

ORDINANCE NO. 2393

AN ORDINANCE AMENDING BEND CODE CHAPTER 12.10 SYSTEM DEVELOPMENT CHARGES BY EXTENDING THE EXEMPTION FOR NEW OR EXPANDED CHILD CARE FACILITIES THROUGH 2022 AND INCREASING THE EXEMPTION TO 100%

Findings:

- A. Ordinance 2322 was adopted by Council on December 19, 2018, and had a sunset clause of December 31, 2020.
- B. On March 11, 2020, the World Health Organization declared COVID-19 (novel coronavirus) a pandemic, acknowledging the virus will likely spread to countries all around the world.
- C. On March 13, 2020, the President of the United States declared the COVID-19 outbreak a national emergency.
- D. On March 16, 2020, the City of Bend City Manager issued an Administrative Order Declaring a Local State of Emergency in the City of Bend (Emergency Order), which was ratified by the City Council on March 18, 2020 and submitted to the Emergency Manager of Deschutes County for County Commissioner approval, pursuant to Bend Municipal Code 1.60.015. As provided in the Emergency Order, the City Manager has the authority to extend the Declaration of Local State of Emergency, to be ratified by Council at subsequent regularly scheduled Council meetings. On April 9, 2020, the City Manager extended the Emergency Order through May 6, 2020, which the City Council ratified on April 15, 2020. On May 5, 2020, I extended the Emergency Order through May 20, 2020, which was ratified by the City Council on May 6, 2020. On May 19, 2020, the City Manager extended the declaration of local state of emergency through Phase II of the phased reopening of Oregon which was ratified by Council on May 20, 2020.
- E. Childcare providers are a class of business and nonprofit organizations that provide a critical service and have been especially vulnerable to the impacts of COVID-19. Local reports suggest that the pandemic is threatening the closure of half of Central Oregon's childcare facilities. Such widespread closure of childcare facilities will exacerbate the already-identified childcare shortage, leading to additional absenteeism and higher turnover in the workforce.
- F. The high demand for child care in Bend and the limited supply has led to a significant shortage of spaces for needed childcare for the children of working parents across the economic spectrum. In fall of 2018, in excess of 6,000 child care spaces are needed for children younger than 6 years old.
- G. The cost to develop or expand child care facilities includes not only the cost of land, construction, and/or building improvements, but also the cost of associated permits and fees, including System Development Charges, most notably, Transportation System

Development Charges. City Transportation System Development Charges (TSDC) total \$18,639.00 per 1,000 square feet of space in a childcare facility.

H. A City Council Goal is to foster economic vitality in Bend, with a major objective being to increase available child care slots by 20% from 2018 levels. To further this objective, Council wishes to fully exempt qualified childcare providers from payment of Transportation SDCs while the TSDC methodology is being reassessed.

I. The Bend Chamber of Commerce and the Bend Economic Development Advisory Board (BEDAB) have both identified a lack of available and quality child care facilities as a key barrier to continued and expanded economic growth in the City of Bend. Council recognizes the necessity of accessible and affordable child care to the strength and vitality of the local economy.

J. The City updated the TSDC methodology and the charge assessed to new and expanded child care facilities was reassessed as part of a comprehensive review of the T-SDC charged for all types of development in the City.

K. To provide a temporary path for the creation of new child care facility spaces, while the TSDC methodology is reassessed, Council wishes to exempt new and expanded child care facilities from TSDCs for a period of two years.

L. This exemption is intended to apply to any child care facility or day care facility, including preschools and registered or certified family care homes, as those terms are defined in the Bend Development Code.

Based on these findings, THE CITY OF BEND ORDAINS AS FOLLOWS:

Section 1. The Bend Code Section 12.10.120 is amended as follows:

G. Development of new day care facilities or expansion of existing day care facilities are exempt from ~~70%~~ 100% of transportation SDCs. The exemption authorized by this subsection (G) will automatically sunset and cease to be effective as of December 31, ~~2020~~ 2022.

Section 2. All other provisions of BC 12.10 remain in effect.

Section 3. Due to the COVID-19 pandemic and the critical shortage in Bend of child care spaces, the ordinance is necessary on an emergency basis and will be effective immediately upon adoption on its second reading.

First Reading: November 18, 2020

Second reading and adoption by roll call vote: December 2, 2020.

YES: Sally Russell, Mayor
Bruce Abernethy
Barb Campbell
Bill Moseley
Justin Livingston
Gena Goodman-Campbell
Chris Piper

NO: none


Sally Russell, Mayor

ATTEST:


Robyn Christie, City Recorder

APPROVED AS TO FORM:


Mary A. Winters, City Attorney

