

# Report Accompanying the Core Area Tax Increment Finance Plan

Core Area Tax Increment Finance Plan

Adopted by the City of Bend

DATE

Ordinance No. \_\_\_\_



CITY OF BEND

BUILDING ON OUR PAST  
SERVING THE PRESENT  
SHAPING BEND'S FUTURE

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### **Mayor Pro tem**

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Cascade East Transit

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## **I. DEFINITIONS**

“Agency” means the Bend Urban Renewal Agency, also called BURA. The Agency is responsible for administration of this Core Area TIF Plan and other TIF/ plans previously adopted in the City of Bend.

“Annual report” is the ORS 457.460 requirement for the production of an annual report that gets distributed to the taxing districts.

“Area” or “TIF Area” means the tax increment finance area shown in Figure 1 established for this Plan pursuant to ORS 457, and described in Section XIV of the Plan, including the properties and rights-of-way located therein.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“BURA” means the Bend Urban Renewal Agency, also called Agency. BURA is responsible for the administration of this Core Area TIF Plan and other TIF plans previously adopted in the City of Bend.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“Core Area Project” or “CAP” means the planning process undertaken in 2019/2020 by the City of Bend for the Bend Core Area.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$195,000,000.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Core Area TIF Plan” means the official plan for the TIF Area pursuant to ORS 457.

“Planning Commission” means the Bend Planning Commission.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Core Area TIF Plan.

“Report Accompanying Core Area TIF Plan” or “Report” means the official report that accompanies the Core Area TIF Plan pursuant to ORS 457.085(3).

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.085(3).

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“URAB” means the Urban Renewal Advisory Board set up to help guide the planning process for the Core Area Project.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

“Vulnerable” means populations including those who are economically disadvantaged, elderly, underrepresented racial or ethnic groups, uninsured individuals, survivors of abuse or trafficking or those experiencing substance abuse, other addictions, mental health, and homelessness.

## II. INTRODUCTION

This Report contains background information and project details that pertain to the Core Area TIF Plan for the Area. The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Bend City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The Report contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area; (ORS 457.085(3)(a))
- Expected impact of the Plan, including fiscal impact in light of increased services; (ORS 457.085(3)(a))
- Reasons for selection of the Area; (ORS 457.085(3)(b))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.085(3)(c))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.085(3)(d))
- The estimated completion date of each project; (ORS 457.085(3)(e))
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired; (ORS 457.085(3)(f))
- A financial analysis of the Plan; (ORS 457.085(3)(g))
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal or TIF Area; (ORS 457.085(3)(h)) and
- A relocation report. (ORS 457.085(3)(i))



The relationship of the sections of the Report and the ORS 457.085(3) requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statute. There may be other sections of the Report that also address the statute.

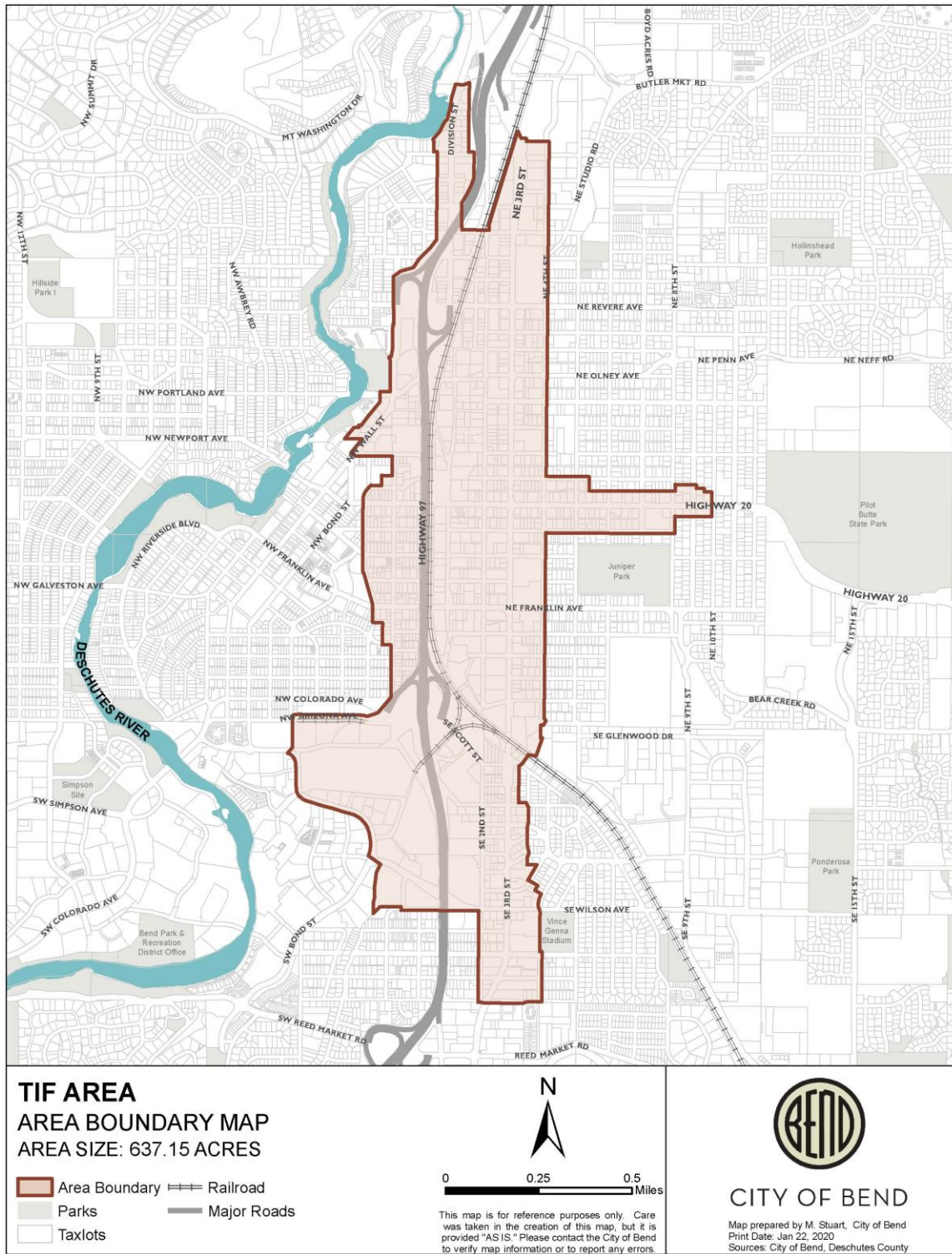
Table 1 - Statutory References

<b>Statutory Requirement</b>	<b>Report Section</b>
ORS 457.085(3)(a)	XI
ORS 457.085(3)(b)	XII
ORS 457.085(3)(c)	III
ORS 457.085(3)(d)	IV
ORS 457.085(3)(e)	VII
ORS 457.085(3)(f)	V,VI
ORS 457.085(3)(g)	V,VI
ORS 457.085(3)(h)	IX
ORS 457.085(3)(i)	XIII

The Report provides guidance on how the Plan might be implemented. BURA has the authority to make adjustments to the implementation assumptions in this Report, as it reviews revenues and potential projects each year. BURA may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by BURA. BURA may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

Note on language: This Report, wherever applicable and permissible, uses the term Tax Increment Financing or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to clear the way for redevelopment. This Report aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Report.

Figure 1 – TIF Area Plan Boundary



Source: City of Bend

### III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TIF AREA PROJECTS AND THE EXISTING CONDITIONS IN THE AREA.

The Projects identified and authorized for the Area are described below, including how they relate to the existing conditions in the Area. The existing conditions were identified by City staff.

#### A. Transportation, Streetscape, and Utility Infrastructure

##### 1. Transportation

The following projects are intended to provide a more efficient and functional transportation system, aimed at enhancing public rights-of-way and attracting development and redevelopment in the Area by providing greater safety, increased system capacity and connectivity, and a more robust pedestrian and bicycle network.

Table 2 - Transportation Projects

<p>Midtown Bicycle and Pedestrian Crossings</p> <p>Greenwood Avenue Undercrossing Sidewalk Widening</p> <p>Hawthorne Avenue Overcrossing</p> <p>Franklin Avenue Undercrossing</p>	<p>Widen US 97 undercrossing to include improved multimodal facilities.</p> <p>Close sidewalk gap along Hawthorne and create a grade-separated footbridge over BNSF RR and US 97.</p> <p>Shared use path adjacent to roadway- Widen sidewalk paths under BNSF RR and US 97 to modernize design for roadside safety.</p>
<p><b>Existing Conditions</b></p>	<p>The BNSF railroad and US-97/Parkway run north-south through the Area and cut off access east-to-west across the City. Various roads either cross under or are made into dead ends by the railroad and parkway, including Franklin Ave, Greenwood, and Hawthorne Ave. The City, BNSF, and ODOT each control various portions of some of the key bridges and undercrossings. The existing undercrossings on Franklin and Greenwood consist of poorly lit, narrow passages</p>

	with limited visibility that pose safety concerns for pedestrians and bicyclists. 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 these two undercrossing locations as well as the feasibility of constructing a new overcrossing at or near Hawthorne Avenue, where connectivity had been removed with the construction of US 97 in the early 2000s. The analysis found significant funding barriers to reconstructing existing undercrossing or building new crossings - especially for the Franklin undercrossing which is identified as a historic structure.
Intersection Improvements	Improve safety, access, and mobility for all users and implements improvements at key intersections in the Area.
<b>Existing Conditions</b>	Multiple intersections such as Revere Avenue/ 4 <sup>th</sup> Street, Olney Avenue/4 <sup>th</sup> Street, Greenwood Avenue/2 <sup>nd</sup> Street within the Area have or are modeled to have future safety and capacity needs that can be addressed with intersection improvements including crossing enhancements as well as full intersection improvements such as roundabouts or traffic signals.
3 <sup>rd</sup> Street Railroad Undercrossing widening	Widen 3 <sup>rd</sup> Street to 4-lanes under the BNSF RR, including complete street design from Emerson Avenue to Miller Avenue.
<b>Existing Conditions</b>	3 <sup>rd</sup> Street is a primary north-south arterial, providing parallel access to US 97. Capacity is constrained at the 3 <sup>rd</sup> Street Railroad undercrossing, where the roadway reduces from 5 lanes to 2 lanes. 3 <sup>rd</sup> Street is recognized by ODOT as a critical parallel route in the event of an interruption to traffic flow on US 97. The existing undercrossing also has limited pedestrian and bicycle facilities, limiting north-south connectivity for those walking and biking within the Area.
Sidewalk Infill	Improve pedestrian safety and connectivity throughout the Area by closing sidewalk gaps, including along key walking and biking routes.
<b>Existing Conditions</b>	There are significant sidewalk gaps throughout

	the Area that impact both safety and connectivity for those walking within or through the area.
Low Stress Bicycle Network	Implement various bicycle safety and connectivity projects throughout the Area.
<b>Existing Conditions</b>	Most roads in the Area lack bicycle facilities. Where bicycle facilities do exist, they are often high stress or have gaps in connectivity. Barriers, including the BNSF railroad, and US 97 limit both east-west and north-south bicycle connectivity in the Area. A “Bicycle Level of Traffic Stress” (LTS) analysis was conducted and showed existing high stress locations, facility gaps, and physical barriers to safe bicycling near key bicycle-focused destinations in the Area, especially along 3rd Street/US 20 and Greenwood Avenue.
Aune Street Extension from Bond Street to 3 <sup>rd</sup> Street	Two-lane extension of Aune Street 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.
<b>Existing Conditions</b>	Aune Street does not currently provide public through access or multimodal connectivity due to private road restrictions east to west through the Area. An extension of Aune Street would provide additional internal route choices for all users and address existing capacity needs within the Area, including along the Wilson Avenue corridor.
Mobility Hubs	Citywide implementation of mobility hubs in coordination with Cascade East Transit (CET) and High Capacity Transit (HCT) routes.
<b>Existing Conditions</b>	The current transit system in Bend is based on a “hub and spoke” model where all transit routes originate from Hawthorne Station. CET is working on an update to its long-range plan that considers revised route models that would include the concepts of mobility hubs focused on a more robust transit system.
Sisemore Street Extension	Construct street extension from Arizona Avenue to Bond Street.
<b>Existing Conditions</b>	Sisemore Street is a two lane street with

	sidewalks on one side that presently terminates at Arizona Avenue. The roadway extension project meeting complete street design standards will improve local connectivity for all users within the Area and address regional transportation needs by improving access to US 97.
Revere Avenue Interchange Improvements	ODOT coordination project to construct roadway upgrades and intersection improvement near the US 97/Revere Avenue interchange, including at the ramp terminals and adjacent Wall Street/Portland Avenue intersection.
<b>Existing Conditions</b>	ODOT conducted a crash analysis from 2011-2015 as part of its US 97 Parkway Planning process that identified this interchange as a priority for safety improvements. <sup>1</sup>
Olney Protected Bicycle Lanes and US 97 Undercrossing	Provide protected bicycle lanes on Olney Avenue at US 97 undercrossing.
<b>Existing Conditions</b>	East-west bicycle facilities are limited by major barriers such as US 97 and the BNSF railroad. Olney Avenue currently lacks walking and bicycling facilities to provide east-west connectivity.
3 <sup>rd</sup> Street & Miller Avenue intersection improvements and 3 <sup>rd</sup> Street modifications	Study and construction of intersection improvements at 3 <sup>rd</sup> Street/Miller Avenue to address identified safety needs.
<b>Existing Conditions</b>	Identified as top site for safety improvement in the 2019 Bend Transportation Safety Action Plan (TSAP). <sup>2</sup> This intersection is used by motorists to avoid congestion at the nearby 3 <sup>rd</sup> Street/Wilson Avenue intersection. Vehicles turn on and off 3 <sup>rd</sup> Street at higher rates than the intersection was designed for. Safety concerns are heightened by the presence of multiple driveways and other access points and 3 <sup>rd</sup> Street narrowing to two-lanes at this location.
Olney Avenue Railroad Crossing Improvements	Upgrade the Railroad crossing to include dedicated sidewalks and low stress bicycle facilities.

<sup>1</sup> City of Bend Area Transportation Safety Action Plan. September 30, 2019, Table 8, pg. 31.

<sup>2</sup> City of Bend Area Transportation Safety Action Plan. September 30, 2019, Table 8, pg. 31.

<b>Existing Conditions</b>	East-west bicycle facilities are limited by major barriers including US 97 and the railroad. Olney provides important east-west connectivity. Current bicycle facilities on Olney are not low stress.
Colorado Avenue/ US 97 Intersection safety and capacity improvements	ODOT coordination project to construct roadway upgrades and intersection improvements near the Colorado/Us-97 interchange; may include traffic signals or roundabout.
<b>Existing Conditions</b>	The Colorado Avenue/US 97 northbound ramp is currently stop-controlled and near a curve in the roadway. The ramp terminal intersection experiences significant delay and a high volume to capacity ratio. This location was also identified as a safety priority in the US 97 Parkway Plan that evaluated crash data from 2011-2015.
3 <sup>rd</sup> Street at Railroad to connect KorPine	3 <sup>rd</sup> Street underpass: Near term enhancements to walking and biking route.
<b>Existing Conditions</b>	The existing 3 <sup>rd</sup> Street underpass of the railroad has limited pedestrian and bicycle facilities, including narrow sidewalks and no marked bicycle lanes. In addition it lacks lighting and the structure is in visual disrepair.
Safety Improvements	Improve safety, access, and livability at key sites including the Colorado Avenue/US 97 improvements.
<b>Existing Conditions</b>	The current site at the intersection of Colorado Avenue and the western off ramp of US 97 lacks safe walking and bicycling facilities through the intersection of Colorado Avenue and US 97.
High Capacity Transit (HCT)	Project would improve City infrastructure on HCT routes in coordination with CET. Project includes improving access to HCT stops within the Area and may also include street improvements at HCT stops.
<b>Existing Conditions</b>	Cascade East Transit (CET), operated by the Central Oregon Intergovernmental Council (COIC), is the public transportation system providing fixed-route bus service in the City of Bend. CET is currently developing a transit master plan that may modify transit route models

	to provide more frequent transit service along high capacity routes, which have not yet been established.
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## 2. Streetscape

Provide funds to support streetscape enhancements identified in the Core Area Urban Design Framework intended to provide an identity and a safe and effective multimodal transportation network within the Area. These enhancements include but are not limited to wide sidewalks, curb bulb outs, decorative paving, lighting, landscaping, furnishings - planters, seating, bicycle amenities, curbing, on-street parking.

Examples of rights-of-way eligible for streetscape enhancement projects include but are not limited to:

- 2<sup>nd</sup> Street
- 3<sup>rd</sup> Street
- 4<sup>th</sup> Street
- Greenwood Avenue
- Franklin Avenue
- Division Street
- Hawthorne Avenue
- Aune Road
- Revere Avenue
- Wall Street
- Olney Avenue

### **Existing Conditions**

The existing streetscape within the Area consists of areas with significant missing sidewalks and sidewalk gaps. In addition, the area lacks street trees; lighting; and a safe, connected pedestrian and bicycle network.



### 3. Public Utility

The following public utility projects are intended to address sewer, stormwater, and water system infrastructure deficiencies in the Area.

Table 3 – Public Utility Projects

Sewer System Improvements	Support projects identified in the 2018 Sewer Public Facility Plan that are located within the Area, including the Drake Lift Station and Force Main and the Drake Downstream Trunk/2nd Street Trunk.
<b>Existing Conditions</b>	The Drake Lift Station and force main require additional capacity to accommodate anticipated growth in the KorPine service area. <sup>3</sup>
Stormwater System Improvements	Support projects identified in the 2014 Stormwater Master Plan that are located within the Area, including the costs associated with stormwater improvements for the Franklin Avenue and Greenwood Avenue Underpasses. <sup>4</sup>
<b>Existing Conditions</b>	There are multiple known flooding locations within the Area. 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. <sup>5</sup>
Water System Improvements	Support projects identified in the 2011 Water Master Plan that are located within the Area, including upgrading and replacement projects for the Norton/Olney Avenue, Revere Avenue, and Division Street.
<b>Existing Conditions</b>	The primary concern for the Area is the need to upsize pipes and to replace outdated, galvanized and cast-iron piping that will not meet the service level needs as the Area

<sup>3</sup> City of Bend 2018 Collection System Public Facility Plan, pg. 42.

<sup>4</sup> City of Bend 2014 Stormwater Master Plan, pg. 410.

<sup>5</sup> <https://www.bendoregon.gov/city-projects/city-infrastructure-projects/recently-completed-projects/3rd-street-underpass-stormwater-project>

	builds out. <sup>6</sup>
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### ***B. Affordable Housing Redevelopment and Development Assistance, Partnership, and Support***

Partner with and offer funds to support housing organizations and developers to create low income, transitional, and affordable housing opportunities. Project funds may be used for activities that support the development, redevelopment, or rehabilitation of transitional, low-income and affordable housing projects, as well as for other facilities that support vulnerable populations.

Examples of eligible project activities include:

- Land acquisition/assembly
- Environmental review, mitigation and remediation
- Pre-development assistance including contracting with design professionals
- Payment of fees
- Frontage improvements including utility undergrounding
- Off-site infrastructure improvements
- Other direct support for programming and projects

### **Existing Conditions**

Affordable rental housing is currently the most common housing problem in Bend, with “rent burden” playing a significant factor.<sup>7</sup> Over 35% of renters currently pay rent that exceeds 30% of the area median income, with almost 18% paying rent that exceeds 50% of the area median income.<sup>8</sup>

In addition, median Bend home prices have risen by nearly 50% since 2015, and approximately 175% since 2011,<sup>9</sup> which was the lowest point in the recession for Bend’s real estate market. From February 2016 to February 2020, Bend’s median home price rose from \$332,000 to \$460,000.<sup>10</sup>

Affordable housing continues to be a top priority for City Council and the Bend community.<sup>11</sup> The City has an Affordable Housing Advisory Committee (AHAC) and existing policies and programs in place that support affordable housing. These

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<sup>6</sup> *City of Bend 2011 Water Master Plan, pg. 50.*

<sup>7</sup> *City of Bend Consolidated Plan 2019-2023, pg. 33*

<sup>8</sup> *City of Bend Consolidated Plan 2019-2023, pg. 41*

<sup>9</sup> *City of Bend Consolidated Plan 2019-2023, pg. 26*

<sup>10</sup> *Beacon Appraisal Group, LLC. The Beacon Report, March 2020, pg. 1*

<sup>11</sup> *Bend City Council 2019-2021 Goals. Revised January 15, 2020. Goal 1, Strategy 2, pg. 2*

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
6. SDC Exemption: City System Development Charges (SDCs) are fully exempted for qualified affordable housing. The Bend Park and Recreation District waives SDCs for up to 400 units of affordable housing until December 31, 2022.

The City's current affordable housing funding sources are limited and subject to market conditions as well as Congressional budgets, for CDBG. These funds can be used for a spectrum of activities to support affordable housing acquisition, rehabilitation, or construction, and are available for rental, ownership, or shelter facilities and services. Additional funding sources are necessary to allow for the development of more affordable housing in the area and to address barriers to development such as infrastructure needs. As of the date of this Plan in 2020, the City is not aware of any affordable housing projects within the Area.

### ***C. Business Redevelopment and Development Assistance, Partnership, and Support***

#### **1. Business Development and Redevelopment**

Provide funds to partner with and offer funds to support redevelopment and new development projects that support businesses, including housing providers and transit operators within the Area.

Examples of eligible project activities include:

- Land acquisition and assembly
- Environmental review, mitigation and remediation
- Pre-development assistance including contracting with design professionals
- Payment of fees
- Frontage improvements including utility undergrounding
- Off-site infrastructure improvements
- Funding for commercial and residential building rehabilitation and renovation programs and projects, including energy efficiency and accessibility upgrades, through public/private partnerships
- Market-rate housing and mixed-use commercial/residential

development projects

- Contracting with design professionals
- Other direct support for programming and projects

## 2. Business Support and 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.

Examples of eligible project activities include:

- Improve older buildings to meet current code standards
- Assist in assessment and permitting
- Environmental review, mitigation and remediation
- Feasibility assessment of development or redevelopment
- Assist in other improvements to allow for intensification of under-utilized sites
- Building façade improvements
- Building utilization assistance
- Landscaping enhancements and pedestrian amenities
- Professional engineering, architecture, landscaping, and other building and site design assistance
- Mechanical, electrical, and other building upgrades that will reduce emissions, support energy efficiency.
- Seismic, fire suppression, and other public safety improvements
- Other direct support for programming and projects

### **Existing Conditions**

There are 723 active businesses within the Area which represent approximately 11% of all Bend businesses, as of February 2019<sup>12</sup>. In 2016, there were approximately 8,011 employees in the Area.<sup>13</sup> There are many properties within the Area that could benefit from business assistance activities. There is no present funding source for these types of activities.

### ***D. Open Space, Facilities, Amenities, and Wayfinding***

Projects within this category are intended to support the Area as a vibrant mixed-use city center where businesses thrive, people live, and there are

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<sup>12</sup> Information found using Active Business license data – February 2019

<sup>13</sup> Data sourced from 2016 Quarterly Census of Employment and Wages (QCEW) data provided by the Oregon Employment Department

community gathering spaces for people to enjoy and recreate.

Projects may include, but are not limited to, the following:

- Parks, plazas, recreation sites, trails, and/or open space land acquisition
- Wayfinding and signage to create a clear Area identity
- Private art installation(s) grants and loans

## **Existing Conditions**

Bend Park and Recreation District (BPRD) is the urban service provider of parks within the Bend City limits, including in the Area. The 2018 BPRD Comprehensive Plan includes a low priority project to secure park land in the Area to develop an urban plaza or “parklet” to support redevelopment of the area.<sup>14</sup> The only BPRD trail planned in the Area is a Rails to Trails project in the BNSF railroad right of way, which is not likely to be completed in the near future since the railroad is still active as a freight line.<sup>15</sup> 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.<sup>16</sup>

Wayfinding signage: There is no distinctive wayfinding or signage for the Area.

Private art installations: There are no funding sources to support private art installations in the Area.

### ***E. Plan Administration, Implementation, Reporting, and Support***

Provide funds for BURA to retain the services of City personnel or other independent professionals or organizations for activities such as:

- General staffing, and office or overhead expenses
- Management and oversight of an appointed advisory board
- Management and oversight of programs designed to support eligible projects
- Preparation of studies to inform project decisions such as the Midtown Crossings
- Preparation of market feasibility, transportation impacts analysis, or other technical or economic studies
- Preparation of design, architectural, engineering, environmental, landscape architectural, planning, platting, or other developmental documents, studies, or plans
- Providing special rehabilitation, restoration or renovation feasibility and

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<sup>14</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 107*

<sup>15</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 114*

<sup>16</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 98*

cost analysis studies

- Providing appraisals for property acquisition and disposition
- Assisting in the preparation of the annual financial report required by this Plan and ORS 457
- Auditing, insurance, bond counsel, financing fees and other required administrative costs
  - Any other powers granted by ORS 457 in connection with the implementation of this Plan

### **Existing Conditions**

There is presently not a TIF Area in this location. Therefore, there is no overall funding for administration in the Area. This project would provide that administrative support.

#### **IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS**

The cost estimates for Projects are shown in Table 4 below. These are all estimates acknowledging that the Area portions of these project activities must fit within the maximum indebtedness. These costs are shown in year of expenditure (YOE) dollars, which assumes inflation of 3.0% annually.

The Plan assumes that BURA/City will use other funds to assist in the completion of the projects within the Area. These sources include but are not limited to City of Bend General Funds, SDCs, local, state and federal grants, and other sources as identified by BURA/City. BURA/City may pursue regional, county, state, and federal funding, private developer contributions and any other sources of funding that may assist in the implementation of the programs.

BURA will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

Table 4 - Estimated Cost of Each Project

<b>Project Title</b>	<b>Project Cost (YOE\$)</b>	<b>Percentage of Total Project Cost</b>
Affordable Housing Partnership & Support	\$36,391,670	18%
Business Re/development Partnership & Support	\$28,573,105	15%
Transportation & Bike/Ped, Streetscape, Utility Infrastructure	\$100,521,813	52%
Open Space, Facilities, Amenities, & Wayfinding	\$18,851,202	10%
Plan Administration, Reporting, Refinement, & Finance fees	\$9,700,688	5%
<b>TOTAL:</b>	<b>\$194,038,477</b>	<b>100%</b>

Source: City of Bend and Tiberius Solutions

## V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2051 are calculated based on projections of the growth assessed value of existing property and new development within the Area, and the consolidated tax rate that will apply to the Area.

Figure 2 shows expected TIF revenues over time and the projected tax revenues after termination of the Area. Table 5 shows the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies, truncation loss, and receipt of delinquent taxes from prior years. The projections assume an annual growth rate of 5.0% for assessed value in the Area. This assumption is supported by an evaluation of the development potential of vacant and redevelopable land within the Area. These projections of growth are the basis for the projections in Table 8, Table 9, Table 10, and Table 11.

The first year of tax increment collections is anticipated to be FYE 2022. Gross TIF<sup>17</sup> is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, and excludes general obligation bonds and local option levies, which will not be impacted by this Plan.

Figure 3 – Funding for Projects over Time shows the projected funding for projects over time.

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<sup>17</sup> TIF is also used to signify tax increment revenues

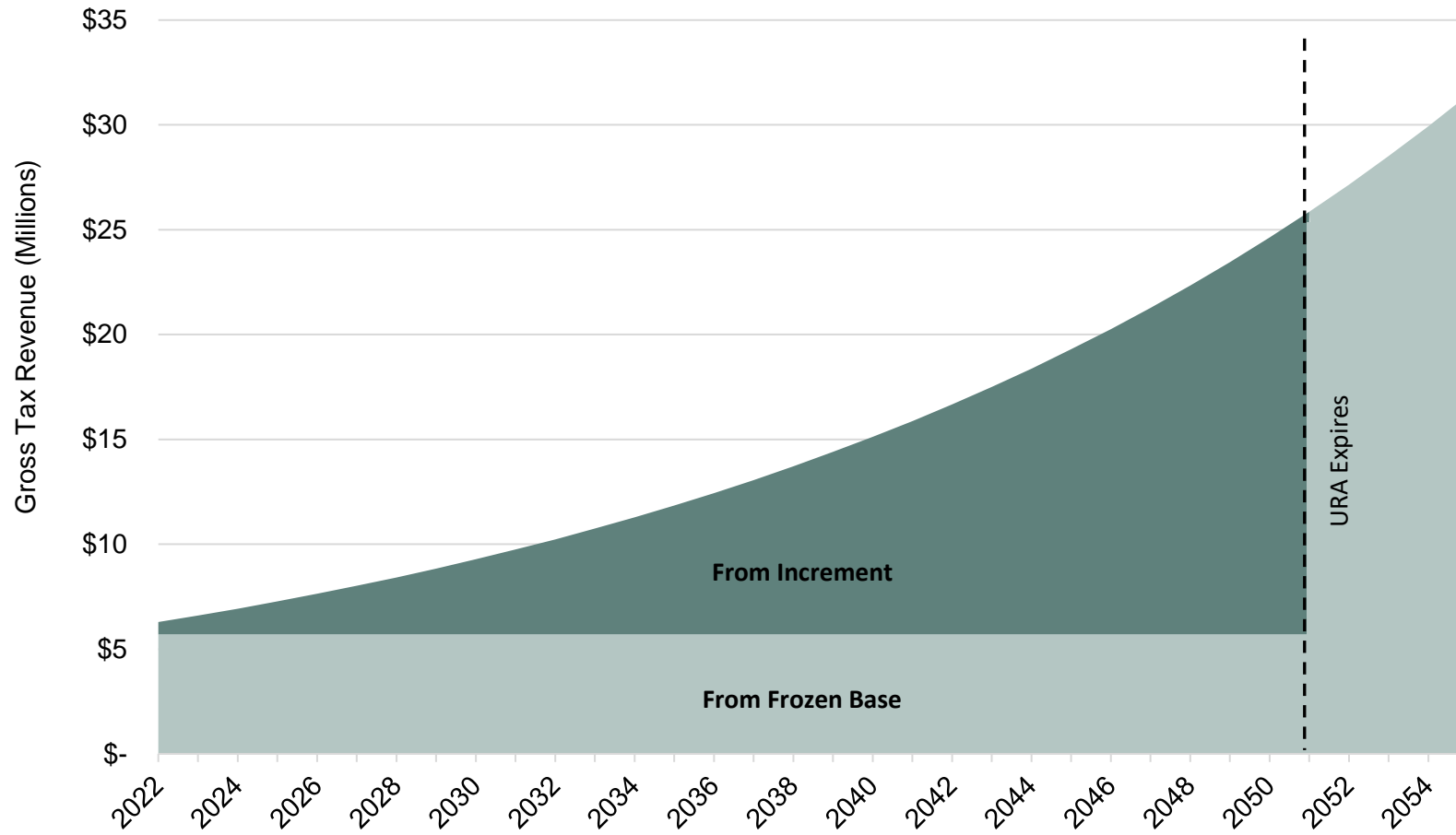


Table 5 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total Assessed Value	Frozen Base Assessed Value	Increment (Applied)	Tax Rate	Gross TIF (Current Year)	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Total TIF
2022	484,057,545	439,054,462	45,003,083	12.9779	584,046	(29,202)	554,843	-	554,843
2023	508,260,423	439,054,462	69,205,961	12.9779	898,148	(44,907)	853,241	8,323	861,563
2024	533,673,446	439,054,462	94,618,984	12.9779	1,227,956	(61,398)	1,166,558	12,799	1,179,357
2025	560,357,117	439,054,462	121,302,655	12.9779	1,574,254	(78,713)	1,495,541	17,498	1,513,039
2026	588,374,974	439,054,462	149,320,512	12.9779	1,937,867	(96,893)	1,840,973	22,433	1,863,406
2027	617,793,724	439,054,462	178,739,262	12.9779	2,319,660	(115,983)	2,203,677	27,615	2,231,292
2028	648,683,412	439,054,462	209,628,950	12.9779	2,720,544	(136,027)	2,584,516	33,055	2,617,572
2029	681,117,582	439,054,462	242,063,120	12.9779	3,141,471	(157,074)	2,984,397	38,768	3,023,165
2030	715,173,462	439,054,462	276,119,000	12.9779	3,583,445	(179,172)	3,404,273	44,766	3,449,038
2031	750,932,135	439,054,462	311,877,673	12.9779	4,047,517	(202,376)	3,845,141	51,064	3,896,205
2032	788,478,742	439,054,462	349,424,280	12.9779	4,534,793	(226,740)	4,308,054	57,677	4,365,731
2033	827,902,679	439,054,462	388,848,217	12.9779	5,046,433	(252,322)	4,794,112	64,621	4,858,732
2034	869,297,813	439,054,462	430,243,351	12.9779	5,583,655	(279,183)	5,304,472	71,912	5,376,384
2035	912,762,704	439,054,462	473,708,242	12.9779	6,147,738	(307,387)	5,840,351	79,567	5,919,918
2036	958,400,840	439,054,462	519,346,378	12.9779	6,740,025	(337,001)	6,403,024	87,605	6,490,629
2037	1,006,320,881	439,054,462	567,266,419	12.9779	7,361,927	(368,096)	6,993,831	96,045	7,089,876
2038	1,056,636,925	439,054,462	617,582,463	12.9779	8,014,923	(400,746)	7,614,177	104,907	7,719,085
2039	1,109,468,772	439,054,462	670,414,310	12.9779	8,700,570	(435,028)	8,265,541	114,213	8,379,754
2040	1,164,942,210	439,054,462	725,887,748	12.9779	9,420,499	(471,025)	8,949,474	123,983	9,073,457
2041	1,223,189,320	439,054,462	784,134,858	12.9779	10,176,424	(508,821)	9,667,603	134,242	9,801,845
2042	1,284,348,787	439,054,462	845,294,325	12.9779	10,970,145	(548,507)	10,421,638	145,014	10,566,652
2043	1,348,566,226	439,054,462	909,511,764	12.9779	11,803,553	(590,178)	11,213,375	156,325	11,369,700
2044	1,415,994,537	439,054,462	976,940,075	12.9779	12,678,631	(633,932)	12,044,699	168,201	12,212,900
2045	1,486,794,264	439,054,462	1,047,739,802	12.9779	13,597,462	(679,873)	12,917,589	180,670	13,098,260
2046	1,561,133,978	439,054,462	1,122,079,516	12.9779	14,562,236	(728,112)	13,834,124	193,764	14,027,888
2047	1,639,190,678	439,054,462	1,200,136,216	12.9779	15,575,248	(778,762)	14,796,485	207,512	15,003,997
2048	1,721,150,211	439,054,462	1,282,095,749	12.9779	16,638,910	(831,946)	15,806,965	221,947	16,028,912
2049	1,807,207,721	439,054,462	1,368,153,259	12.9779	17,755,756	(887,788)	16,867,968	237,104	17,105,073
2050	1,897,568,107	439,054,462	1,458,513,645	12.9779	18,928,444	(946,422)	17,982,022	253,020	18,235,042
2051	1,992,446,513	439,054,462	1,553,392,051	12.9779	20,159,767	(1,007,988)	19,151,778	269,730	19,421,509
TOTAL:					\$246,432,046	\$(12,321,602)	\$234,110,444	\$3,224,380	\$237,334,824

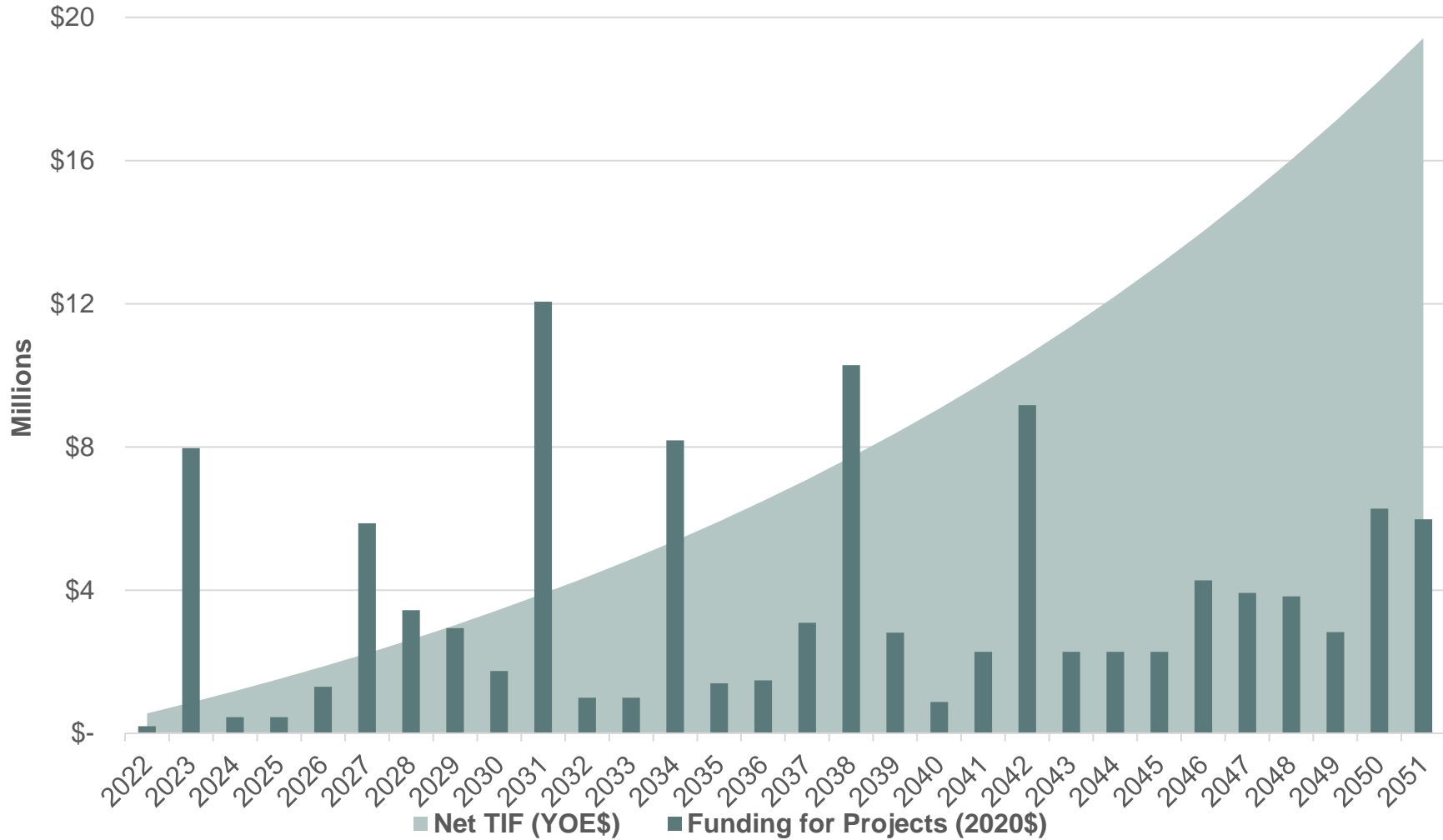
Source: Tiberius Solutions

Figure 2 - TIF Projections over Time



Source: Tiberius Solutions

Figure 3 – Funding for Projects over Time



Source: Tiberius Solutions

## **VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED**

Table 6 shows a summary of the financial capacity of the Area, including how the total TIF revenue translates to the ability to fund projects in constant FYE 2020 dollars in five-year increments. Table 8, Table 9, Table 10 and Table 11 show more detailed tables on the allocation of tax revenues over time.

The Plan is structured to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2051, a 30-year duration for the Plan. The time frame of the Plan is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$195,000,000 (one hundred ninety five million dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$195,000,000 is \$237,334,824 and is from the division of taxes from permanent rate levies.

Table 6 - TIF Capacity of the Area

Net TIF (YOE\$)	\$237,334,824
Maximum Indebtedness (YOE\$)	\$195,000,000
Capacity (2020\$)	\$111,876,107
Years 1-5	\$10,367,874
Years 6-10	\$26,042,897
Years 11-15	\$13,044,250
Years 16-20	\$19,331,320
Years 21-25	\$20,264,766
Years 25-30	\$22,825,000

Source: Tiberius Solutions

This financial analysis projects when borrowings might occur as identified in

Table 7. This is only one scenario for how BURA may decide to implement this Plan, and this scenario is financially feasible. BURA may decide to complete borrowings at different times or for different amounts, depending on their analysis at the time. The timeframes on these borrowings are designed to have all borrowings paid off at the estimated termination of the Area in FYE 2051. These are the principal amounts of the borrowings. The total amounts, including interest, are shown in the second column of Table 8.

Table 7 - Estimated Borrowings and Amounts

Name	Loan A	Loan B	Loan C	Loan D	Loan E	Loan F
Principal Amount	\$8,400,000	\$13,300,000	\$16,300,000	\$13,500,000	\$18,100,000	\$17,200,000
Interest Rate	5 %	5 %	5 %	5 %	5 %	5 %
Loan Term	20	20	20	18	14	10
Loan Year	2023	2027	2031	2034	2038	2042
Annual Payment	(674,038)	(1,067,226)	(1,307,954)	(1,154,874)	(1,828,534)	(2,227,479)

Source: Tiberius Solutions

Table 8 - Tax Increment Revenues and Allocations to Debt Service, Page 1

	Total	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028
Resources								
TIF: Current Year	234,110,444	554,843	853,241	1,166,558	1,495,541	1,840,973	2,203,677	2,584,516
TIF: Prior Years	3,224,380	-	8,323	12,799	17,498	22,433	27,615	33,055
Total Resources	237,334,824	554,843	861,563	1,179,357	1,513,039	1,863,406	2,231,292	2,617,572
Expenditures								
Debt Service								
Loan A	(13,480,755)	-	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)
Loan B	(21,344,528)	-	-	-	-	-	(1,067,226)	(1,067,226)
Loan C	(26,159,083)	-	-	-	-	-	-	-
Loan D	(20,787,732)	-	-	-	-	-	-	-
Loan E	(25,599,474)	-	-	-	-	-	-	-
Loan F	(22,274,787)	-	-	-	-	-	-	-
Total Debt Service	(129,646,359)	-	(674,038)	(674,038)	(674,038)	(674,038)	(1,741,264)	(1,741,264)
Transfer to Area Projects Fund	(107,688,465)	(554,843)	(187,526)	(505,319)	(839,002)	(1,189,369)	(490,028)	(876,307)
Total Expenditures	(237,334,824)	(554,843)	(861,563)	(1,179,357)	(1,513,039)	(1,863,406)	(2,231,292)	(2,617,572)
Debt Service Coverage Ratio			1.27	1.73	2.22	2.73	1.27	1.48

Source: Tiberius Solutions

Table 9 - Tax Incremental Revenues and Allocations to Debt Service, Page 2

	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	2,984,397	3,404,273	3,845,141	4,308,054	4,794,112	5,304,472	5,840,351	6,403,024
TIF: Prior Years	38,768	44,766	51,064	57,677	64,621	71,912	79,567	87,605
Total Resources	3,023,165	3,449,038	3,896,205	4,365,731	4,858,732	5,376,384	5,919,918	6,490,629
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)
Loan B	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)
Loan C	-	-	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)
Loan D	-	-	-	-	-	(1,154,874)	(1,154,874)	(1,154,874)
Loan E	-	-	-	-	-	-	-	-
Loan F	-	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(1,741,264)	(1,741,264)	(3,049,218)	(3,049,218)	(3,049,218)	(4,204,092)	(4,204,092)	(4,204,092)
Total Debt Service	(1,741,264)	(1,741,264)	(3,049,218)	(3,049,218)	(3,049,218)	(4,204,092)	(4,204,092)	(4,204,092)
Transfer to Area Projects Fund	(1,281,901)	(1,707,774)	(846,987)	(1,316,513)	(1,809,514)	(1,172,292)	(1,715,826)	(2,286,537)
Total Expenditures	(3,023,165)	(3,449,038)	(3,896,205)	(4,365,731)	(4,858,732)	(5,376,384)	(5,919,918)	(6,490,629)
Debt Service Coverage Ratio	1.71	1.96	1.26	1.41	1.57	1.26	1.39	1.52

Source: Tiberius Solutions

Table 10 - Tax Increment Revenues and Allocations to Debt Service, Page 3

	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources								
TIF: Current Year	6,993,831	7,614,177	8,265,541	8,949,474	9,667,603	10,421,638	11,213,375	12,044,699
TIF: Prior Years	96,045	104,907	114,213	123,983	134,242	145,014	156,325	168,201
Total Resources	7,089,876	7,719,085	8,379,754	9,073,457	9,801,845	10,566,652	11,369,700	12,212,900
Expenditures								
Debt Service								
Loan A	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	(674,038)	-	-
Loan B	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)	(1,067,226)
Loan C	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)
Loan D	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)
Loan E	-	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)
Loan F	-	-	-	-	-	(2,227,479)	(2,227,479)	(2,227,479)
Total Debt Service	(4,204,092)	(6,032,626)	(6,032,626)	(6,032,626)	(6,032,626)	(8,260,105)	(7,586,067)	(7,586,067)
Transfer to Area Projects Fund	(2,885,784)	(1,686,459)	(2,347,128)	(3,040,831)	(6,032,626)	(2,306,547)	(3,783,633)	(4,626,833)
Total Expenditures	(7,089,876)	(7,719,085)	(8,379,754)	(9,073,457)	(3,769,219)	(10,566,652)	(11,369,700)	(12,212,900)
Debt Service Coverage Ratio	1.66	1.26	1.37	1.48	1.60	1.26	1.48	1.59

Source: Tiberius Solutions



Table 11 - Tax Increment Revenues and Allocations to Debt Service, Page 4

	FYE 2045	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051
Resources							
TIF: Current Year	12,917,589	13,834,124	14,796,485	15,806,965	16,867,968	17,982,022	19,151,778
TIF: Prior Years	180,670	193,764	207,512	221,947	237,104	253,020	269,730
Total Resources	13,098,260	14,027,888	15,003,997	16,028,912	17,105,073	18,235,042	19,421,509
Expenditures							
Debt Service							
Loan A	-	-	-	-	-	-	-
Loan B	(1,067,226)	(1,067,226)	-	-	-	-	-
Loan C	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	(1,307,954)	-
Loan D	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)	(1,154,874)
Loan E	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)	(1,828,534)
Loan F	(2,227,479)	(2,227,479)	(2,227,479)	(2,227,479)	(2,227,479)	(2,227,479)	(2,227,479)
Total Debt Service	(7,586,067)	(7,586,067)	(6,518,841)	(6,518,841)	(6,518,841)	(6,518,841)	(5,210,886)
Transfer to Area Projects Fund	(5,512,193)	(6,441,821)	(8,485,157)	(9,510,071)	(10,586,232)	(11,716,201)	(14,210,622)
Total Expenditures	(13,098,260)	(14,027,888)	(15,003,997)	(16,028,912)	(17,105,073)	(18,235,042)	(19,421,509)
Debt Service Coverage Ratio	1.70	1.82	2.27	2.42	2.59	2.76	3.68

Source: Tiberius Solutions

## **VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT**

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by BURA.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2051, a 30-year program.

The amount of money available for projects in FYE 2020 constant dollars for the Area is \$111,876,107.

Table 12, Table 13, Table 14, and Table 15 show the \$111,876,107 of project costs in FYE 2020 dollars inflated over the life of the Area, including administrative expenses. All costs shown in Table 12, Table 13, Table 14, and Table 15 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation. Annual expenditures for program administration is also shown. These are predicated on the fact that the Area activities will start off slowly in the beginning years and increase in the final years.

The 3.0% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

BURA may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028
Resources								
Beginning Balance		-	342,663	225,406	225,377	543,821	183,578	6,760,990
Interest Earnings	269,279	-	1,713	1,127	1,127	2,719	918	33,805
Transfer from TIF Fund	107,688,465	554,843	187,526	505,319	839,002	1,189,369	490,028	876,307
Bond/Loan Proceeds	86,800,000	-	8,400,000	-	-	-	13,300,000	-
Total Resources	194,757,744	554,843	8,931,902	731,852	1,065,506	1,735,908	13,974,524	7,671,102
Expenditures (YOE \$)								
Utility Infrastructure	(5,482,810)	-	(437,080)	-	-	-	-	-
Transportation & Bike/Ped	(35,180,813)	-	(7,256,621)	(112,550)	(115,930)	(119,410)	(2,480,708)	(253,360)
Streetscape	(59,858,190)	-	(546,350)	-	-	(597,050)	(614,950)	-
Affordable Housing Partnership and Support	(36,391,670)	-	-	-	-	(597,050)	(1,844,850)	(1,900,200)
Business Re/Development Partnership and Support	(28,573,105)	-	(163,905)	(168,825)	(173,895)	-	(1,844,850)	(1,900,200)
Open Space, Facilities , Amenities, and Wayfinding	(18,851,202)	(26,523)	(27,318)	(28,138)	(28,983)	(29,853)	(79,944)	(82,342)
Plan Administration, Reporting, Refinement, Financing Fees	(9,700,688)	(185,658)	(275,223)	(196,963)	(202,878)	(208,968)	(348,233)	(221,690)
Total Expenditures	(194,038,477)	(212,180)	(8,706,496)	(506,475)	(521,685)	(1,552,330)	(7,213,534)	(4,357,792)
Ending Balance		342,663	225,406	225,377	543,821	183,578	6,760,990	3,313,310

Source: Tiberius Solutions

Table 13 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036
Resources								
Beginning Balance	3,313,310	775,666	148,933	606,317	507,290	858,182	3,155,268	2,713,460
Interest Earnings	16,567	3,878	745	3,032	2,536	4,291	15,776	13,567
Transfer from TIF Fund	1,281,901	1,707,774	846,987	1,316,513	1,809,514	1,172,292	1,715,826	2,286,537
Bond/Loan Proceeds	-	-	16,300,000	-	-	13,500,000	-	-
Total Resources	4,611,778	2,487,319	17,296,665	1,925,861	2,319,340	15,534,765	4,886,870	5,013,564
Expenditures (YOE \$)								
Utility Infrastructure	-	-	-	-	-	(605,040)	(623,200)	-
Transportation & Bike/Ped	(260,960)	(134,390)	(138,420)	-	-	(6,352,920)	-	(770,256)
Streetscape	-	-	(12,457,800)	-	-	(3,781,500)	-	-
Affordable Housing Partnership and Support	(1,957,200)	(940,730)	(1,799,460)	(570,280)	(587,400)	(605,040)	(623,200)	(641,880)
Business Re/Development Partnership and Support	(1,304,800)	(940,730)	(1,799,460)	(570,280)	(587,400)	(605,040)	(623,200)	(641,880)
Open Space, Facilities , Amenities, and Wayfinding	(84,812)	(87,354)	(89,973)	(28,514)	(29,370)	(30,252)	(31,160)	(32,094)
Plan Administration, Reporting, Refinement, Financing Fees	(228,340)	(235,183)	(405,235)	(249,498)	(256,988)	(399,705)	(272,650)	(280,823)
Total Expenditures	(3,836,112)	(2,338,386)	(16,690,348)	(1,418,572)	(1,461,158)	(12,379,497)	(2,173,410)	(2,366,933)
Ending Balance	775,666	148,933	606,317	507,290	858,182	3,155,268	2,713,460	2,646,632

Source: Tiberius Solutions

Table 14 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources								
Beginning Balance	2,646,632	446,760	2,732,533	157,221	1,618,500	1,163,629	3,115,387	2,424,657
Interest Earnings	13,233	2,234	13,663	786	8,093	5,818	15,577	12,123
Transfer from TIF Fund	2,885,784	1,686,459	2,347,128	3,040,831	3,769,219	2,306,547	3,783,633	4,626,833
Bond/Loan Proceeds	-	18,100,000	-	-	-	17,200,000	-	-
Total Resources	5,545,648	20,235,453	5,093,324	3,198,838	5,395,812	20,675,995	6,914,597	7,063,612
Expenditures (YOE \$)								
Utility Infrastructure	-	(680,960)	(701,400)	-	(1,860,300)	(574,830)	-	-
Transportation & Bike/Ped	(677,648)	(5,277,440)	(3,927,840)	(1,264,270)	(2,046,330)	(191,610)	(197,360)	(203,280)
Streetscape	(4,132,000)	(7,660,800)	-	-	-	(2,874,150)	-	-
Affordable Housing Partnership and Support	-	-	-	-	-	(1,916,100)	(1,973,600)	(2,032,800)
Business Re/Development Partnership and Support	-	-	-	-	-	(1,916,100)	(1,973,600)	(2,032,800)
Open Space, Facilities , Amenities, and Wayfinding	-	(3,404,800)	-	-	-	(9,580,500)	-	-
Plan Administration, Reporting, Refinement, Financing Fees	(289,240)	(478,920)	(306,863)	(316,068)	(325,553)	(507,318)	(345,380)	(355,740)
Total Expenditures	(5,098,888)	(17,502,920)	(4,936,103)	(1,580,338)	(4,232,183)	(17,560,608)	(4,489,940)	(4,624,620)
Ending Balance	446,760	2,732,533	157,221	1,618,500	1,163,629	3,115,387	2,424,657	2,438,992

Source: Tiberius Solutions

Table 15 - Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2045	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051
Resources							
Beginning Balance	2,438,992	3,199,985	438,340	207,087	966,976	4,900,930	1,410,956
Interest Earnings	12,195	16,000	2,192	1,035	4,835	24,505	7,055
Transfer from TIF Fund	5,512,193	6,441,821	8,485,157	9,510,071	10,586,232	11,716,201	14,210,622
Bond/Loan Proceeds	-	-	-	-	-	-	-
Total Resources	7,963,380	9,657,805	8,925,689	9,718,193	11,558,043	16,641,636	15,628,633
Expenditures (YOE \$)							
Utility Infrastructure	-	-	-	-	-	-	-
Transportation & Bike/Ped	(209,380)	(215,660)	(222,130)	(2,516,690)	(235,650)	-	-
Streetscape	-	(4,313,200)	(2,443,430)	-	-	(10,436,960)	(10,000,000)
Affordable Housing Partnership and Support	(2,093,800)	(2,156,600)	(2,665,560)	(2,745,480)	(2,827,800)	(2,912,640)	(3,000,000)
Business Re/Development Partnership and Support	(2,093,800)	(2,156,600)	(1,332,780)	(1,372,740)	(1,413,900)	(1,456,320)	(1,500,000)
Open Space, Facilities , Amenities, and Wayfinding	-	-	(1,665,975)	(1,715,925)	(1,767,375)	-	-
Plan Administration, Reporting, Refinement, Financing Fees	(366,415)	(377,405)	(388,728)	(400,383)	(412,388)	(424,760)	(437,500)
Total Expenditures	(4,763,395)	(9,219,465)	(8,718,603)	(8,751,218)	(6,657,113)	(15,230,680)	(14,937,500)
Ending Balance	3,199,985	438,340	207,087	966,976	4,900,930	1,410,956	691,130

Source: Tiberius Solutions

## VIII. REVENUE SHARING

Revenue sharing is defined in ORS 457.470. The statute identifies certain thresholds where the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (10% of \$195,000,000 is \$19,500,000). In the year after reaching the 10% threshold, BURIA will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The threshold is projected to be met in the final year of the Plan, FYE 2051. If projections are realized, no revenue sharing would commence because the Area would close. If assessed value increases in the Area exceed projections, revenue sharing would be a component of the Plan, as required by statute.

The second threshold is when annual tax increment finance revenues exceed 12.5% of the maximum indebtedness (\$24,375,000). If this threshold is met, revenue for the Area would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts. This threshold is not projected to be met.

## IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2051 and are shown in Table 16 and Table 17.

The Bend La Pine School District and the High Desert Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined 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 substantially replaced with State School Fund revenues, as determined by a funding formula at the state level.

Table 16 and Table 17 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 16 shows the general government levies, and Table 17 shows the education levies.

Table 16 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	Deschutes County	County Library	Countywide Law Enforcement	Countywide Extension	911	City of Bend	Bend Metro Parks & Rec	Subtotal
2022	(52,086)	(23,514)	(46,173)	(958)	(15,468)	(119,858)	(62,462)	(320,519)
2023	(80,879)	(36,513)	(71,698)	(1,487)	(24,019)	(186,116)	(96,991)	(497,703)
2024	(110,712)	(49,981)	(98,144)	(2,036)	(32,878)	(254,766)	(132,767)	(681,284)
2025	(142,037)	(64,122)	(125,913)	(2,612)	(42,181)	(326,848)	(170,332)	(874,044)
2026	(174,927)	(78,971)	(155,070)	(3,216)	(51,948)	(402,535)	(209,775)	(1,076,442)
2027	(209,462)	(94,562)	(185,685)	(3,851)	(62,204)	(482,006)	(251,190)	(1,288,960)
2028	(245,724)	(110,932)	(217,830)	(4,518)	(72,973)	(565,451)	(294,676)	(1,512,104)
2029	(283,800)	(128,121)	(251,583)	(5,218)	(84,280)	(653,067)	(340,336)	(1,746,405)
2030	(323,778)	(146,169)	(287,023)	(5,953)	(96,153)	(745,065)	(388,279)	(1,992,421)
2031	(365,756)	(165,120)	(324,236)	(6,725)	(108,619)	(841,663)	(438,619)	(2,250,738)
2032	(409,833)	(185,019)	(363,309)	(7,535)	(121,709)	(943,090)	(491,476)	(2,521,971)
2033	(456,113)	(205,912)	(404,336)	(8,386)	(135,453)	(1,049,589)	(546,977)	(2,806,765)
2034	(504,708)	(227,850)	(447,414)	(9,280)	(149,884)	(1,161,412)	(605,252)	(3,105,799)
2035	(555,732)	(250,885)	(492,646)	(10,218)	(165,036)	(1,278,827)	(666,441)	(3,419,785)
2036	(609,308)	(275,071)	(540,140)	(11,203)	(180,947)	(1,402,113)	(730,689)	(3,749,470)
2037	(665,562)	(300,467)	(590,008)	(12,237)	(197,653)	(1,531,563)	(798,150)	(4,095,639)
2038	(724,629)	(327,133)	(642,370)	(13,323)	(215,194)	(1,667,485)	(868,984)	(4,459,117)
2039	(786,649)	(355,132)	(697,350)	(14,464)	(233,612)	(1,810,204)	(943,359)	(4,840,769)
2040	(851,771)	(384,531)	(755,079)	(15,661)	(252,951)	(1,960,058)	(1,021,453)	(5,241,503)
2041	(920,148)	(415,400)	(815,694)	(16,918)	(273,257)	(2,117,405)	(1,103,452)	(5,662,274)
2042	(991,944)	(447,812)	(879,340)	(18,238)	(294,579)	(2,282,620)	(1,189,551)	(6,104,084)
2043	(1,067,330)	(481,845)	(946,168)	(19,624)	(316,966)	(2,456,095)	(1,279,955)	(6,567,984)
2044	(1,146,486)	(517,579)	(1,016,338)	(21,080)	(340,473)	(2,638,244)	(1,374,879)	(7,055,079)
2045	(1,229,599)	(555,101)	(1,090,016)	(22,608)	(365,155)	(2,829,500)	(1,474,550)	(7,566,529)
2046	(1,316,868)	(594,498)	(1,167,378)	(24,212)	(391,072)	(3,030,320)	(1,579,203)	(8,103,551)
2047	(1,408,500)	(635,865)	(1,248,609)	(25,897)	(418,284)	(3,241,180)	(1,689,090)	(8,667,424)
2048	(1,504,714)	(679,301)	(1,333,900)	(27,666)	(446,857)	(3,462,583)	(1,804,471)	(9,259,492)
2049	(1,605,738)	(724,909)	(1,423,457)	(29,524)	(476,858)	(3,695,056)	(1,925,621)	(9,881,162)
2050	(1,711,814)	(772,796)	(1,517,491)	(31,474)	(508,359)	(3,939,153)	(2,052,828)	(10,533,916)
2051	(1,823,194)	(823,078)	(1,616,227)	(33,522)	(541,436)	(4,195,455)	(2,186,396)	(11,219,307)
TOTAL:	\$(22,279,800)	\$(10,058,188)	\$(19,750,623)	\$(409,643)	\$(6,616,459)	\$(51,269,325)	\$(26,718,204)	\$(137,102,241)

Source: Tiberius Solutions



Table 17 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Bend La Pine School District	High Desert ESD	COCC	Subtotal Education	Total All
2022	(203,679)	(4,121)	(26,524)	(234,325)	(554,843)
2023	(316,274)	(6,400)	(41,186)	(363,860)	(861,563)
2024	(432,934)	(8,760)	(56,378)	(498,073)	(1,179,357)
2025	(555,427)	(11,239)	(72,330)	(638,995)	(1,513,039)
2026	(684,044)	(13,841)	(89,079)	(786,964)	(1,863,406)
2027	(819,092)	(16,574)	(106,665)	(942,332)	(2,231,292)
2028	(960,893)	(19,443)	(125,131)	(1,105,468)	(2,617,572)
2029	(1,109,784)	(22,456)	(144,520)	(1,276,760)	(3,023,165)
2030	(1,266,119)	(25,620)	(164,879)	(1,456,617)	(3,449,038)
2031	(1,430,271)	(28,941)	(186,256)	(1,645,467)	(3,896,205)
2032	(1,602,630)	(32,429)	(208,701)	(1,843,760)	(4,365,731)
2033	(1,783,608)	(36,091)	(232,269)	(2,051,967)	(4,858,732)
2034	(1,973,635)	(39,936)	(257,015)	(2,270,585)	(5,376,384)
2035	(2,173,162)	(43,973)	(282,998)	(2,500,133)	(5,919,918)
2036	(2,382,666)	(48,212)	(310,280)	(2,741,159)	(6,490,629)
2037	(2,602,646)	(52,664)	(338,927)	(2,994,236)	(7,089,876)
2038	(2,833,624)	(57,337)	(369,006)	(3,259,967)	(7,719,085)
2039	(3,076,151)	(62,245)	(400,589)	(3,538,985)	(8,379,754)
2040	(3,330,805)	(67,398)	(433,751)	(3,831,954)	(9,073,457)
2041	(3,598,191)	(72,808)	(468,571)	(4,139,570)	(9,801,845)
2042	(3,878,947)	(78,489)	(505,132)	(4,462,568)	(10,566,652)
2043	(4,173,740)	(84,454)	(543,521)	(4,801,716)	(11,369,700)
2044	(4,483,274)	(90,718)	(583,830)	(5,157,821)	(12,212,900)
2045	(4,808,283)	(97,294)	(626,154)	(5,531,731)	(13,098,260)
2046	(5,149,543)	(104,199)	(670,594)	(5,924,337)	(14,027,888)
2047	(5,507,867)	(111,450)	(717,256)	(6,336,573)	(15,003,997)
2048	(5,884,106)	(119,063)	(766,252)	(6,769,421)	(16,028,912)
2049	(6,279,157)	(127,057)	(817,697)	(7,223,911)	(17,105,073)
2050	(6,693,961)	(135,450)	(871,714)	(7,701,126)	(18,235,042)
2051	(7,129,506)	(144,263)	(928,432)	(8,202,201)	(19,421,509)
<b>TOTAL:</b>	<b>\$(87,124,021)</b>	<b>\$(1,762,926)</b>	<b>\$(11,345,636)</b>	<b>\$(100,232,583)</b>	<b>\$(237,334,824)</b>

Source: Tiberius Solutions Please refer to the explanation of the schools funding in the preceding section

Table 18 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2052.

The Frozen Base is the assessed value of the Area established by the county assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

Table 18 - Additional Revenues Obtained after Termination of Tax Increment Financing, FYE 2052

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
<b>General Government</b>					
Deschutes County	Permanent	1.2183	534,900	2,013,867	2,548,767
County Library	Permanent	0.55	241,480	909,158	1,150,638
Countywide Law Enforcement	Permanent	1.08	474,179	1,785,255	2,259,434
Countywide Extension	Permanent	0.0224	9,834	37,027	46,861
911	Permanent	0.3618	158,850	598,061	756,911
City of Bend	Permanent	2.8035	1,230,889	4,634,226	5,865,115
Bend Metro Parks & Rec	Permanent	1.461	641,459	2,415,054	3,056,513
Subtotal		7.497	3,291,591	12,392,648	15,684,239
<b>Education</b>					
Bend La Pine School District	Permanent	4.7641	2,091,699	7,875,126	9,966,825
High Desert ESD	Permanent	0.0964	42,325	159,351	201,676
COCC	Permanent	0.6204	272,390	1,025,530	1,297,920
Subtotal		5.4809	2,406,414	9,060,007	11,466,421
TOTAL:		12.9779	5,698,005	21,452,655	27,150,660

Source: Tiberius Solutions

## **X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AND TIF AREAS**

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in a TIF area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base (assumed to be FYE 2020 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$439,054,462. The Deschutes County Assessor will set the frozen base once the Plan is adopted. The total assessed value of the City of Bend in FYE 2020 is \$12,362,179,543. The excess value, or increased assessed value over the frozen base, of the existing TIF areas is \$145,845,139.

The two existing TIF areas in Bend, Juniper Ridge and Murphy Crossing are shown below in Table 19.

The percentage of assessed value of the three TIF areas in Bend is 4.3%, below the 15% threshold.

The Area contains 637.15 acres, including public rights-of-way, and the City of Bend contains 21,278 acres. Juniper Ridge is 721.95 acres and Murphy Crossing is 275.15 acres. This puts 7.67% of the City’s acreage in TIF areas, which is below the 15% statutory threshold.

Table 19 – TIF Area Conformance with Assessed Value and Acreage Limits

	<b>Assessed Value</b>	<b>Frozen Base</b>	<b>Excess Value</b>
City of Bend	\$12,362,179,543		
Juniper Ridge	\$119,538,917	\$13,752,568	\$105,786,349
Murphy Crossing	\$112,743,982	\$72,685,192	\$40,058,790
Core Area TIF Area		\$439,054,462	
<b>TOTAL:</b>		<b>\$525,492,222</b>	<b>\$145,845,139</b>
% in Urban Renewal/TIF Area	4.30%		
	<b>Acreage</b>		
City of Bend	21,315.8 <sup>18</sup>		
Juniper Ridge	721.95		
Murphy Crossing	275.15		
Core Area TIF Plan	637.15		
<b>TOTAL:</b>	<b>1,634.25</b>		
% in Urban Renewal/TIF Area	7.67%		

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Bend and Deschutes County Department of Assessment and Taxation (FYE 2020)

<sup>18</sup> Matt Stuart, City of Bend e mail December 5, 2019

## **XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES**

This section of the Report describes existing conditions within the Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### ***A. Physical Conditions***

#### ***1. Land Use***

The Area measures 637.15 total acres in size, which is composed of 916 individual parcels encompassing 387.74 acres, and an additional 249.42 acres in public rights-of-way. An analysis of FYE 2019-2020 property classification data from the Deschutes County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial uses account for the most prevalent land use within the Area (56.10%). This was followed by Industrial (25.05%). Detailed land use designations in the Area can be seen in Table 20.

Table 20 - Land Use in the Area

<b>Land Use</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Commercial	551	217.52	56.10%
Industrial	120	97.13	25.05%
Exempt	72	36.34	9.37%
Residential	138	21.66	5.59%
Miscellaneous	23	13.9	3.59%
Multi-Family	12	1.18	0.30%
<b>TOTAL:</b>	<b>916</b>	<b>387.74</b>	<b>100%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Bend using the Deschutes County Department of Assessment and Taxation database (FYE 2020)

## 2. Comprehensive Plan Designations

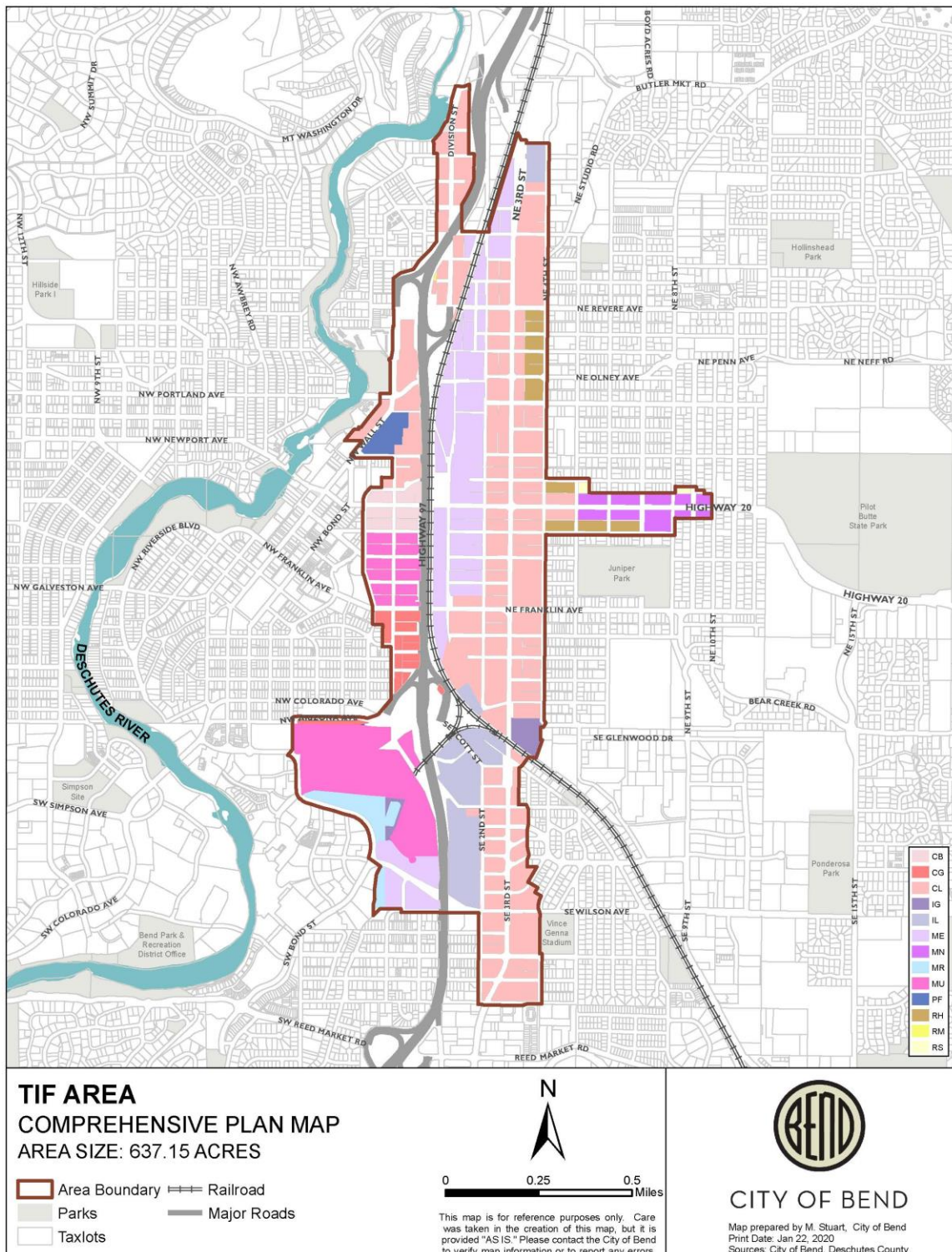
The most prevalent comprehensive plan designation by acreage in the Area is Limited Commercial (44.18%). The second most prevalent comprehensive plan designation in the Area is Mixed Employment (17.91%). Detailed comprehensive plan designations in the Area can be seen in Table 19. If a parcel has more than one comprehensive plan designation, the most dominant designation is used.

Table 21 – Comprehensive Plan Designations in the Area

<b>Comprehensive Plan Designation</b>	<b>Parcels</b>	<b>Acres</b>	<b>Percent of Acreage</b>
Limited Commercial	453	171.31	44.18%
Mixed Employment	142	69.44	17.91%
Mixed-Use Urban	92	57.40	14.80%
Light Industrial	31	31.65	8.16%
High Density Residential	46	11.21	2.89%
Mixed-Use Neighborhood	32	11.13	2.87%
Mixed-Use Riverfront	12	9.88	2.55%
General Commercial	56	8.70	2.24%
Central Business	35	7.12	1.84%
Public Facilities	9	4.26	1.10%
General Industrial	3	4.13	1.07%
Standard Density Residential	3	1.05	0.27%
Convenience Commercial	2	0.46	0.12%
<b>TOTAL:</b>	<b>916</b>	<b>387.74</b>	<b>100%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Bend

Figure 4 – TIF Area Comprehensive Plan Designations



Source: City of Bend; Note: If necessary, figure will be updated during a Substantial Amendment

**3. Zoning Designations**

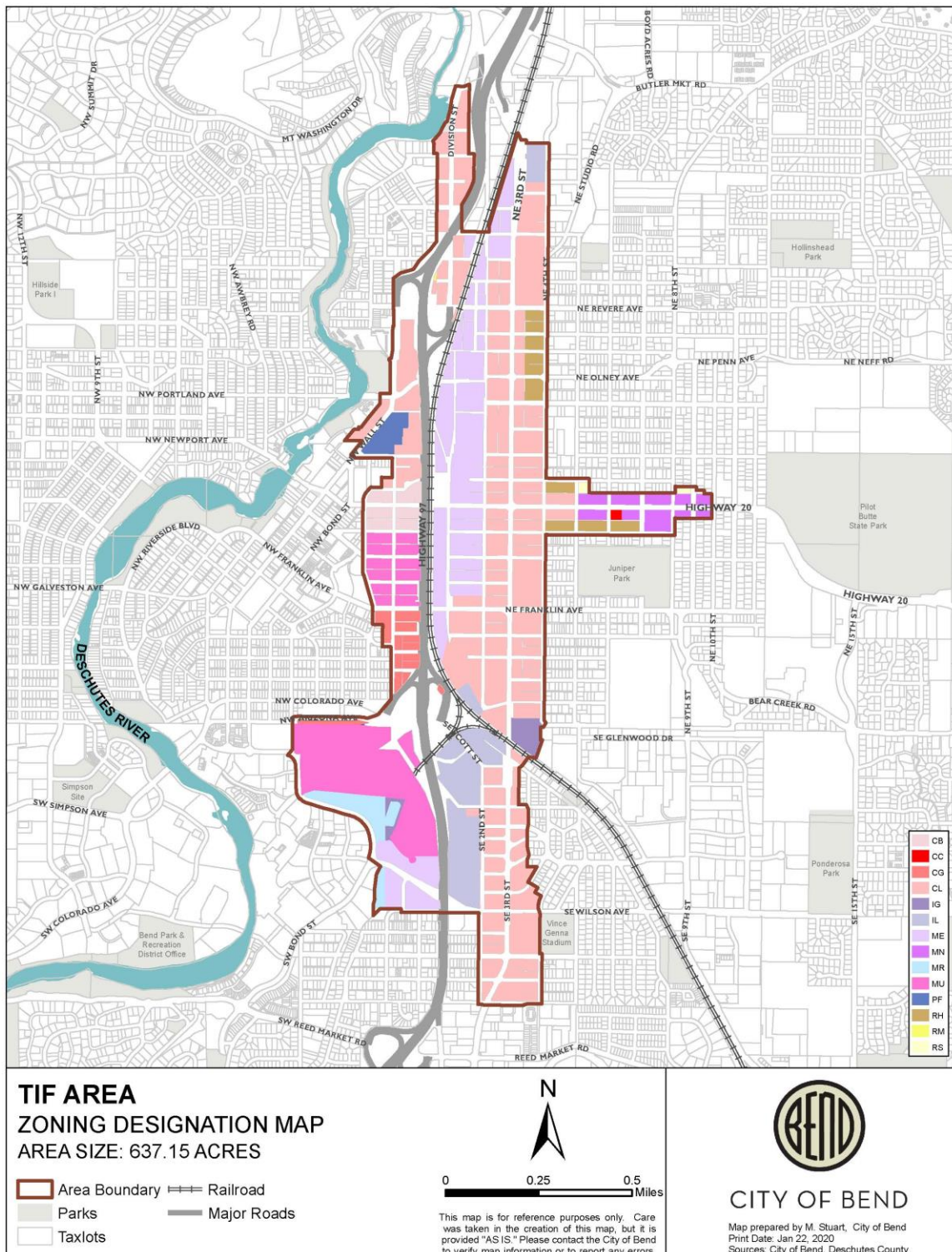
The most prevalent zoning designation by acreage in the Area is Limited Commercial (44.18%). The second most prevalent zoning designation in the Area is Mixed Employment (17.91%). Detailed zoning designations in the Area can be seen in Table 22. If a parcel has more than one zoning designation, the most dominant designation is used.

Table 22 - Zoning Designations in the Area

Zoning Designations	Parcels	Acreage	Percent of Acreage
Limited Commercial	453	171.31	44.18%
Mixed Employment	142	69.44	17.91%
Mixed-Use Urban	92	57.40	14.80%
Light Industrial	31	31.65	8.16%
High Density Residential	46	11.21	2.89%
Mixed-Use Neighborhood	32	11.13	2.87%
Mixed-Use Riverfront	12	9.88	2.55%
General Commercial	56	8.70	2.24%
Central Business	35	7.12	1.84%
Public Facilities	9	4.26	1.10%
General Industrial	3	4.13	1.07%
Standard Density Residential	3	1.05	0.27%
Convenience Commercial	2	0.46	0.12%
<b>TOTAL:</b>	<b>916</b>	<b>387.74</b>	<b>100%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Bend

Figure 5 – TIF Area Zoning Designations



Source: City of Bend; Note: If necessary, figure will be updated during a Substantial Amendment



## ***B. Infrastructure***

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the Plan.** There are projects listed in several City of Bend infrastructure master plans that relate to these existing conditions, including but not limited to the 2018 City of Bend Collection System Public Facility Plan, the 2014 City of Bend Stormwater Master Plan, the 2011 City of Bend Water System Master Plan – Update, and the 2019 City of Bend Transportation Safety Action Plan. In addition, much of the information also comes from information compiled by City staff and included in the 2020 City of Bend Core Area Report, Technical Appendix - Existing Conditions & Applicable Plans, Projects Programs.

There are also deficiencies in the transportation system that have been identified by City staff for inclusion. **This does not mean that all of these projects are included in the Plan.** The specific projects that are included in the Plan are listed in Sections II and III of this Report.

### ***1. Transportation***

The Area contains 23.7 centerline roadway miles, primarily owned and maintained by the City. The Oregon Department of Transportation (ODOT) maintains two highways within the Area: the US 97 parkway which runs north/south, bisecting the Area; and US 20 which runs north/south on NE 3<sup>rd</sup> Street with a southern terminus at the intersection of NE 3<sup>rd</sup> Street and NE Greenwood Avenue, where it proceeds to run east/west along NE Greenwood Avenue to the eastern City limits and beyond. There are several private roadway sections within the Area, including SE Aune Street, SW Scalehouse Loop, and SW Industrial Way.

The existing streetscape within the Area consists of areas with significant missing sidewalks and sidewalk gaps. In addition, the area lacks street trees; lighting; and a safe, connected pedestrian and bicycle network.

The Area is largely divided by the Burlington Northern Santa Fe (BNSF) railroad. The key east-west connectivity rights-of-way within the Area such as the Franklin undercrossing, Greenwood undercrossing, and the 3rd Street underpass, are owned and maintained in some capacity by the City, ODOT, and BNSF. There are three at grade railroad crossings in the Area at Revere Avenue, Olney Avenue, and SE Scott Street. Wilson Avenue crosses over US 97 only. BNSF owns most of the railroad bridges in the City including the Franklin and Greenwood railroad undercrossing bridges. 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) which found significant funding barriers to reconstructing existing underpasses - especially for the Franklin underpass which is considered a historic structure.

BNSF does not allow new at grade railroad crossings unless additional at grade crossings are closed. New railroad crossings and designs must be reviewed and approved by BNSF and ODOT rail authorities with a strong preference for overcrossings.<sup>19</sup>

The 2019 Bend Area Transportation Safety Action Plan (TSAP) identifies the following locations for safety improvements within the Area<sup>20</sup>:

- Highway 20 & 8<sup>th</sup> Street
- NE Third Street & NE Olney Avenue
- NE Third Street & NE Franklin Avenue
- SE Wilson Avenue & SE Third Street
- NW Greenwood & NW Hill Street
- Highway 20 & NE 10<sup>th</sup> Street
- 3<sup>rd</sup> Street & Division Street/Revere Avenue
- 3<sup>rd</sup> Street Area (near Miller Avenue and Woodland Boulevard)

The projects listed in Table 23 identify deficiencies in the transportation system within the Area.<sup>21</sup> These specific transportation projects are identified as projects in the Plan.

Table 23 - Transportation Projects in the Area

<p>Midtown Bicycle and Pedestrian Crossings</p> <p>Greenwood Avenue Undercrossing Sidewalk Widening</p>	<p>Widen US 97 undercrossing to include improved multimodal facilities.</p>
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<sup>19</sup> City of Bend Core Area Report – Technical Appendix, Existing Conditions & Applicable Plans, Projects, Programs. Dated April 2019, Revised February 2020, pg. TA-57.

<sup>20</sup> City of Bend Area Transportation Safety Action Plan. September 30, 2019, Table 8, pg. 31.

<sup>21</sup> Projects were identified by the Citywide Transportation Advisory Committee, and proposed as part of the City’s 2020 TSP update. The TSP update is scheduled for completion by 2020 year end.

Hawthorne Avenue Overcrossing	Close sidewalk gap along Hawthorne and create a grade-separated footbridge over BNSF RR and US 97.
Franklin Avenue Undercrossing	Shared use path adjacent to roadway- Widen sidewalk paths under BNSF RR and US 97 to modernize design for roadside safety.
Intersection Improvements	Improve safety, access, and mobility for all users and implements improvements at key intersections in the Area.
3 <sup>rd</sup> Street Railroad Undercrossing widening	Widen 3 <sup>rd</sup> Street to 4-lanes under the BNSF RR, including complete street design from Emerson Avenue to Miller Avenue.
Sidewalk Infill	Improve pedestrian safety and connectivity throughout the Area by closing sidewalk gaps along key routes and streets.
Low Stress Bicycle Network	Implement various bicycle safety and connectivity projects throughout the Area.
Aune Street Extension from Bond Street to 3 <sup>rd</sup> Street	Two-lane extension of Aune Street to connect 3 <sup>rd</sup> Street and Bond Street. Includes intersection improvement at 3 <sup>rd</sup> Street and roundabout at the intersection of Bond Street and Industrial Way.
Mobility Hubs	Citywide implementation of mobility hubs in coordination with Cascade East Transit (CET) and High Capacity Transit (HCT) routes.
Sisemore Street Extension	Construct street extension from Arizona Avenue to Bond Street.
Revere Avenue Interchange Improvements	ODOT coordination project to construct roadway upgrades and intersection improvement near the US 97/Revere Avenue interchange, including at the ramp terminals and adjacent Wall Street/Portland Avenue.
Olney Protected Bicycle Lanes and US 97 Undercrossing	Provide protected bicycle lanes on Olney Avenue at US 97 undercrossing.
3 <sup>rd</sup> Street/Miller Intersection	Study and construction of intersection improvements at 3 <sup>rd</sup> Street/Miller Avenue to address identified safety needs.
Olney Avenue Railroad Crossing Improvements	Upgrade the Railroad crossing to include dedicated sidewalks and low stress bicycle facilities.

Colorado Avenue/ US 97 Intersection	Includes traffic signal or RAB.
3 <sup>rd</sup> Street at Railroad to connect KorPine	3 <sup>rd</sup> Street underpass: Near term enhancements to walking and biking route.
Safety Improvements	Improve safety, access, and livability at key sites including the Colorado Avenue/US 97 improvements.
High Capacity Transit (HCT)	Project would improve City infrastructure in conjunction with HCT transit service that may be established by CET. Project would improve transit connections from Area to HCT stops.

Source: City of Bend

**Streetscape:** The existing streetscape within the Area consists of areas with significant missing sidewalks and sidewalk gaps. In addition, the area lacks street trees; lighting; and a safe, connected pedestrian and bicycle network.

## 2. Stormwater

The City's 2014 Stormwater Master Plan identifies stormwater problem areas and potential solutions. 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 stormwater run-off into the Deschutes River and Tumalo Creek and towards treating the remainder. The Area intersects eight stormwater major basins (MB17, 18A, 18B, 37, 8C, 18C, 20, 14B). The Department of Environmental Quality (DEQ) issues the City a permit for stormwater piped to the river, and places limitations on stormwater treatments within Drinking Water Protection Areas (DWPA) and environmental clean-up sites. This limits the use of UIC treatments in these areas.

There are 518 public underground injection control (UIC) treatments within the 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. 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 Area currently contains 596.67 acres of impervious surface, making it 93.6 % impervious. 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.

There are multiple known flooding locations within the Area. The Franklin undercrossing is the highest priority flooding location followed by the Greenwood undercrossing. The City 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.

There are approximately thirty-three (33) DEQ environmental clean-up sites such as former gas stations or dry cleaning locations within the Area. A large portion of these sites are clustered along the 1st Street corridor. Many of these sites do not require any further action by DEQ; however DEQ recommends conducting site screenings.

There is only one Resource Conservation and Recovery Act (RCRA) designated environmental clean-up site in the Area.<sup>22</sup>

### 3. Sewer

The 2018 Collection System Public Facility Plan (PFP) 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 Area is dependent on several improvement projects being completed in order to meet capacity requirements of higher intensity development:<sup>23</sup>

- **Drake Lift Station and Force Main – Short-term:** Expansion of the Drake Lift Station and force main capacity will accommodate growth in the KorPine service area. The City is pursuing a project that combines elements of this project and Drake Downstream Trunk project to ensure sewer capacity needed to serve the KorPine opportunity area.
- **Drake Downstream Trunk – Mid to Long-term:** The gravity sewer between Drake Lift Station and the Central Interceptor requires upsizing to serve buildout densities for the KorPine

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<sup>22</sup> *City of Bend Core Area Report – Technical Appendix, Existing Conditions & Applicable Plans, Projects, Programs. Dated April 2019, Revised February 2020, pg. TA-44.*

<sup>23</sup> *City of Bend Core Area Report – Technical Appendix, Existing Conditions & Applicable Plans, Projects, Programs. Dated April 2019, Revised February 2020, pg. TA-41.*

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 2<sup>nd</sup> Street Trunk line\*, 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.

- **Central Interceptor – Mid to Long-term:** 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.

#### **4. Water**

The 2011 Water Master Plan (WMP) identifies the types and levels of urban water facilities and services appropriate for the needs and requirements to ensure future development within the City of Bend's UGB.

The WMP identifies the following upgrade and/or replacement projects within the Area.<sup>24</sup>

- Norton Avenue (L5-7)
- Olney Parallel (L5-8)
- Revere Avenue (L5-10)
- Division Street (L5-11)

#### **5. 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

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<sup>24</sup> City of Bend Water System Master Plan Update Optimization Study, Final Report, February 2011, Appendix G – Master Plan Improvements – Detail.

well as Pacific Power.<sup>25</sup> Other telecommunications providers may also be present within the City.

## **6. Parks and Open Space**

BPRD is the urban service provider of parks within the Bend City limits. Riverview Park, located between the Deschutes River and Division Street, is the only developed park within the Area. Other parks are located just outside the 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 Area to develop an urban plaza or “parklet” to support redevelopment of the Area.<sup>26</sup>

The only trail plan for the BPRD in the Area is a Rails to Trails project which is not foreseeable in the near future since the rail line is active by BNSF.<sup>27</sup>

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.<sup>28</sup>

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<sup>25</sup> *City of Bend Core Area Report – Technical Appendix, Existing Conditions & Applicable Plans, Projects, Programs. Dated April 2019, Revised February 2020, pg. TA-50.*

<sup>26</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 107*

<sup>27</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 114*

<sup>28</sup> *Bend Park and Recreation District Comprehensive Plan. Adopted July 2018, pg. 98*

## **C. Social Conditions**

### **1. Police, Fire and Safety**

Between 2015-2019 police calls within the Area have averaged approximately 13,000 per year. The most prominent police calls were traffic related, including traffic stops (proactive policing). Unwanted persons and suspicious circumstances calls are the highest dispatched calls in the Area.<sup>29</sup>

### **2. Demographics**

It is estimated that there are approximately 340 households or housing units and 546 people residing within the Area.<sup>30</sup> The Area is primarily commercial in character with limited residential uses.

The Area is split into two separate Census Tracts, which do not match the Area boundaries. The Area south of Franklin Avenue is located in Census Tract 15 and the northern half of the Area is located in Census Tract 16.

- The median household income for the Area is \$46,284 which is 27% less than the citywide median income.
- The Area is located in Census Tracts that have a higher percentage of persons living in poverty and persons that identify as Hispanic or Latino than citywide, particularly the northern half of the Area.
- The Area has a higher percentage of disabled persons than citywide.

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<sup>29</sup> *Provided by City of Bend staff*

<sup>30</sup> *City of Bend Building Lands Inventory (BLI) Analysis, 2014; Envision Tomorrow model analysis.*



Table 24 – Demographics in the Area

	<b>Census Tract 15 (South of NE Franklin Avenue)</b>	<b>Census Tract 16 (North of NE Franklin Avenue)</b>	<b>Bend, OR (Citywide)</b>
Median Household Income	\$46,284	\$46,284	\$63,468
% Persons in Poverty	10%	21.50%	10.30%
% White Alone (not Hispanic or Latino)	82%	73%	85.60%
% Hispanic or Latino	13%	21%	9.10%
Median age	33	33	38.6
% Population 65 years or older	11.50%	9.50%	16.50%
% Population with disability	13.30%	12.30%	10.40%
Households with no car	7.70%	7.30%	5.20%

Source: City of Bend, American Community Survey (ACS) 2014-2018 5-year estimates

## **D. Economic Conditions**

It is estimated that there are approximately 723 job sites and 8,011 employees within the Area.<sup>31</sup>

The Area presents itself as an area with relatively low rents compared to Downtown and the Old Mill District for businesses. While a large portion of the Area was re-zoned in 2016, there has been little redevelopment to date.

### **1. Taxable Value of Property within the Area**

The estimated total assessed value of the Area calculated with data from the Deschutes County Department of Assessment and Taxation for FYE 2020, including all real, personal, manufactured, and utility properties, is estimated to be \$439,054,462.

### **2. Building to Land Value Ratio**

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In TIF Areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 25 shows the improvement to land ratios (I:L) for properties within the Area. There are 72 parcels that are "exempt" from taxation as they are owned by governmental agencies or non-profits. This is 9.37% of the total acreage. There are 617 parcels representing 64.39% of the acreage that have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0, or an improvement worth twice as much as the land it is on. Only 68 of the 916 parcels in the Area, totaling less than one percent of the acreage, have I:L ratios of 2.0 or more in FYE 2020. In summary, the area is underdeveloped and not contributing significantly to the tax base in the City.

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<sup>31</sup> 2018 Quarterly Census of Employment and Wages (QCEW) employment data from Organization for Economic Co-operation and Development (OED).

Table 25 - Improvement to Land Ratios in the Area

<b>I:L Ratio</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Exempt	72	36.34	9.37%
No Improvement Value	87	49.01	12.64%
0.01-0.50	288	109.08	28.13%
0.51-1.00	242	91.57	23.62%
1.01-1.50	103	41.80	10.78%
1.51-2.00	56	28.27	7.29%
2.01-2.50	19	8.01	2.07%
2.51-3.00	16	8.67	2.24%
3.01-4.00	21	7.69	1.98%
> 4.00	12	7.29	1.88%
<b>TOTAL:</b>	<b>916</b>	<b>387.74</b>	<b>100%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the Deschutes County Department of Assessment and Taxation (FYE 2018-2019)

## ***E. Impact on Municipal Services***

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of tax increment funding are for transportation, streetscape, and utility infrastructure; affordable housing redevelopment and development assistance, partnership, and support; business redevelopment and development assistance, partnership, and support; open space, facilities, amenities, and wayfinding; and plan administration, implementation, reporting, planning refinement, and support. Tax increment financing is a method for funding projects that would otherwise be funded by the City general fund or SDCs, or delayed until resources are available.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require City services. However, since the property is within the City limits, and the level of redevelopment has been planned for based on the Comprehensive Plan and zoning designations, the City has anticipated the need to provide services to the Area. As the development will be new construction or rehabilitation, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

## **XII. REASONS FOR SELECTION OF EACH TIF AREA IN THE PLAN**

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area.

The City's 2016 Comprehensive Plan identified several opportunity areas in which more intense development and redevelopment should occur to meet the City's employment and housing needs associated with the 2016 urban growth boundary expansion. In 2019 the City embarked on a planning process to address Bend's Core Area to create a common vision and implementation plan for an area within and adjacent to several of these identified opportunity areas. The CAP process set out to explore the use of TIF as a supporting funding mechanism for the planned development and redevelopment in the Core Area. The opportunity areas identified include the Bend Central District, East Downtown, KorPine, and Inner Highway 20/Greenwood. Based on the existing conditions in the Core Area and the Comprehensive Plan policies and designations for the area, URAB identified the guiding principles for the Plan, TIF area boundary, and projects to be implemented in the Area, and established TIF as an appropriate and viable funding source to complete the projects. There is extensive need to improve the transportation system, streetscape, and utility infrastructure; to provide assistance for affordable housing, as well as business development and redevelopment; create open space, facilities, amenities and wayfinding; and provide for plan administration, implementation, reporting, planning refinement and support in the Area.

## **XIII. RELOCATION REPORT**

When BURA acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to such acquisition, BURA shall adopt rules and regulations, as necessary, for the administration of relocation assistance. BURA will comply with all applicable state laws in providing these potential benefits.

There are plans to acquire land for infrastructure in the Area which may trigger relocation benefits in the future. However, no specific acquisitions that would result in relocation benefits have been identified in the Plan. All acquisitions will be reviewed for the potential of applicable relocation benefits.