

Minutes

Core Area Advisory Board

Subcommittee

Tuesday October 31, 2022

Council Chambers, 710 NW Wall Street Bend, OR

10:30am-Noon PST

This meeting will be held in person for board members and via Zoom for members of the public.

10:30 a.m. Core Area Advisory Board Subcommittee

Roll Call

- Corie Harlan, CAAB, in attendance
- Alyssa Heim, CAAB, in attendance
- Dale Van Valkenburg, CAAB, in attendance
- Jeff Baker, CAAB, in attendance
- Katherine Austin, CAAB & AHAC, in attendance
- Sharon Smith, Bend LaPine School District, in attendance
- Katy Brooks, Chamber of Commerce, in attendance
- TBD, BEDAB Members
- TBD, AHAC Member(s)

1. Introductions and Conflict of Interest Disclosures (10 minutes)

- **Kathy Austin**-Member of Core Area Advisory Board (CAAB) and Affordable Housing Advisory Committee (AHAC), no potential conflicts of interest.
- **Corie Harlan**- Vice Chair of Core Area Advisory Board (CAAB) also, Cities and Town Program Manager with Central Oregon Land Watch. No potential conflicts of interest.
- **Alyssa Heim**-Member of Core Area Advisory Board (CAAB) and Bend Central District Business Association Board (BCDBA). Potential conflict of interest as Alyssa is owner of Big Story Bookstore on Greenwood and Third.
- **Cindy King**-Chair of Affordable Housing Advisory Committee (AHAC). No potential conflicts of interest.
- **Dale VanValkenburg**-Member of Core Area Advisory Board (CAAB). Employer is Brooks Resources who owns property at 181 Franklin Avenue and an ownership interest in property on Hawthorne Avenue, which both are in the CORE Area. Potential conflicts of interest on both of those.
- **Jeff Baker**-Member of Core Area Advisory Board (CAAB). Employer is Craft3 business lender. No potential conflicts of interest.
- **Sharon Smith**-Ex Officio member of Core Area Advisory Board, (CAAB), employed by Bend LaPine Schools. No potential conflicts of interest.
- **Katy Brooks**-Ex Officio member of Core Area Advisory Board, (CAAB), employed by Chamber of Commerce. No potential conflicts of interest.

- **Introductions of Alex Joyce and Pauline Ruegg of Cascadia Partners, LLC consulting firm. They have been hired to help develop the Development Partnership program and to assist staff in drafting the actual programming language.**

2. Updates since Last Meeting (10 minutes)

Allison Platt met with staff from Boise Capital City Development Corporation. They have seen a lot of success with Type II partnership, essentially pay as you go-can qualify for up to 80% of TIF they generate.

Allison is looking at middle scale examples for the committee to review.

Ben and Allison are working on survey for businesses as to what type of tenant improvements they are most interested in.

3. Public Comment (15 minutes)

No public comments.

4. Key Questions for Discussion (55 minutes)

- a. **WHAT** are the priority Project Types?
Housing, Middle income, Affordable, Mixed-Use? Other uses? Makers, Food/Beverage:
 - *What are priority project types TIF should incentivize?*
 - Housing is a stated priority - but which types?

- BCD as makers district?
- Support for all three types - keep it flexible in early days, establish more clear parameters around uses long-term
- Start out by casting a wide net - adaptable, flexible, opportunistic - then shift gears to be more selective - "Build on them with additional information as they go forward"
- Can help deed-restricted affordable housing, but not enough workforce housing so good to use funds to support
- Consider makers as we move forward - keep as a focus as driver of attracting tourists, people doing makers work now in the district- want to keep them there and not price them out long term - makes it an interesting space to visit
- Concerns over gentrification - example of City of LA keeping arts spaces affordable
- Climate-friendly equity communities will play a role
- Don't ignore larger businesses, they catalyze other development - does it have to have food/beverage component? Mixed-use? Important to get tax generating use in the district
- Not necessarily focusing on type of business but size - generates more revenue
- Differences in types/qualifications for large vs small businesses
- Housing and retail/restaurant mix - biggest interest is attracting people and having them stay - visit more than one business - increase residents to provide more customers
- Commercial should have customer-oriented face, encourage more people.
- Support hotels/motel conversion projects.
- Don't limit mixed-use to single story (e.g., ground floor).
- Childcare priority use - projects that bring strong community benefit since the "who" of who it really benefits is the public.
- Types of projects to not allow: automotive, gas stations, auto oriented/dependent (not disallowed for entire core area), office, luxury high end residential unless it has other components, office that's totally self-enclosed, gun sales.
- Makes sense to use dollars to support projects that wouldn't make it in district without that help.
- "Encouraging the types of projects that enliven and contribute to the district".
- Set up enough criteria so applicant can know if they could apply and so Board could point to criteria to justify approval/not selecting - city attorney.
- Balance between more flexibility with wide open net vs. more detailed.
- Open and rolling program vs. comparing projects against one another.
- Desire to have definite review cycle like in Affordable Housing committee - don't support first come/first serve and run out of money.
- Want to have program that can function at speed of development. Empower staff.

- How will Board be used in the future? Annual program amount of funds, do a call for projects, scoring criteria, could then make a recommendation to BURA.
- For private development program (targeting larger developments, pay as you go model) could be more staff administered but come to CAAB with updates.
- Could staff send out updates on types of projects coming forward in pre-apps - core area development tracker (building permits and pre-apps).
- Entertainment/recreation-based uses.

b. WHO are the priority beneficiaries?

- Speaks to weighting of applications: women, owned, minority owned; add veterans. Businesses with less access to capital.
- Childcare
- Not sure if nonprofits add to district and often have funding - but if there's a public facing side like a children's museum, childcare - something that supports function of district.
- How is ownership defined - just 51% - what about if some percentages of your owners were in priority beneficiaries list - don't want to preclude business where 49% is owned by wife or husband/wife combo
- Could have a priority beneficiary who's not a priority project type
- Is it something that's a unique scenario that needs a hand?
- Add the "when" as an important weighted factor
- Emphasize small business - can this be done by citing specific dollar amount?
- Revenue/# of employees.
- Don't support religious nonprofits.

c. WHERE are the highest priority locations (*in the nearterm*)?

Where are the highest priority locations?

- Very different needs in KorPine area vs. BCD.
- BCD probably needs the most help but can tailor projects to certain areas/types in core area.
- Weight certain streets/frontages to capitalize on efficiencies of dollars spent.
- So much time and effort already invested in BCD, want to see the results of that.
- Still want to be flexible to opportunities that present themselves - want to look at applications holistically and strategically.
- Tie into specific infrastructure investments/align with investments.

d. WHY is the funding needed (problems to overcome)?

- To close funding gaps.
- Public improvements and upgrades can be a big hurdle – sidewalks.
- Helping existing businesses that want to renovate public realm.
- SDC fee reduction - reimbursing developer/buy-down - could cover park fees too.

- Weight public benefit more specifically than investments in a building (private).
- Ratio of total expected public improvements vs. total project value.
- Getting over the initial upfront costs - biggest hurdles - best practice is reimbursement but how can TIF provide more frontend support.
- Intricacies of how to leverage the debt - tax exempt vs. not - for example, in right of way vs. for a private building.
- Not initially structuring support for bridging interest rates/loans - Astoria example.

e. **HOW will the funding and investments be structured?**

- Double Dipping from TIF and MUPTTE: Under what circumstances is double dipping ok?
- Public improvements and upgrades can be a big hurdle – sidewalks.
- Okay with completely funding projects for smaller businesses without a match.
- Tied to a direct visual change.
- Even if funding small businesses, make sure there's some skin in the game - make sure there's some percentage of funds provided, can be smaller for smaller businesses.

5. Upcoming Subcommittee Meetings

- a. Final Meeting: Monday, November 14, 2022 10:30am-Noon

6. Adjourn 12:30pm

To watch a recording of this meeting click on the link below:

[October 31, 2022](#)