



CITY OF BEND

2021-23

Biennial Report

City Council Goals and How the Budget Works



Building on our past.
Serving the present.
Shaping Bend's future.



Introduction

About this report

Bend is a sunny, thriving outdoor recreation hub in Central Oregon that is home to about 100,000 people. It is a rapidly growing and changing community. Bend grew roughly 2.6 percent per year between 2010 and 2020, compared to the national average growth rate of 0.7 percent during that time.

The City government’s mission is to provide the right public services for the Bend way of life. At its foundation, City services include public safety, water, sewer, streets, and community and economic development. As Bend has grown, so too have the services the community expects, so City priorities also now include things like affordable housing and efforts to address homelessness.

At the core of everything is diversity, equity, inclusion and accessibility.

This two-year report highlights the City Council’s 2021-23 goals and the budget that supports all City services.

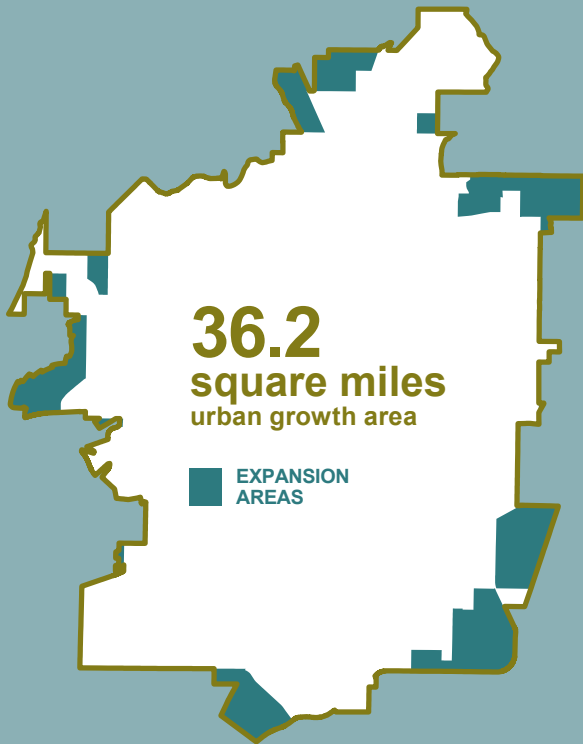
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Bend at a Glance

Bend is home to nearly **100,000** people*



86,300 jobs[†]

Bend's top 3 industries by employment:

16,690

Transportation, Trade & Utilities

14,780

Education & Health Services

12,270

Leisure & Hospitality

\$80,400

median income^{††}

10.2% of the population income below the federal poverty level*



18,980 students^{*}

15 primary schools / 6 middle schools
5 high schools / 2 colleges/universities



26,324
water customers



34,016
sewer customers



38,085
stormwater customers



The City maintains **865 lane miles**[‡]



911 received **80,096 calls** in 2020



Permanent tax rate: **\$2.80 per \$1,000**



700

City government employees

Top 3 departments:

1. Police (147)
2. Fire (140)
3. Utilities (117)



45,297
housing units^{*}



*American Community Survey (ACS), 2019 5-year estimates

[†]U.S. Bureau of Labor Statistics, Total Nonfarm jobs, Aug. 2021 (Bend, MSA)

^{††}Federal Housing and Urban Development Department (HUD), 4-person household, 2021 (Bend, MSA)

[‡]For scale, that's the distance from Bend to DisneyLand

2021-23

Bend City Council

These elected policy makers volunteer time and dedicate energy to engaging the community and providing crucial services for people in Bend to keep Bend special. Councilors' 2021-23 goals emphasize the need to ensure services and opportunities are equitable for everyone in Bend.

"We believe Bend can be a city for everyone. We can all share in the prosperity and promise of this unique and beautiful place. We honor the people that came before us on these lands and acknowledge that the health of our community relies on the health of our environment. As stewards of the city, we are accountable to the people of Bend and are responsible for delivering excellent city services. We are committed to serving everyone equitably, creating a more connected community, and preserving Bend's spirit as we grow. We will strive to achieve equity and justice for everyone in Bend."

– Bend City Council, 2021

bendoregon.gov/citycouncil



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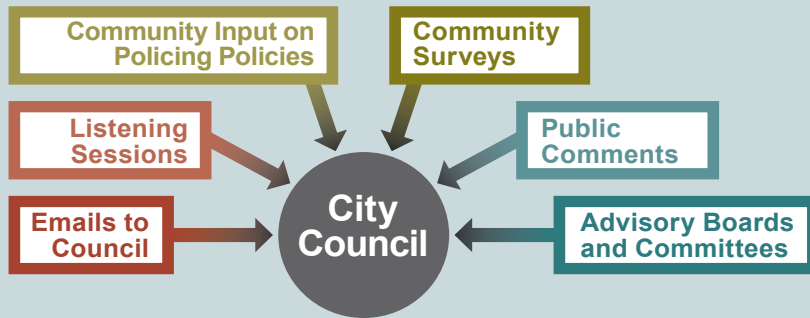
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City Council

Goal Setting & Budget Development



The Council listens to the community to develop two-year goals for the City. Council Goals influence the budget so discretionary funds are spent on community priorities.

"Before creating new two-year Council Goals and their associated budget, the City Council takes input from community surveys, listening sessions and individuals," said Mayor Sally Russell. "We also work with a number of advisory committees and groups that help us make sure we're hearing from and representing a broad and diverse spectrum of the community as we move forward. Together, we can build a City that works for everyone."



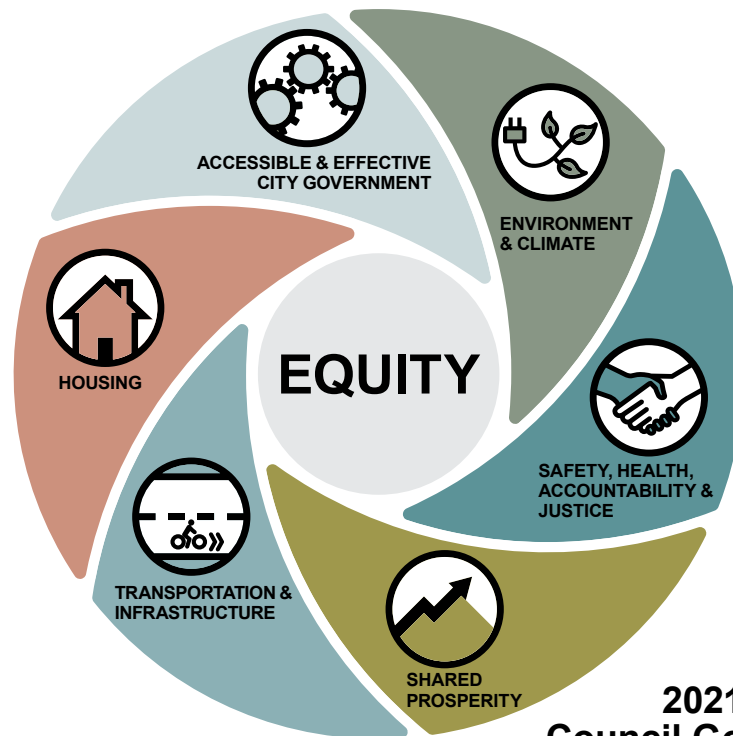
Input from Community
November 2020 - March 2021



Goal Setting
March 2021

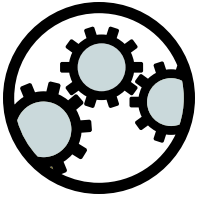


Budget Adoption
June 2021



**2021-23
Council Goals**

Progress on and status of goals can be found online at: [bendoregon.gov/citycouncil](https://www.bendoregon.gov/citycouncil)



Goal

Accessible & Effective City Government

In the Council's 2021-23 goals, the community will see a dedicated effort toward equity for everyone in Bend.

2021-23 Goal: *Meet the diverse and changing needs of the community and build connection between community members and City government by providing services in ways that work for everyone, build public trust, and promote civic engagement.*

2021-23 PLANS

Strive for equity in investments and services across the City to serve all community members

Assess and expand community outreach, engagement and communication efforts to keep Bend's growing community informed

Evaluate the feasibility of a new City Hall and City facilities to meeting growing community needs

Reduce barriers to accessing services and officials

Increase transparency with online data



Progress made 2019-21

Good governance has long been a core goal for running the City efficiently and responsibly. Modernizing and professionalizing government operations has been a work in progress for many years. **Recently, the City:**

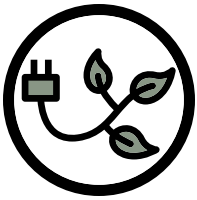
Converted to **online, virtual public meetings** due to COVID-19

Developed an **Online Permit Center** and new **online utility billing and ambulance payment systems**

Increased **support to neighborhood associations** and the **Neighborhood Leadership Alliance**

Implemented **diversity, equity and inclusion training programs** for City Council, staff and volunteers

Created a **Human Rights and Equity Commission**



Goal

Environment & Climate

2021-23 Goal: *Improve quality of life for more people in Bend by increasing equitable access to clear air, water and to a healthy environment. Implement solutions that fulfill the City's commitment to being good stewards of our natural environment, decreasing carbon emissions and mitigating the effects of climate change.*

2021-23 PLANS

Implement the Community Climate Action Plan, aimed at reducing fossil fuel use

Develop a city-wide electric vehicle readiness plan

Reduce the City of Bend fleet carbon emissions by investing in electric vehicles and other technologies

Continue to expand the City's water conservation efforts offering rebates for low flow toilets

Develop and implement fire resiliency standards for the built environment



Progress made 2019-21

Surveys have shown that a majority of people who live in Bend do so for the access to the great outdoors and recreation. With this set of values often comes concern for the natural environment. **The City takes stewardship of the natural environment seriously and in recent years, the City:**

Adopted a **Community Climate Action Plan**

Established the **Environment and Climate Committee**

Installed **648 solar panels at the Water Filtration Facility** that have generated about 540 megawatt-hours since completed and has **reduced energy costs at the plant by about \$48,600**



Goal

Safety, Health, Accountability & Justice

In this biennium, the Council wants to promote accountability and justice, diversify the workforce and consider non-traditional approaches to public safety.

2021-23 Goal: *Work to create an environment where all community members feel safe accessing the services they need and confident the right service will be provided. Deliver public safety services in ways that build community resiliency and trust.*

Faster response times mean more lives saved. Bend's cardiac survivability rate is one of the highest in the nation.

2021-23 PLANS

Create a task force with community partners to identify ways to create a mobile crisis intervention team that would address growing calls for service that aren't law enforcement-focused

Increase Police engagement with neighborhood associations and other community groups, with an emphasis on marginalized community members

Maintain response times for fire and ambulance services and cardiac survivability rates

Adopt regulations for fireworks to address fire risk and public safety concerns

Adjust staffing to ensure core services keep pace with the demands of a growing City



Progress made

2019-21

People who live in Bend consistently rank public safety as a top priority, and Police and Fire services consume a majority of the General Fund in the budget. **Over the past two years, the City:**

Supported the development of a **Crisis Stabilization Center** in partnership with Deschutes County

Implemented **body-worn cameras** in the Police Department.

Prohibited fireworks by emergency order from June to December 2021

Maintained **Emergency Medical Service response times under six minutes** and **cardiac resuscitation rates above 50 percent**

Built two fire stations: 15th Street and Hwy 20, and in Tumalo

Increased **traffic safety programs** including DUII, distracted driving and crash reduction



Goal

Shared Prosperity

Considering Bend's extraordinary growth, the COVID-19 pandemic, and nation-wide social unrest, the region has experienced challenges that underscored inequities in our community.

2021-23 Goal: *Cultivate tomorrow's economy to assure that we are creating opportunity for all community members to equitably share in Bend's prosperity.*

2021-23 PLANS

Catalyze development in the City's Core Area with public-private partnerships.

Support businesses impacted by the COVID-19 pandemic

Increase childcare options

Create employment opportunities with an emphasis on green jobs, and Black, Indigenous, People of Color- (BIPOC) and women-owned businesses

Modernize the City's Utility Assistance Program



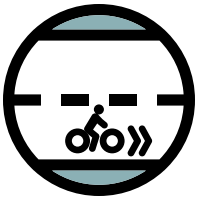
Progress made 2019-21

City government responds to growth and change with an eye toward the future. The City is working to create a healthy environment in which everyone can have a job and a safe and affordable place to live. **Over the past two years, the City:**

Distributed **\$2.2 million in federal COVID-19 funds for rental assistance, nonprofits, small businesses and childcare providers** to adapt to impacts from COVID-19

Developed plans to **accelerate development of the Bend Central District and Juniper Ridge**

Purchased the Bend Value Inn to be used for **managed transitional housing** for those in need of housing



Goal

Transportation & Infrastructure

The City remains focused on transportation improvements.

2021-23 Goal: *Design, build and maintain a connected multimodal transportation system that allows people to move around safely, equitably, and efficiently. Invest in Bend's infrastructure systems to meet community expectations.*

2021-23 PLANS

Create standards and programs to reduce and eliminate traffic deaths and serious injuries

Construct projects contained in the voter-approved Transportation GO Bond focusing on providing safe options for people who bike and walk

Work with Bend-La Pine Schools and Bend Park & Recreation District to create safe routes to schools and parks

Plan water and wastewater treatment facilities to keep pace with Bend's fast-growing population and to protect the natural environment

Identify sustainable transportation funding sources to support the Transportation System Plan



Progress made

2019-21

Infrastructure is the backbone of a community. People can thrive in Bend because the City provides core services such as award-winning drinking water, crucial sewer service and transportation options. Years ago, the City prioritized upgrading its drinking water facilities and sewer system. In the last biennium, the City focused on transportation – improving road maintenance and building new connections to move people and goods across town. **In the 2019-21 biennium, the City:**

Developed a **\$190 million package of community-supported transportation projects** for a Transportation General Obligation (GO) Bond that voters approved by nearly 60 percent

Launched a **Transportation Bond Oversight Committee** to monitor progress on the GO Bond

Built **multi-modal Murphy Road and Empire Avenue corridor improvements**

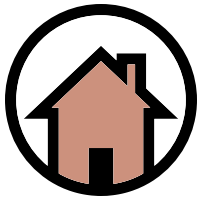
Adopted the **Transportation System Plan**

Launched a new **Neighborhood Street Safety Program**

Completed three phases of **Neighborhood Greenways Program**

Improved city-wide street conditions and implemented new innovative treatments including **rubberized chipseal to divert old tires from landfills**

Developed **parking programs** for residential and business parking districts



Goal

Housing

Although the City has been forward-thinking with affordable housing programs and policies for years, this is the first time that addressing homelessness—a complicated and multi-agency regional effort—has been included in the Council’s goals.

2021-23 Goal: *Take meaningful action to make this statement a reality: People who live and work in Bend can afford housing in Bend.*



2021-23 PLANS

Work with Deschutes County and other partners to create a five-year community action plan to reduce and address homelessness

Create housing units or facilities to house 500 unhoused community members

Change regulations to allow more housing and shelter types in Bend

Create 1,000 units of affordable housing units



Progress made

2019-21

With Bend's rapid growth, housing has climbed to the community's top priority. Community surveys and other data highlight the urgent need for affordable housing. **In response, over the past biennium, the City:**

Removed barriers to building housing, including alternative housing models like four-plexes, micro-units, cottage/cluster developments and tiny homes

Permitted approximately **3,800 residential housing units** with a housing mix of 40 percent single family homes and 60 percent multi-family homes

Loaned or granted over \$4.5 million leading to the creation of **441 housing units and providing services such as food, shelter and/or medical care to more than 5,058 people in Bend**



The Budget

People who live in Bend pay taxes and fees that allow City government to provide important community services.

Property Taxes

About 21 percent of a property tax payment goes to the City. The rest goes to other entities including Bend-La Pine Schools, Deschutes County, the Bend Park and Recreation District and others. Property tax rates cannot be increased without voter approval. Bend's \$2.80 per \$1,000 of taxable assessed value tax rate has remained unchanged since 1981 and is significantly less than that of our peer cities. Measures 5 and 50 in the 1990's froze that rate and capped taxed assessed value increases at three percent per year.



42.6%
Bend-La Pine
Schools

21.1%
City of
Bend

14.8%
Deschutes
County

10.4%
Park
& Rec

11.1%
Other*

*COCC 4.7%
Library 3.5%
911 2.3%
High Desert ESD 0.6%

The City is transparent about its budget and wants the community to know how the City creates and manage its budget.

Budget documents can be found at bendoregon.gov/budget.



A Look Back at the COVID-19 Pandemic

“When the pandemic began in Spring 2020, its financial impacts were unknown. We estimated a revenue shortfall of approximately \$8 million and reduced budgets City-wide by about 10 percent and eliminated about 37 vacant positions. But revenues from highway gas taxes and room taxes and property taxes all came in higher than anticipated and the 2021-23 budget shows most of the revenues impacted by COVID-19 are back to pre-pandemic levels or higher.”



“We must recognize the impact of the pandemic and acknowledge the unique challenges everyone experienced. The City maintained its core services while additionally supporting public health efforts and pivoting to assist with economic challenges that the community experienced due to disruptions from COVID-19. We made an impact and helped people during the pandemic. We paid forward COVID-19 grants and funds to the people who needed it the most.”

Eric King, City Manager



The Budget

How We Do It



Where the money comes from...

This 2021-23 budget of \$927.7 million includes: City-wide operating revenues of \$395 million for this two-year period, debt proceeds, interfund transfers, one-time grant funding, and ending reserves from the prior fiscal year. Total operating revenues are expected to increase by approximately five percent per year over the biennium.

Of the \$395 million of City-wide operating revenues, about \$271 are “designated” or restricted funds, and about \$124 million are in the City’s General Fund.

City Budget Breakdown

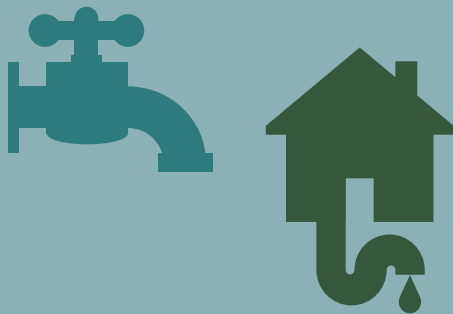
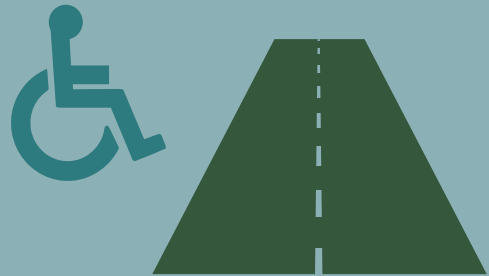


Here's how the City spends every \$100 dollars locally.



\$15.10
Community &
Economic Development

\$20.88
Transportation
System Funding



\$38.67
Utility System Funding



\$25.35
Public Safety



The Budget

Designated, or Restricted Revenue

A majority of the City's revenues are restricted, or designated for specific operations and programs. For example, the City can't use water fees to pay for Fire trucks or Police officers. The fees people pay for water can only be used for water related expenses.

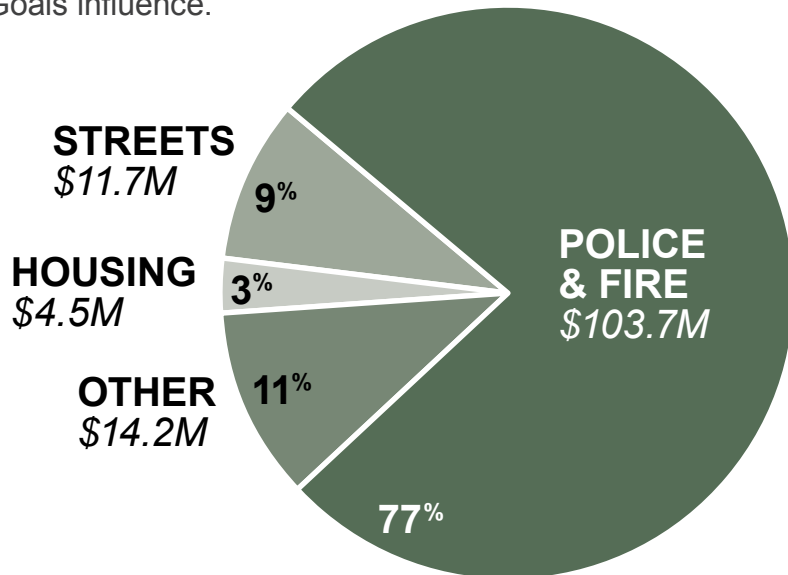
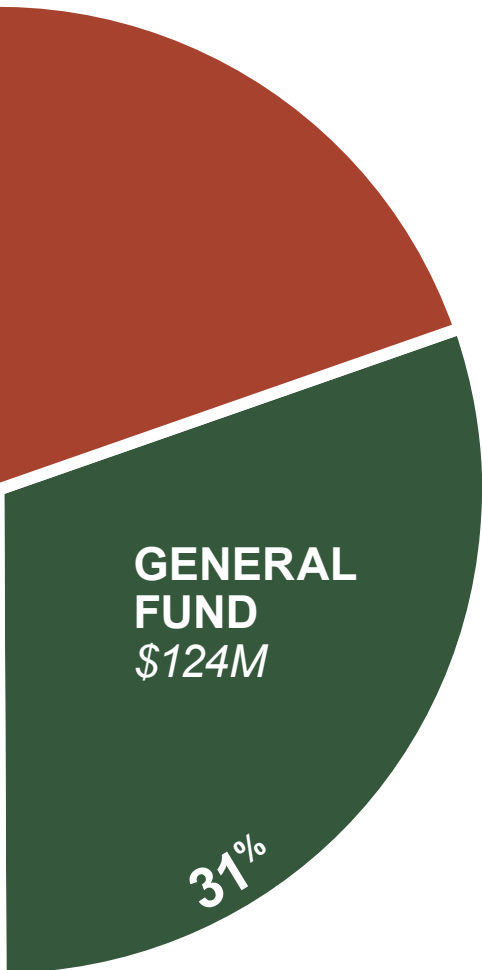
DESIGNATED REVENUES
\$271M

69%



General Fund

Approximately a third of the total revenue that the City receives goes in to the General Fund, and they are known as “discretionary” funds. These are the funds City Council Goals influence.

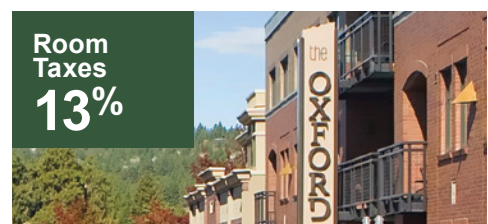


The primary source of revenue in the General Fund is property taxes. Property taxes primarily fund Police, Fire, and street maintenance services. While almost 80 percent of the General Fund pays for public safety, the General Fund is also where the Council and the Budget Committee have the most discretion for funding priorities.

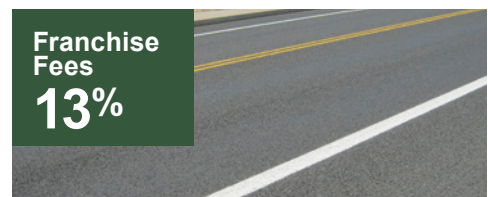
The City Council adopted \$3.08 million in the 2021-23 budget of General Fund revenues to support implementation of Council Goals. Addressing homelessness is a priority this biennium, with approximately 40 percent of the \$3.08 million dedicated to Council’s housing goals.



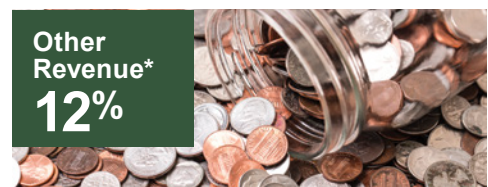
Property Taxes
62%



Room Taxes
13%



Franchise Fees
13%



Other Revenue*
12%

*Includes revenue from the State and other discretionary revenue.



The Budget

Some Big Budget Highlights



People

Personnel services - salary and benefit costs for City employees - are the largest expense. The 2021-23 budget added 30.5 new staff, replacing some of the vacant positions eliminated due to anticipated revenue impact of the COVID-19 pandemic, and to support new projects and initiatives.



Projects

Infrastructure investments are another significant portion of the budget. Many are multi-year water, sewer, stormwater and transportation infrastructure improvement projects, such as Newport Avenue and Murphy Road corridor improvements.



Transportation

The budget includes \$24 million in long-term debt for the first series of Transportation GO Bond projects, which gets reviewed and prioritized by the Transportation Bond Oversight Committee. About \$126 million of work is programmed in this 2021-23 biennium.

The budget also includes a \$2.2 million property tax levy for fiscal year 2022-23 specifically related to the voter-approved Transportation GO Bond.



City of Bend In Closing

"Bend is quickly growing into a city of 100,000 people. We are catching up to growth, building on our past, serving the present and looking to the future.

This two-year budget reflects the City's response to the ongoing challenges of the COVID-19 pandemic while maintaining, if not expanding, services

offered to the community. It allows the City to continue delivering a high quality of services through our core operations and also provides funding for Council's goals. With the help of grants and partnerships, we have also been able to take steps toward critical economic recovery efforts.

Bend continues to be a great city in which to live, work and play, and I am proud of the work we have accomplished. In the next two years, I expect to see Bend make great strides to serve everyone equitably, create a more connected community and preserve Bend's character as we grow."

Eric King, City Manager





CITY OF BEND

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Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact the Communications Department at communications@bendoregon.gov or (541) 388-5573; Relay Users Dial 7-1-1.