking lots must not exceed the required minimum number of spaces provided by this section by more than 50 percent. Off-street parking spaces may include spaces in garages, carports, parking lots, and/or driveways if vehicles are not parked in a vehicle travel lane (including emergency or fire access lanes). The maximum for retail or restaurants is 150 percent of one per 1,000 square feet of gross floor area. | Increases viability for transitional land use types that are currently market-feasible; lets market determine parking need. Could result in more parking than is necessary in the district. | Eliminate parking maximums but require that all off street parking be located at the rear of buildings; allow shared parking; and require that cross-access between off street parking lots must be provided (includes alleys for cross-access). URAB Comment: Concern that removing parking maximums conflicts with encouraging a walkable area. Staff Response: Capping parking maximums could limit opportunities to partner with private development |



| | | | | to upsize parking lots/structures in order to provide shared parking within the district. Should parking maximums be considered, it is recommend to increase the maximum requirement to at least 200% of the minimum due to the significant amount of proposed reductions in parking requirements above. |
|--|---|---|---|--|
| Recommendations that simplify and reduce parking requirements, particularly for small lots | | | | |
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Considerations | Proposed Recommendation |
| Reduce residential parking requirements to 0.5 spaces per unit | Bend Central District Overlay BCD 2.7.3250(A)(1) (a) | Residential parking requirement of 1 space per unit | Encourages more housing unit development. Could reduce parking supply and capacity. There are over 95 cities, big and small, nationwide that have completely eliminated parking requirements altogether in central business districts ² . Dense cities with robust transit systems and opportunities for alternative modes are usually in a better position to reduce parking requirements. Bend still has needed investments in transit and bicycle and pedestrian connectivity to encourage other modes and reduce vehicle ownership. | Could consider reducing parking to below 1 space/unit. Other ways to mitigate impact: <ul style="list-style-type: none"> Do not reduce in 4th Street sub-district, which is adjacent to an existing residential area. Mandatory review or sunset of the policy in 5-10 years to monitor impacts and parking utilization. |
| Exempt the first 10,000 square feet (sq. ft.) of lot area from on-site parking requirements to encourage redevelopment on small lots and for | Bend Central District Overlay BCD 2.7.3250 | No small lot parking exemption currently exists. There are several other parking exemptions for mixed use projects in the area including: <ul style="list-style-type: none"> The amount of off-street parking required may be reduced by one off-street parking space for every on-street parking space | Increases feasibility of vertical mixed use/housing development for small lots. 52% of the Bend Central District lots are under 12,000 sq. ft (See Figure 1, page 8). Significantly reduces amount of parking developments are required | Consider exemption, particularly if residential parking requirement reductions are not considered. Ways to mitigate concerns: <ul style="list-style-type: none"> Mandatory review or sunset of the policy in 5-10 years to monitor impacts and parking utilization. |

| | | | | |
|--|--|--|--|---|
| <p>smaller footprint projects for all uses</p> | | <p>abutting the development, up to 100 percent of the requirement.</p> <ul style="list-style-type: none"> The total number of required vehicle parking spaces for an industrial, commercial, or office use may be reduced by up to 10 percent in exchange for providing on-site public open space/green space at the following ratio: one vehicle parking space per 500 square feet of public open space/green space. This reduction is in addition to any reductions taken under BDC 3.3.300(D). | <p>to provide which could reduce parking supply and capacity.</p> <p>Allows market, instead of the code to determine the number of parking stalls needed for a particular development.</p> <p>Could encourage property owners to split parcels to 10,000 sq. ft. or result in buildings constructed to a maximum 10,000 sq. ft. footprint.</p> | <ul style="list-style-type: none"> Ensure that the parking exemption is subject to the following provision: <i>“When the proposed site is part of a larger site, the calculations encompass the entire site, whether existing or proposed. If the project is being phased, calculations must show that, at each phase, requirements are being met.”</i> |
|--|--|--|--|---|

² More Cities than ever are eliminating parking minimums. *Strong Towns*. November 23, 2018. <https://www.strongtowns.org/journal/2018/11/23/a-map-of-cities-that-got-rid-of-parking-minimums-updated>



BEND CORE AREA
BELOW AVERAGE SIZE LOTS

 Lots under 12,000 sq. ft.
 BCD Boundary

6/17/2019

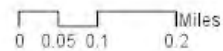


Figure 3. Bend Central District Small Lots (Under 12,000 Sq.Ft.)

Recommendations that increase buildable space while balancing public needs

There are several code provisions that limit buildable space for private development. The below table explores recommendations that would increase buildable space to help increase development feasibility, while also balancing public needs such as creating walkable and attractive streets.

| Recommendations that increase buildable space while balancing public needs | | | | |
|--|---|--|--|---|
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Implications | Proposed Recommendation |
| Eliminate limitation on building size for Entertainment/Recreation uses | Bend Central District Overlay; BCD Table 2.7.3220 (D)(6) | Entertainment and Recreation uses in all subzones of the BCD that are enclosed in a building shall not exceed 50,000 square feet without a conditional use permit. | Current regulation is prescriptive, doesn't let the market dictate building size. Could limit a future entertainment/recreation facility within the BCD. | Eliminate building size maximum. Alternatively require a special use permit for entertainment/recreation uses that exceed 50,000 square feet. |
| Consider reducing limitations on building size for other uses | Bend Central District Overlay BCD 2.7.3220 D (2-5) | Retail Sales and Service. Retail sales and service uses must not exceed 30,000 square feet per business. Total area of retail sales and service uses combined must not exceed 50,000 square feet per building. Offices and Clinics and Production Businesses. Offices and clinics and production businesses must not exceed 15,000 square feet per business. Manufacturing, Production and Industrial Services. Uses must not exceed 20,000 square feet per business and must minimize potential external effects. Warehousing. Warehousing must be accessory/ secondary to a primary permitted use (it may not be a single use) and must not | Provides more flexibility for development and various users. The market decides what size to build, instead of the code. Average grocery store size in the USA is around 42,000 sq. ft. however there are many examples of smaller store models. For example, Trader Joes locations are typically below 20,000 sq ft. Breweries often fall under the manufacturing, production, and light industrial use. Limits to building size could limit operations of these types of uses in the area. Limits on building size encourage smaller scale users and limit larger scale users. | Remove limitations on building size for all uses. Retail Sales and Service: No limit Offices, Clinics, and Production Businesses: No limit Manufacturing, Production, Light Industrial: No limit Warehousing: No size limit but still require it to be an accessory/secondary use. Alternatively could consider requiring conditional use permits for uses that exceed current code limitations. |

| Recommendations that increase buildable space while balancing public needs | | | | |
|--|---|---|---|--|
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Implications | Proposed Recommendation |
| | | exceed 15,000 square feet per building. | | |
| Eliminate minimum lot width or reduce to 15' | Bend Central District Overlay BCD Table 2.7.3230 | Current lot width minimum requirement for all BCD sub districts is 30'. | Permits smaller building footprints such as new townhomes that are being built to 15' lot widths in other areas of the country. Velvet, downtown, has a lot width of 11 feet. Someone could split lots that are unbuildable by building code standards. | Reduce minimum lot width to 15' for all subdistricts. Other ways to mitigate impact: Require tentative plans to be accompanied with a site plan review application for lot divisions to demonstrate the lots can be developed. |
| Determine if a 5' front setback/easement is necessary on all local streets within the Bend Central District | Bend Central District Overlay BCD Table 2.7.3230 | In all subdistricts, the first five feet of setback will be a dedicated public access easement and will be developed according to the applicable cross-section for the fronting street. Maximum front setback is 10' for 1 st /2 nd Street, 4th Street, and South Subdistricts. Maximum front setback is 15' for the 3 rd Street subdistrict. In all subdistricts, the first five feet of setback will be a dedicated public access easement and will be developed according to the applicable cross-section for the fronting street. | The current setback requirement results in 15'-17' wide sidewalks throughout the district depending on the current curb to curb width. 15-17' sidewalk widths are not necessary unanimously throughout the district. Sidewalk widths in main street districts are typically a minimum of 8' wide on side streets and range between 12'-16' on main pedestrian streets. Taking away this 5' setback from developer could limit vertical development especially on small lots. | Consider reducing or eliminating front setback requirement on non-key "main streets". Recommended to reword requirement to: "No front setback is required except where sidewalks are less than 8 feet in width on non-main streets" and less than 12 feet in width on "main streets"; in which case a front setback is required to provide the remaining sidewalk width. Alternatively wait to remove this provision from the code until urban street standards & specifications are developed for the area which would be identified as follow up work in the Core Area Implementation Plan. |
| Increase the maximum front setback allowance if the setback is used for enhanced pedestrian area and other active space that can support the businesses. | Bend Central District Overlay | Maximum front setback is 10' for 1 st /2 nd Street, 4th Street, and South Subdistricts. Maximum front setback is 15' for the 3 rd Street subdistrict. | Allows/encourages, but does not require, enhanced pedestrian area and active space in the front of buildings. | Revise BDC 27.3230(E)(1) to allow increased setback in all subdistricts, regardless of height, if used for enhanced pedestrian areas and active space. |

Recommendations that increase buildable space while balancing public needs

| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Implications | Proposed Recommendation |
|---|---|--|--|---|
| | BCD Table 2.7.3230 (E)(1) | <p>In all subdistricts, the first five feet of setback will be a dedicated public access easement and will be developed according to the applicable cross-section for the fronting street.</p> <p>This is currently allowed for buildings over 65 feet in height in the district (BDC 27.3230(E)(1))</p> <p>For new buildings, the front building facade must be at the minimum setback for at least 50 percent of the lot frontage; outdoor public gathering spaces such as plazas are encouraged and count toward the setback requirement; off-street parking is not allowed between the front building facade and the street.</p> | | |
| Explicitly and more clearly restrict inactive uses within the front setback, such as storage areas, passive landscaping (unless used for stormwater management) | Bend Central District Overlay BCD Table 2.7.3230 | <p>Current limitations on front setback uses include:</p> <p>In all subdistricts, the first five feet of setback will be a dedicated public access easement and will be developed according to the applicable cross-section for the fronting street.</p> | Encourages walkable area and active uses that attract activity and vibrancy to district. | Add provision to limit fencing (except if less than 3.5 feet in height for outdoor patios), storage, and parking as non-permitted uses in front setbacks. |

CL/CG Recommendations to be included in Implementation Plan

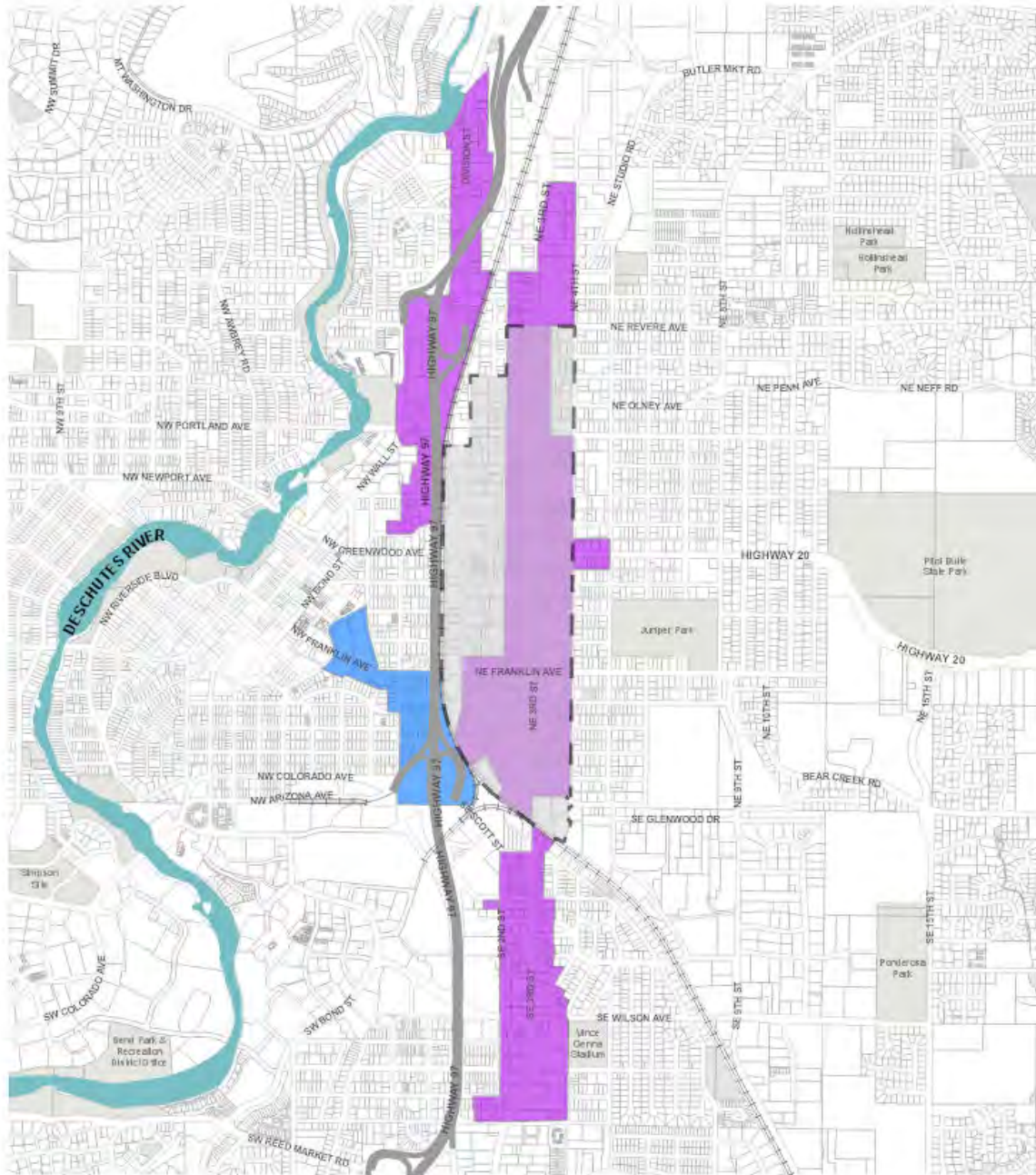
CL/CG recommendations will likely necessitate the formation of a special overlay area for implementation. Staff recommends that CL/CG recommendations apply to the boundaries of a final urban renewal area, if approved. Given that it is still uncertain whether an Urban Renewal area will be formed and what the final boundary will be while we are still in the planning process for this effort, it seems more efficient to include CL/CG zoning recommendations in the Implementation Plan and wait to forward these recommendations to the City Council.

There will be an opportunity later in the URAB process to forward a full package of recommendations to City Council to support the vision for the Core Area and development/redevelopment of an Urban Renewal area, if recommended.

| CL/CG Recommendations to be included in Implementation Plan | | | | |
|--|--|---|---|---|
| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Implications | Proposed Recommendation |
| Designate key “main streets” within the CL/CG zones where active ground floor use building frontages are deemed necessary. Allow stand-alone residential including multi-family and townhomes on lots or portions of lots not fronting these main streets. | CL/CG zones within the proposed Urban Renewal Area. BCD Table 2.2.300 | Residential uses area allowed as a mixed use development only. Stand-alone residential buildings are not currently allowed in commercial zones. | Encourages housing development, especially of missing middle housing. Does not preclude commercial uses, such as office, retail, etc. as allowed uses. By allowing residential on the ground floor in commercial areas, the City is removing barriers to housing development but it could have impacts to employment land supply. City would need to explain in findings how employment land supply would not be adversely impacted. Would require on overlay CL/CG area be created to implement recommendation. | If this expansion of uses is considered for the CL/CG areas, recommendation to designate 3 rd Street, Franklin Avenue and Division Street as “key main streets” in which ground floor commercial uses would be deemed necessary. This preserves the majority of commercial ground floor space. If there are concerns with potentially reducing employment lands, staff recommends only expanding residential uses in the Bend Central District zone. |
| Allow up to 95% of the building square footage to be in residential use | CL/CG zones within the proposed Urban Renewal Area. | The commercial or public/institutional uses shall occupy at least the floor area equivalent to the entire ground-floor area of the development. The commercial or public/institutional uses shall | Increases feasibility of residential development as part of a mixed use project in CL/CG zones. Could have some impacts to employment supply. | Consider applying to new CL/CG zones within a new urban renewal area if formed. |

CL/CG Recommendations to be included in Implementation Plan

| Zoning Audit Recommendation | BDC Section | Current Regulation | Policy Implications | Proposed Recommendation |
|---|---|--|--|--|
| | BDC 3.6.200(l) (5) | be constructed prior to or concurrently with the residential uses. | Would require a CL/CG overlay area be created to implement recommendation. | |
| Adopt commercial frontage standards that support more pedestrian friendly development patterns with a larger portion of buildings frontages closer to the street. | CL/CG zones within the proposed Core Urban Renewal Area BCD Table 2.2.400 | Maximum front yard setback for both CL/CG zones is 10 feet from street with on-street parking and 80 feet from street without on-street parking. | Encourages walkable frontages within Central Core areas of the City. Would require adoption of new CL/CG overlay area be created or rezone to implement recommendation | Consider maximum setback requirements that restrict parking between street and buildings such as 50% of building frontages must be located at the minimum front setback but allow flexible front setbacks if the setback is used for active space/pedestrian area. |
| Reduce the minimum front setback requirements and allow flexible front setbacks if the setback is used for enhanced pedestrian area and other active space that can support the businesses | CL/CG zones within proposed Core Urban Renewal Area BCD Table 2.2.400 | Currently 10 feet for CL/CG zones. CB and CC zones have a 0 ft setback requirement. | Encourages walkable frontages within Central Core areas of the City. Would require adoption of new CL/CG overlay area be created or rezone to implement recommendation | Reduce minimum front setback to zero except on third street, maintain at least a 6' setback to ensure adequate space for landscape buffered sidewalks. |
| Consider similar parking regulations and exemptions as the BCD for mixed-use projects: <ul style="list-style-type: none"> Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1,000 square feet Extend the mixed use ground floor parking exemption currently in the BCD Overlay (with above modifications). Increase the on-street parking credit allowance to 100% from 50% Increase the mixed-use parking reduction incentive from 5% to 25% | CL/CG zones within the proposed Urban Renewal Area BCD Table 3.3.300 & 3.3.500 | Parking requirements in CL/CG zones vary by use as depicted in BCD Table 3.3.300. | Would encourage more mixed use buildings, and therefore housing units in commercial zones in proposed Urban Renewal area. Would require adoption of new CL/CG overlay area be created or rezone to implement recommendation | Consider similar parking regulations and exemptions to BCD for CL/CG zones within new Urban Renewal area, if approved. |



BEND CORE AREA
ZONES CG AND CL

ZONE

| | |
|---|----|
|  | CG |
|  | CL |

 Bend Central District
 Building Footprints*
 Taxlots
 Parks

5/13/2019



* This data has not been verified by the City of Bend

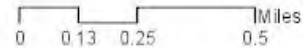


Figure 4. CL/CG Zones in Core Area



CITY OF BEND
CORE AREA PROJECT

**DEVELOPMENT AND PARKING ANALYSIS
OF POTENTIAL CODE AMENDMENTS IN
BEND'S CORE AREA**

ACKNOWLEDGEMENTS

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Steve Porter

Bend Parks and Recreation District
Library District
Bend La-Pine School District
Bend Rural Fire District
Central Oregon Community College



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Damian Syrnyk at aplatt@bendoregon.gov or 541-322-6394.

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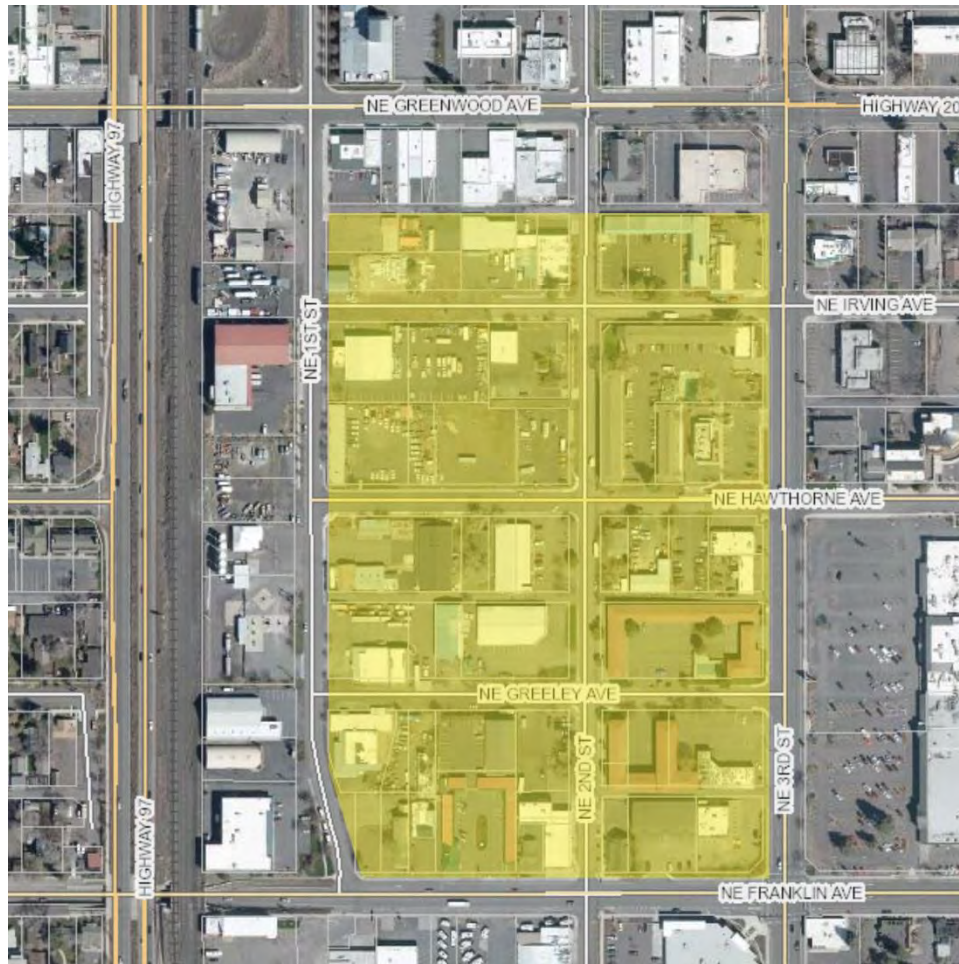
PURPOSE

Stemach Architecture and Design undertook a modeling effort to evaluate development capacity under Bend's current development code requirements for the Bend Central District, and compare that to the potential development capacity assuming alternative code provisions, particularly related to parking, recommended by the consultant team. Development capacity is depicted using illustrations of building massing and projected numbers of resulting residential units and parking spaces. This analysis describes the potential outcomes of amending the City's existing code language to remove barriers to development/redevelopment, particularly for housing, in Bend's Core Area. This analysis was prepared to provide a factual base to support local discussions regarding potential code updates for the Bend Central District, particularly related to parking.

METHODOLOGY

The study area encompasses the parcels approximately between Greenwood and Franklin Avenues, and 1st and 3rd Streets, located in the heart of the Core Area Project (CAP) study area (Figure 1). This area is approximately 25.5 acres, which represents about 13% of the total area of the Bend Central District. The area has a wide variation of lot size, shape, street frontage, and configuration of alleys and represents an appropriate model for analysis and testing of new code provisions. For efficiency and consistency, adjustments to accommodate unique site conditions were kept to a minimum. The west boundary of the 1st Street centerline was excluded due to the unique condition of the properties between 1st Street and the railroad. The north boundary of the alley centerline of the block between NE Greenwood and NE Irving was selected in order to exclude the oddly shaped and small lot conditions of the lots facing NE Greenwood because they are not representative of conditions in the CAP study area as a whole.

Figure 1. Analysis Study Area



Each of the lots within the selected area was modeled with a simple representation of existing development conditions, including the currently available parking both on-site and off-site (on street). Then, the model was “developed” to its full potential using the existing code provisions and the potential recommended new code provisions to guide simple site layouts for each developed lot. The layouts depict the **maximum buildable development** as allowed under the two code paths. These layouts are included in Attachment A of this memo. The development modeling maximized ground floor commercial and residential use above the ground floor, as permitted by the codes. Maximum development is assumed for this case study – however, not all projects can, or will choose to, build to the maximum intensity allowed.

The study considered two scenarios:

- Scenario A: Existing Code
- Scenario B: Potential Code Amendments (as recommended in Core Area Zoning Audit)

In order to determine the number of parking spaces required by the code for the development potential, the study followed the existing code requirement of 1 parking space per apartment

unit for Scenario A, and 0.5 spaces per unit for Scenario B. For commercial uses, the study considered 1 space per 350 square feet of commercial space under the existing code (as this ratio covers the most widely used commercial uses listed), as well as a reduced parking requirement of 1 space per 1,000 square feet of commercial space.

| | Existing Code | Potential Code Amendments |
|--|---------------------------------|-----------------------------|
| Minimum Residential Parking requirement | 1 space per housing unit | 0.5 spaces per housing unit |
| Non-residential parking requirement | 1 per 500 square feet (sq. ft.) | 1 per 1,000 square feet |

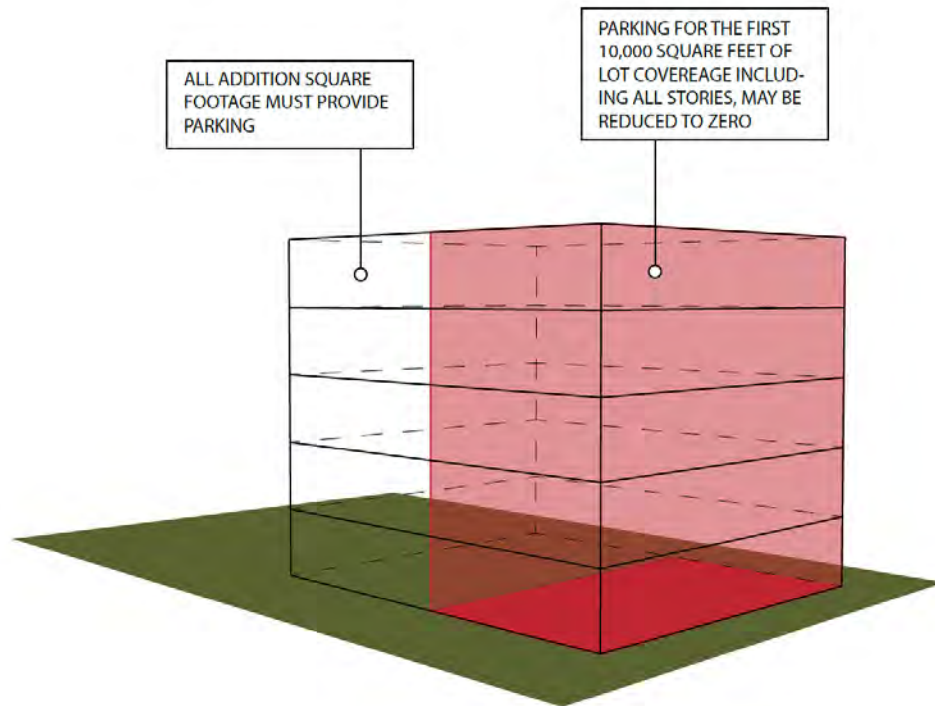
The study incorporated all parking exemptions allowed in the existing code including:

- The amount of off-street parking required may be reduced by one off-street parking space for every on-street parking space abutting the development, up to 100% of the requirement.
- The total number of required vehicle parking spaces for an industrial, commercial, or office use may be reduced by up to 10% in exchange for providing on-site public open space/green space at the following ratio: one vehicle parking space per 500 square feet of public open space/green space. This reduction is in addition to any reductions taken under [BDC 3.3.300\(D\)](#).
- Retail or restaurant uses totaling less than 5,000 square feet of floor area: no parking required.

For the potential new code, the analysis utilized the following provisions that are under study by the project team:

- Simplify the use-based parking requirements to a single non-residential use requirement of 1 space per 1,000 square feet.
- Reduce the amount of secondary space required to be eligible for the mixed-use parking reduction to 5% from 20%.
- Exempt the first 10,000 square feet of lot area from on-site parking requirements (see Figure 2)

Figure 2. Illustration of First 10,000 sf Parking Exemption



A key assumption is a reduction of residential parking requirements from 1 space to 0.5 spaces per unit on average. The proposed parking exemption for the first 10,000 square feet of lot area has a number of drivers to support its consideration. Small lots in the area, particularly those with limited access and/or no alley access, are significantly hindered under the current code regulations when required to provide on-site parking. Given that an efficient parking lot layout is 64' wide (20' deep parking stalls on both sides of a 24' wide drive aisle), developers of any lot that is close to or less than this width will struggle to provide sufficient parking under the current code. When considering this width parameter and the typical lot depth in the area, an exemption of 10,000 square feet of lot area will allow small lots in the district to develop with an urban form, particularly with urban housing.

The code-required parking was "fitted" to both on-site parking stalls and off-site parking stalls as allowed in each code version. The on-site stalls were determined by through conceptual site planning, i.e. fitting on-site parking to site area not covered by buildings, landscaping, circulation etc. The off-site parking stalls were counted towards each lot's development only as allowed by the code under each version. Figures 3 and 4 demonstrate this strategy under both code versions for the same parcels.

Figure 3. Existing Code Conceptual Site Plan Modeled

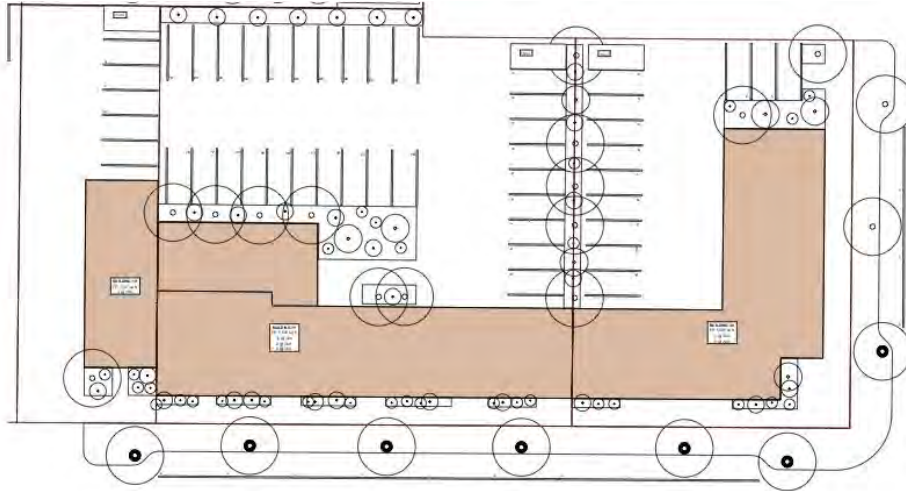
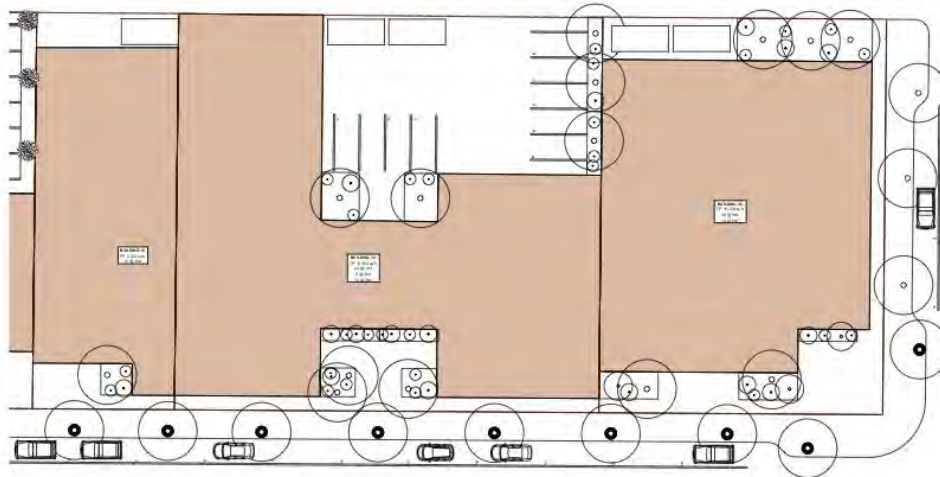


Figure 4. Proposed Code Conceptual Site Plan Modeled



As demonstrated in Figures 3 and 4, the left-most property demonstrates clearly the direct result of the 10,000 sq. ft. parking exemption. Under the existing code, a 3 story mixed use building could be developed with approximately 1,700 sq. ft. of commercial and 4 apartments. However given the construction cost of such a building and its limited amount of revenue generating floor area, its likely development would be limited to two stories to avoid the need for an elevator. Under the proposed code, the lot could be developed to the allowable height limit, six stories with approximately 5,700 sq. ft. of ground floor commercial and 10 apartments above. This development scenario is much more financially feasible due to the significant increase of revenue generating floor area.

In order to gain a sense of the assumed parking demand under each scenario, charts were developed that depict the available parking supply in the study area, including both on-site parking and on-street (off-site) parking as depicted in Figures 5 and 6. On-street parking

supply is typically a key parking resource in areas with mixed use and urban-scale housing. This study area contains an on-street parking supply of 143 spaces. The analysis then compared supply compared to projected demand. The parking demand was estimated using the following methods:

- **Higher Parking Demand Scenario:** This scenario takes into consideration parking demand that is consistent with the 2017 Citywide Parking Study for both multifamily parking demand and mixed-use area commercial uses.
 - Residential use demand of 1.25 needed parking spaces per unit
 - Commercial use demand of 1 space per 350 square feet
- **Lower Parking Demand Scenario:** Given the study area falls within the Core areas of the city, is well located to transit and core services it is reasonable to assume that this area could generate lower parking demand with complimentary transportation demand management and parking management strategies.
 - Residential use demand of 1 space per unit
 - Commercial use demand of 1 space per 500 square feet
- Parking demand was calculated from the modeling done for the lots developed to their maximum capability. Total commercial square footage and total number of dwelling units was tallied and calculated into parking demands and depicted in the charts.

Snapshots in time were developed for five, 10, 20, and 50-year time periods (see Attachment A for illustrations of these snapshots). The incremental development over time was based on the assumption that 7% of the properties would be developed/re-developed during each 5-year period. The 7% assumption was selected by the CAP study team as representative of a high-growth scenario resulting from the code changes being very effective in supporting new development. The 7% assumption is solely an assumption for this study. Ultimately, growth could occur more quickly or more slowly. Some specific properties were not considered for development in the snapshot scenarios because they have either been recently developed or are not anticipated to be developed within the considered time horizon. However, a theoretical full development scenario was also prepared, assuming 100% redevelopment of every property in the area.

OBSERVATIONS

Parking is the most significant limitation on building size and height of development in the area. Under the existing codes, some properties would be undevelopable due to the conflict between the amount of parking required and limited amount of space on which parking could actually be sited, particularly on small lots. Most sites could develop, but at well below maximum allowable height and density allowances. Existing parking minimums significantly limit the ability to incorporate housing units into developments because of the additional on-site parking required for residential uses in particular. This analysis provides new information on the limitations that existing BCD parking standards place on development in the study area.

In the accompanying charts below (Figure 5 and 6), the green and turquoise bars represent the amount of available parking supply in the district (existing and projected), with the lighter turquoise representing the available on-street parking, and the darker green representing the available parking on private property. The magenta and gold bars represent the estimated parking demand from the resulting development, with the magenta representing residential dwelling unit parking demand, and the gold representing the two ratios of commercial parking demand.

Under parking management best practices, when parking utilization rates reach 85%, parking management should be in place. This is the level at which a city's competing objectives are well met: 85% of the spaces are in use, which means that a valuable and limited resource is being efficiently used; and 15% of the parking spaces are available at any time, so customers are assured that they will be able to quickly find a space close to their destination. Parking management practices such as parking pricing, time limits, or other strategies should aim to ensure the "85% rule" is met either at the block or zone level. Parking management of on-street parking should be complemented with off-street parking and transportation options to ensure that the overall access to local goods and services is preserved.

The development potential analyzed assumes that each lot is developed to **the maximum amount allowed by code** and utilized all of the parking exemptions available in each scenario. It should be noted that not all future development will likely take full advantage of zoning intensity or parking reductions. However, due to the higher parking requirements in the existing code, the amount of potential development for each property is limited. The resulting parking demand under the proposed code does not exceed the actual parking supply in the study area within the timeframe considered under either parking demand assumption.

Figure 5. Existing Code, Higher Parking Demand Scenario

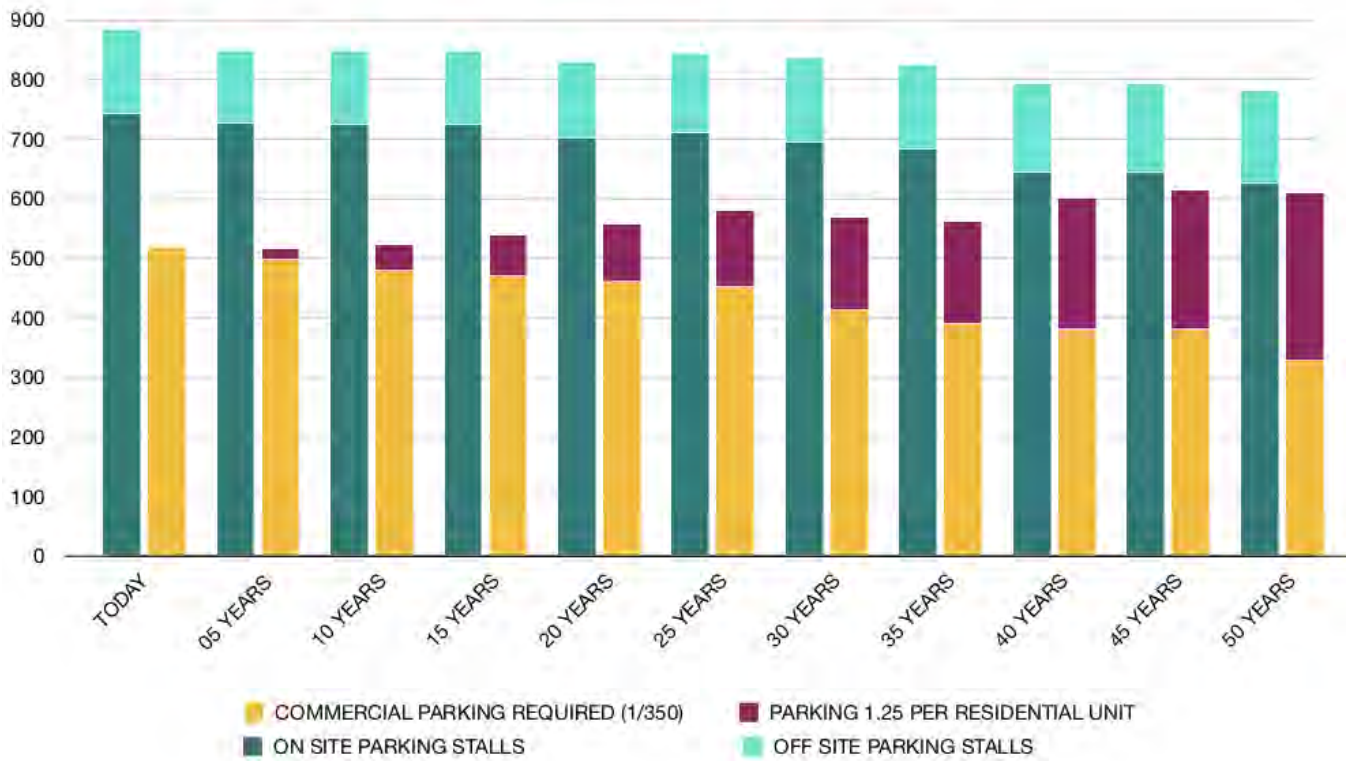
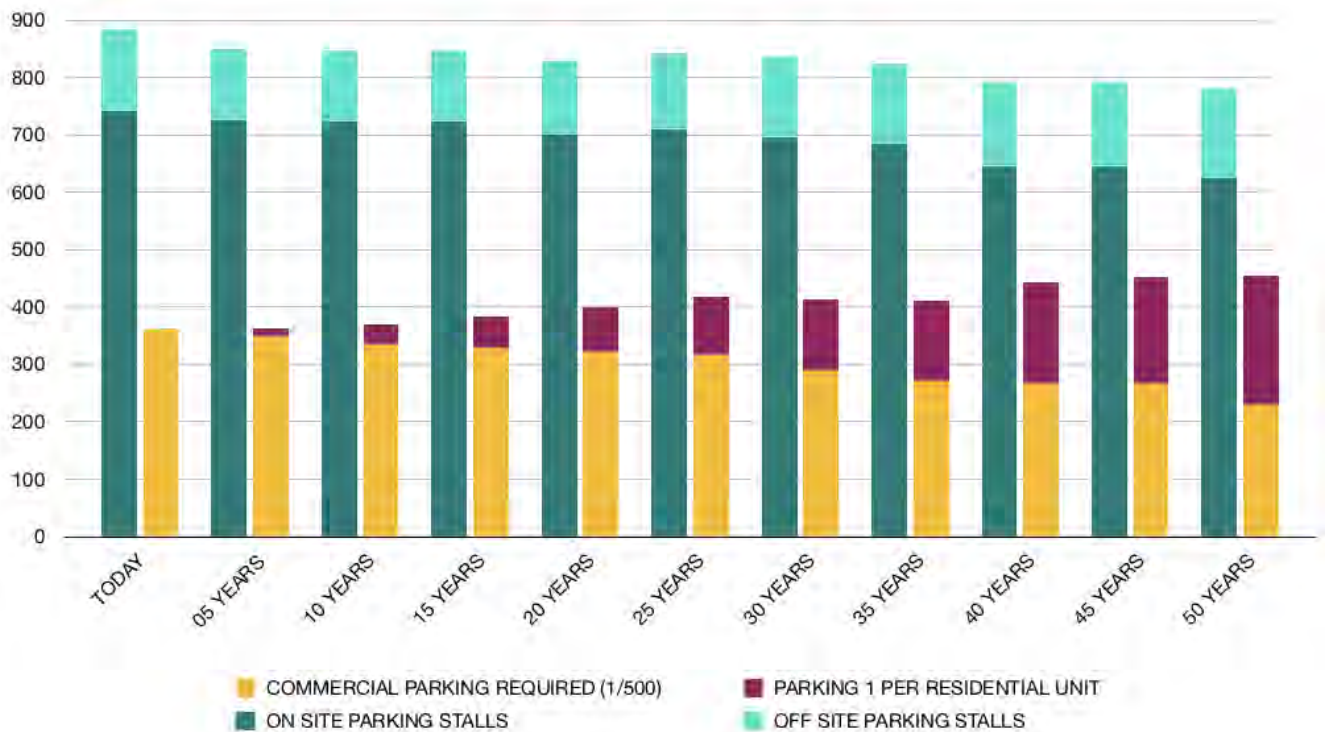


Figure 6. Existing Code, Lower Parking Demand Scenario



As under-utilized or empty properties are developed, the amount of available parking decreases incrementally as existing on-site parking spaces are displaced for buildings. However, this loss is partially offset if existing driveways and curb cuts are abandoned and additional on-street parking spaces are created in those locations. Over the course of the 50 year study period under the existing code language, a starting total of 885 parking spaces (143 on street and 742 on-site) is reduced to 781 parking spaces (with an increased utilization of on-street parking to 156 spaces, and a decrease in on-site parking to 625 spaces).

Under the proposed code with revised parking requirements, building to the maximum height limit becomes more feasible. Lots that are undevelopable under the existing code language could be developed under the updated code scenario, primarily due to the proposed 10,000 square foot parking exemption. Smaller lots that do not have either the physical space needed to maneuver and park vehicles on them, and/or lots which have limited access (corner lots without alley access) become developable by leveraging both the parking exemptions and available on-street parking. Figures 7 and 8 demonstrate the projected parking demand and supply as more space is developed.

Under the assumption used for this analysis including a 7% redevelopment rate of maximum allowable buildout; it is estimated that parking utilization rates would not meet the 85% threshold for at least 10 to 20 years under maximum buildout scenarios, should all of the proposed parking exemptions be implemented, as demonstrated in Figures 7 and 8.

Figure 7. Proposed Code, Higher Parking Demand Scenario

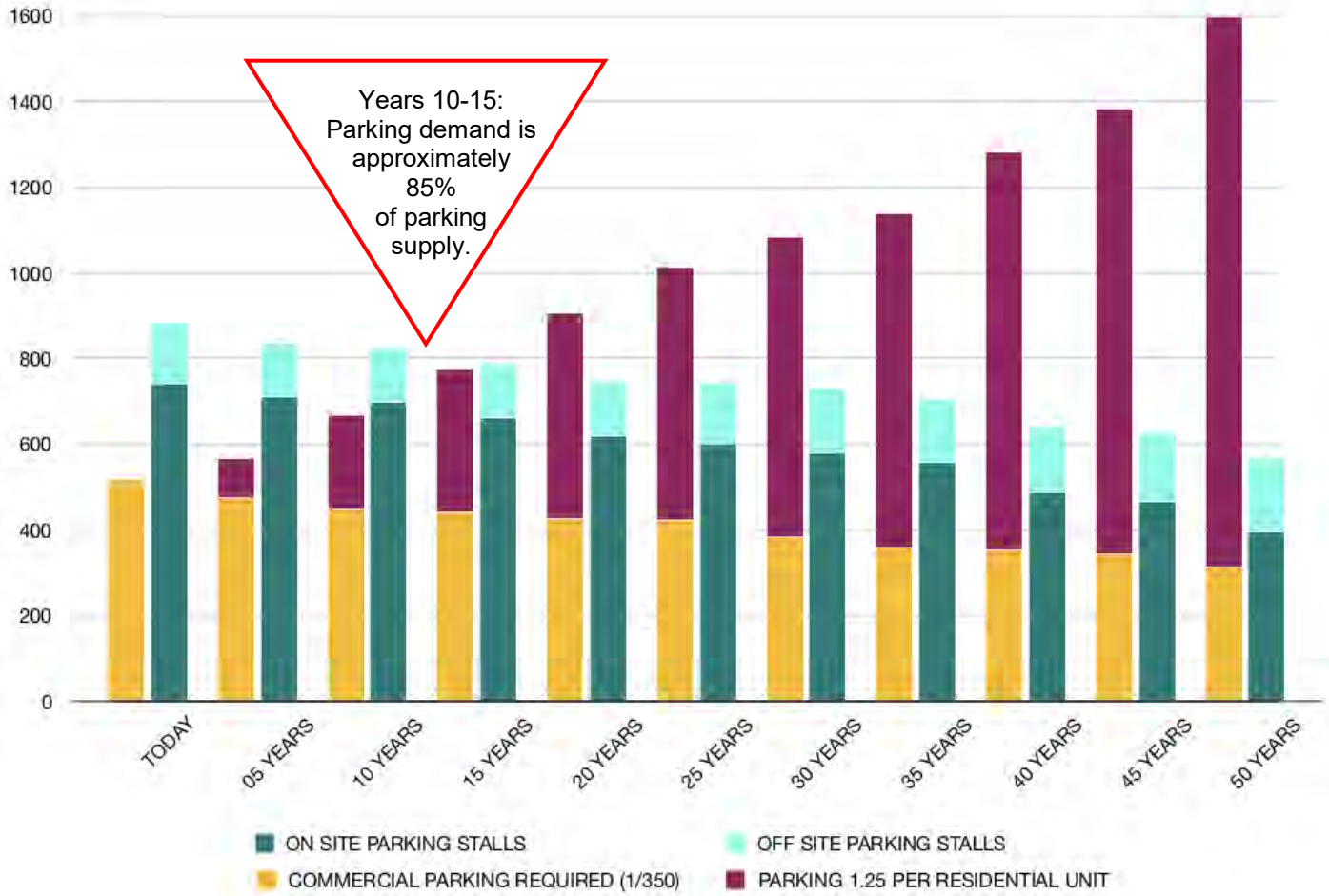


Figure 8. Proposed Code, Lower Parking Demand Scenario



These two charts show a decrease in available parking in the district as under-developed property is converted from existing surface parking to occupy-able buildings. This also shows the increase in parking demand over time, with parking demand exceeding available supply in 10-15 years under the current assumed commercial parking demand of 1 space per 350 sq. ft., and exceeding the available supply in 15-20 years while assuming a lower demand of 1 space per 500 sq. ft.

In terms of how parking might affect the number of residential units, we noted that in the estimated 50 year timeframe of the area under the existing code provided 225 residential units but required 781 total parking spaces for both residential and commercial uses, utilizing on-site and on-street spaces. Under the proposed code provisions, a potential total of 1,027 residential units could be developed but would require just 567 parking spaces. Again, this is assuming maximum allowable buildout and full utilization of all parking exemptions that could be provided. It is not likely that all developments will build to this intensity or take full advantage of all parking reductions. The reduced number of required parking spaces is a function of exempting or reducing parking requirements for smaller lots, in exchange for allowing smaller lots to develop as buildings.

FINDINGS

In summary, our key conclusions are:

- Required off-street parking is a significantly limits what can be built under today's code; parking requirements result in some lots not being developable and in others falling short of allowed building heights and development densities.
- All other factors held equal, updated parking standards will make the type of urban-scale development envisioned in the BCD more feasible, particularly on smaller lots.
- Housing development in particular could benefit from updated parking standards. The study found that updated standards could result in over 4 times as many housing units developed in the 15-year timeframe (54 units compared to 238 units), and up to 526 units in the 30-year timeframe just within the study area. The 50 year buildout scenario shows the potential for over 1,700 housing units.
- The City's estimates that the Bend Central District could accommodate up to 230 units by 2028 (8-year timeframe) and 930 units by 2040 (20-year timeframe). Without updated parking standards, the area has capacity to produce approximately 65% of the estimated housing needed for the area by 2040. The parking standards analyzed in this analysis (modeling maximum allowable development) could increase the feasibility of developing housing units by 3 times as much as the land use estimates for the area in that time-frame. Updated parking regulations should aim to double housing development feasibility.
- The modelled scenarios in this analysis provide information to help the City assess the trade-offs involved with adjustments to the code. The trade-off is straightforward: the more the City can reduce parking requirements, the more compact, urban scale development, particularly housing, will be feasible in the Core Area.
- The proposed code language offers opportunities to develop smaller lots which are not be feasible to develop under the existing code requirements.
- Reducing parking requirements for retail and commercial development would also allow for increases in those types of uses within the study area.
- There is opportunity to accommodate needed parking in on-street locations in the study area. Existing on-street parking would be more than adequate to accommodate initial years (0-10 years) at the modeled rate of development.
- The City and Urban Renewal District (if adopted) could proactively provide resources (e.g. acquisition for a shared parking site) and strategies to support adequate parking and parking management for all users in the long-term. The City could also evaluate needed changes to the parking location standards in the Core area.

Given the current economic forces in place in Bend (high cost of construction and relatively low rents), we note that smaller projects (wood framed with no elevator) tend to be more financially feasible in the short term than the larger mixed use, “4 over 1” type of projects. The potential new code language allows more of these smaller projects to proceed than the existing code provisions. These code changes could help activate redevelopment in the area. Therefore, the potential code updates under review are a key strategy to spur redevelopment in the area, particularly for small lots and smaller scale projects, with the 10,000 square foot parking exemption being the single most impactful change.

Prior to the adoption of updated standards for the entire BCD overlay district, further work should be done to evaluate site conditions and neighborhood compatibility issues in portions of the larger study area which are outside the subarea evaluated in this study. We believe the findings of this study are more broadly applicable, but the City should be thoughtful and thorough in doing so, particularly with respect to potential impacts to adjacent neighborhoods.



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Allison Platt at aplatt@bendoregon.gov or 541-322-6394.

ATTACHMENT A: SCENARIO DEVELOPMENT ILLUSTRATIONS

Figure 1 – Existing Conditions – Relatively low-density development on varying lot sizes with primarily one to two-story development

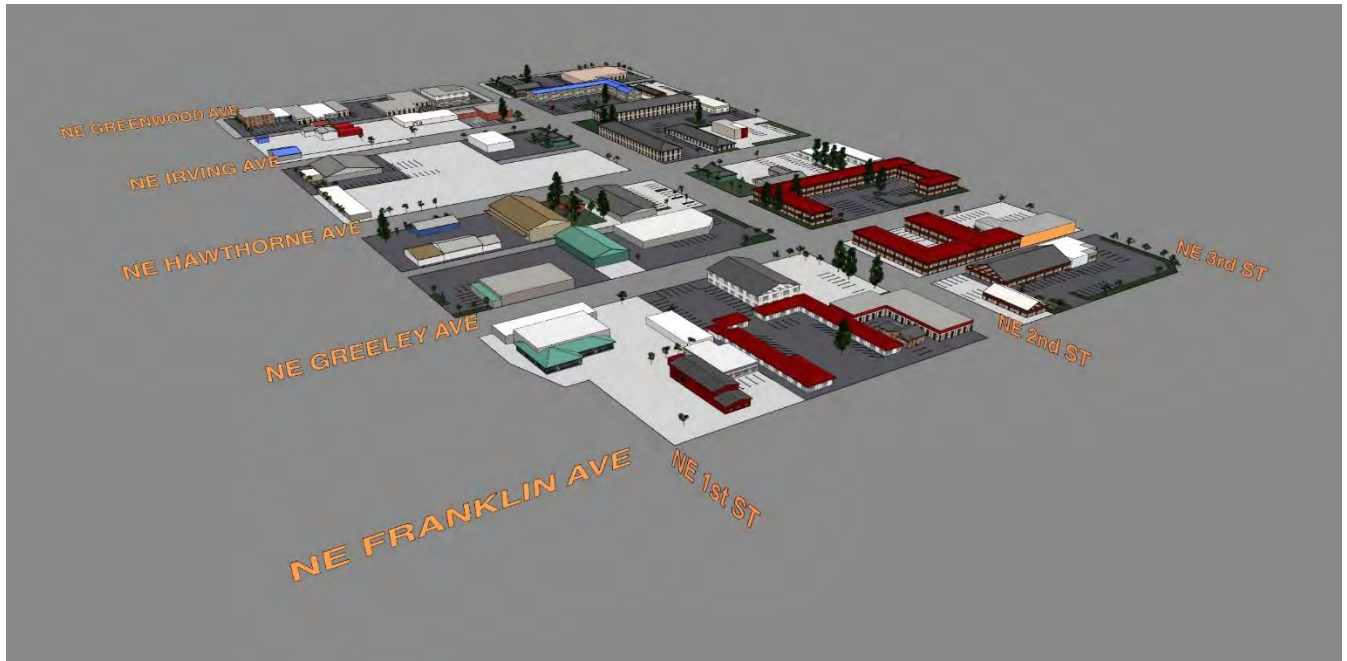


Figure 2 – Existing Code, Five-Year Snapshot – Slight increase in development with similar patterns as existing conditions



Figure 3 – Proposed Code, Five-Year Snapshot – Taller buildings where new development and redevelopment occurs, compared to existing code scenario

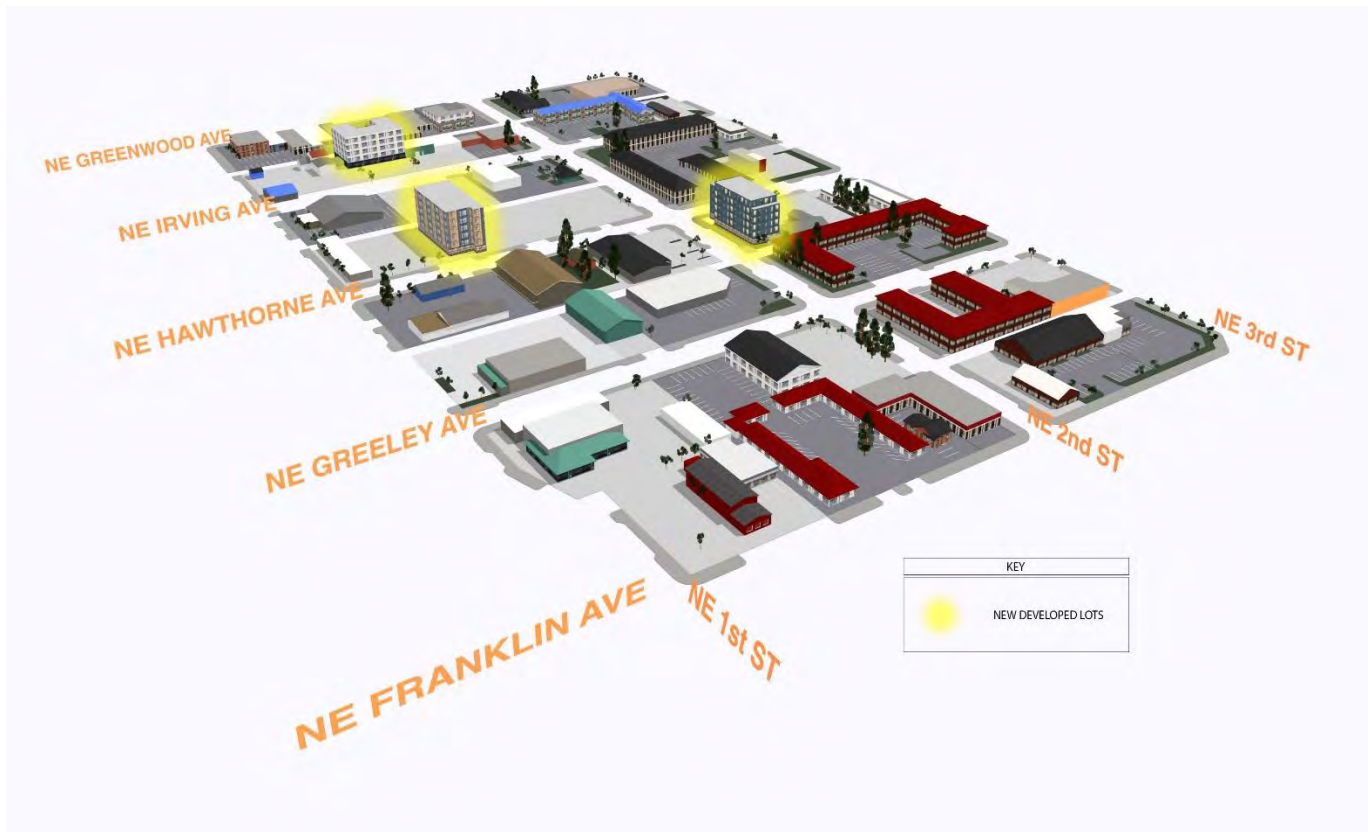


Figure 4 – Existing Code, Ten-Year Snapshot – Additional development, similar in size, limited primarily by parking requirements.



Figure 5 – Proposed Code, Ten-Year Snapshot – Taller buildings and more efficient land use patterns where new development and redevelopment occurs, compared to existing code scenario



Figure 6 – Existing Code, 15-Year Snapshot – Continued modest increase in development primarily near Hawthorne Ave. and adjacent to Franklin Ave., with similar patterns as existing conditions



Figure 7 – Proposed Code, 15-Year Snapshot – Continuation of more efficient development and taller buildings compared to existing code scenario

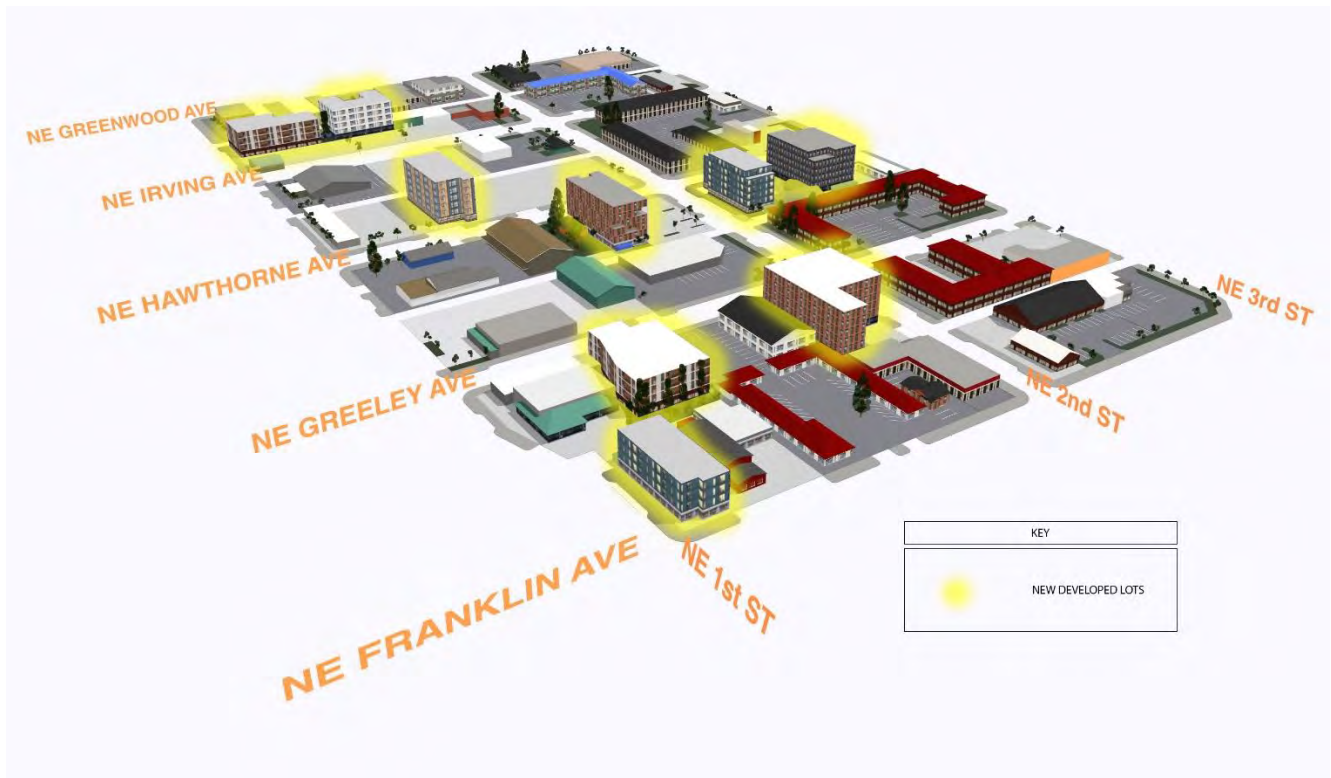


Figure 8 – Existing Code, 20-Year Snapshot – Continued modest increase in development primarily near Hawthorne Ave. and adjacent to Franklin Ave., with similar patterns as existing conditions; some parcels still have significant unbuilt capacity



Figure 9 – Proposed Code, 20-Year Snapshot – Continued significant increase in development throughout study area, with more efficient development; some parcels still have not redeveloped



TRANSPORTATION

CROSS-SECTION ELEMENTS

The following is an exploration of the various cross-section elements, their purpose, and considerations in relation to the Core Area.

TRAVEL LANES AND TURN LANES

The number and character of travel lanes should take into consideration traffic levels, intersection capacity, turning movements, and adequacy for emergency vehicles and evacuation. Typically, fire response vehicles require 20 feet clear between curbs or parked cars, to ensure that two fire vehicles can pass each other. The standard travel lane width in the City is 11 feet; however, travel lane widths range between 10 to 14 feet, depending on context, users and speed.

Turn lanes are auxiliary lanes that are used to serve turning traffic and frequently through-lane traffic flow as well. The standard width of turning lanes is 12 feet. A corridor approach should be applied when evaluating turn lane additions or reductions.

On-Street Parking

On-street parking is an important cross-section feature for successful commercial areas. Depending on the parking configuration, on-street vehicle parking ranges from 7 feet (parallel spaces) to 18 feet (angled spaces). In urban areas, on-street parking also provides traffic calming, with cars slowing due to the potential for parked cars pulling out or doors opening and provides a physical buffer to protect pedestrians and cyclists from moving traffic.

Today, most on-street parking within the Core Area is configured as parallel. Angled parking provides a greater number of parking spaces and has a greater traffic calming effect but uses more ROW. Back in parallel parking is a common tool to reduce vehicular bicycle conflicts on street. On-street parking of both types can be maximized by limiting curb cuts and driveways on the street. Access to parcels can still be provided by requiring side-street or alley access and by creating shared driveways. Where on-street parking individual spaces are marked using paint, the City is obligated to provide American with Disabilities Act (ADA) designated parking spaces on the street; these require additional improvements and maintenance.

In the Core Area, all streets are being considered for on-street parking except for 3rd Street and Greenwood Avenue east of 3rd Street.

Landscape

Landscape within the ROW fosters a pedestrian friendly, aesthetically beautiful and sustainable urban fabric, with many co-benefits:

- Reduces heat island effect of streets
- Filters auto emissions
- Intercepts and filters stormwater run-off
- Calms traffic by perceptually narrowing and enclosing the street
- Creates a comfortable and visually interesting walking and biking environment, reinforcing pedestrian scale and a sense of “enclosure” along walking routes
- Builds a sense of place and distinct character
- Adds value to adjoining properties

Some considerations include landscape location, height, density and maintenance responsibilities. Park-strips function and scale, tree planting conditions and appropriate species, easement plantings, planters, medians, and curb extension plantings, are all important aspects of landscape planning that relate to street cross-section design. The City could consider updating landscape and street tree lists as part of an update to Street Standards.

PAVEMENT DESIGN

Existing pavement design standards in the City of Bend include concrete pavement and asphalt and are typically determined by corridor and cost benefit analyses. Pavement width, color, material, and structural design play an important role in stormwater management, surface temperature, slip resistance, and safety. The pavement design also contributes to establishing a unique district identity and, human scale, and sense of place. For example, Bend’s downtown uses a special brick material on sidewalks to help define the downtown character. Special paving can also mark key intersections and crosswalks to enhance pedestrian safety. Curb-less ‘festival’ streets are an example of special paving across the ROW to support pedestrian comfort and safety.

In general, lighter-colored pavements and those with more porosity have higher reflectivity and lower temperatures than darker colored pavements, resulting in reduced urban heat island effects and a more comfortable walking surface on hot days. Porous or pervious and higher porosity pavement typically have higher reflectivity and provide stormwater management benefits by allowing rainwater to infiltrate the ground.

Sidewalks

Safe, comfortable, and inviting sidewalks are a critical component to encourage walking and therefore crucial to the success of urban mixed-use districts. Sidewalk width and pavement is perhaps the most important consideration, but other elements to consider include landscape, lighting, signage and wayfinding, cleanliness, and accessibility.¹ A minimum sidewalk dimension of 12 feet is desirable on key Main Streets in commercial and mixed-use areas, providing space for outdoor dining spaces, outdoor retail displays, and comfortable bus stops. On non-Main Streets in business districts, requiring a minimum of 8 feet still supports walkability and provides enough space for awnings or canopies to shade the sidewalk.

Current City sidewalk standards are a minimum of 5-foot width on locally designated streets and 6 feet on arterials and collectors. When used as shared use sidewalks (side paths), the Draft Bikeway Design Guidelines identify 12 feet as the standard and would require a minimum of 10 feet.

Crosswalks

As extensions of sidewalks, the design of crosswalks should be carefully considered. Crosswalk treatment considerations should include underlying pavement, striping patterns, sight lines, street speed and turning conflicts. Curb extensions, coordinated with on street parking and bike facilities, provide a valuable opportunity to incorporate landscaping, reduce the perceived street width and reduce crossing distances for pedestrian safety. Crosswalk striping should be consistently applied throughout the district for clarity and safety.

Bicycling Facilities

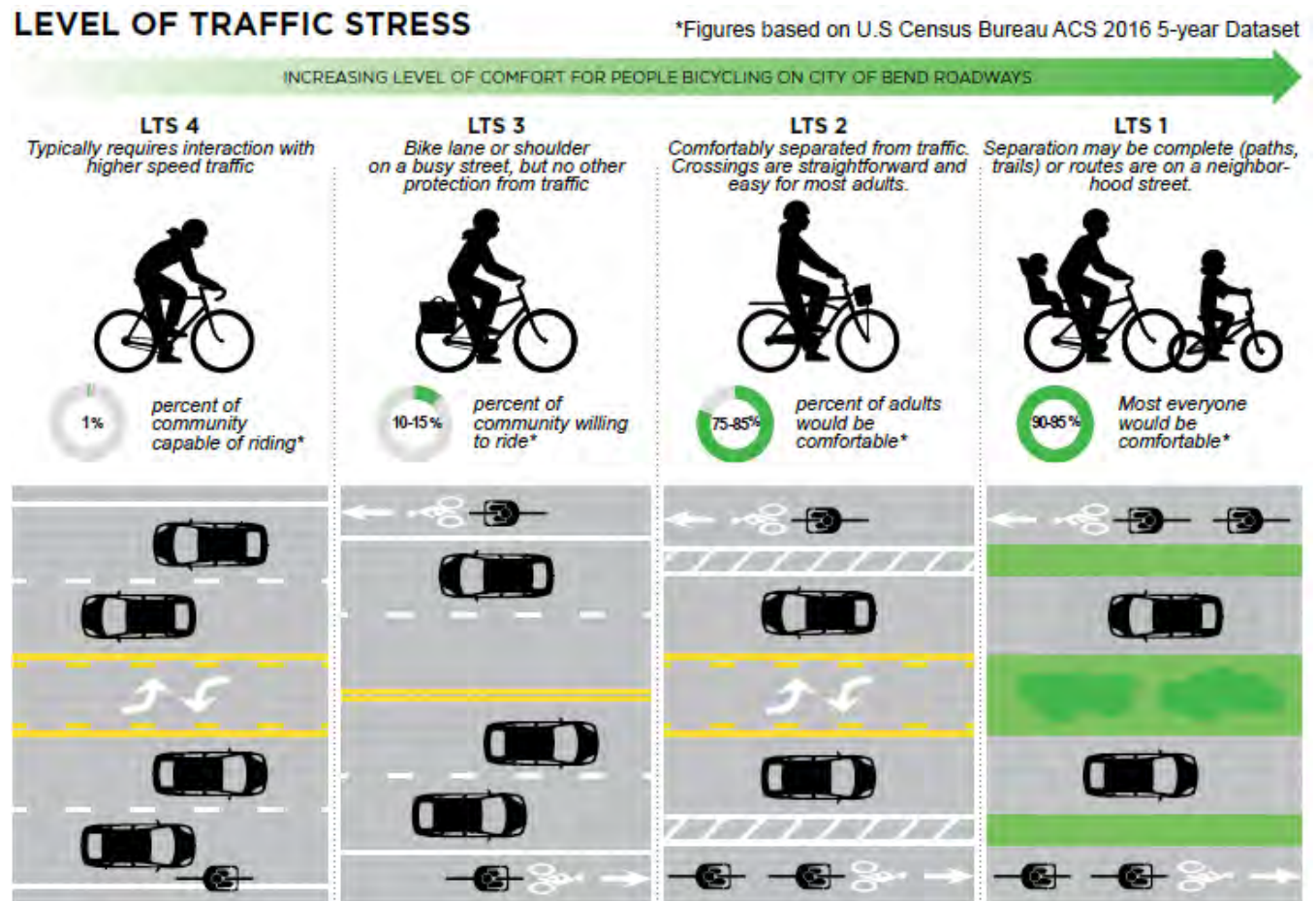
The City's Draft Bikeway Design Guide identifies ways to improve the safety, attractiveness, usability and comfort of bicycling facilities in Bend. Implementation of the proposed facilities at intersections and on streets will provide greater protection and increase ridership. The application of various bikeway facility types depends on the context of the corridor. Facility type continuity is also important to improve comfort and best match facility type to user needs.

The City recommends a range of low stress bicycle facilities from off-road trails, shared use sidewalks along the road and neighborhood greenways, to parking protected bike lanes and buffered bike lanes. Protected bike lanes buffered by raised curbs are challenging to maintain

¹ At minimum, street improvements in Bend must comply with the Americans with Disabilities Act (ADA).

and are therefore not recommended. Low stress bicycle facilities are defined as Level of Traffic Stress 1 and 2 facilities as depicted in Figure 13. Level of traffic stress is determined through a variety of factors including speed, street width, and bikeway facility type and width.

Figure 1. Level of Traffic Stress



Vehicular Access

Alley access, driveways, and other curb cuts are an important consideration in developing urban street standards. Requiring alley access or shared driveways reduces curb cuts and therefore reduces the chance of conflicts between vehicles and pedestrians, while increasing the amount of potential on-street parking and ensuring a complete, continuous streetscape design.

Fire/Emergency Service Access

Street cross-section design needs to take into consideration Emergency Medical Service and Fire access. For example, street curb-to-curb widths should not be below 20 feet in width and the space between the travel lane and the building is required to be no closer than 15 feet and no further than 30 feet (including parking) to ensure fire equipment and ladder access.

Mobility and Curb Management

New trends in mobility including ride hailing (Uber, Lyft, etc.), micro mobility (e-bike and e-scooters), mobility hubs, micro transit/shuttles (such as Ride Bend), e-commerce, delivery services, mobility as a service (apps to plan and purchase trips of multiple mode/services), and autonomous/connected vehicles will likely increase demand on ROW and curb space throughout the day. Considerations include balancing parking and loading/drop-off areas, car storage areas, regulating autonomous vehicles, and congestion management.

Street Maintenance

Street elements need to be designed with consideration for maintenance vehicles and operations especially sweeping, plowing, and snow storage. Enhanced cross-section elements (raised landscaped islands, buffered bike lanes, lighting, receptacle bins, etc.) will require appropriation of maintenance, equipment, and staff to maintain investments. Existing street maintenance resources, equipment, and staff is likely insufficient to meet urban streetscape maintenance needs.