

Core Area Development Assistance Program

PURPOSE

This policy establishes program criteria and parameters for administering a property tax increment grant program provided by the Bend Urban Renewal Agency (BURA) for the Core Area Tax Increment Finance (TIF) Area. The Core Area Development Assistance Program provides matching grants or loans to offset development costs for housing and mixed-use (commercial/residential) projects.

ELIGIBILITY

Property owners developing a new project or redeveloping an existing building with a housing and/or mixed-use (residential/commercial) project. Projects that are eligible for the grant must:

- Be located within the Core Area Tax Increment Finance Area
- Project site must include construction, renovation, or rehabilitation of residential units
- Comply with all applicable City of Bend standards, and is a permitted or conditional use in the zone.

Eligible uses of funds include:

- Land acquisition and assembly
- Environmental review, mitigation, and remediation
- Pre-development assistance including contracting with design professionals
- Frontage improvements including utility undergrounding
- Off-site infrastructure improvements required as a condition of approval for the development
- Building rehabilitation (energy efficiency, accessibility upgrades)
- Vertical development costs for housing and mixed-use commercial/residential development
- Upgrades to major public infrastructure including sewer, water, streetscapes, or sidewalks required as a condition of approval for the development
- Permit fees & System Development Charges (SDCs)

Public buildings, as defined by ORS 457.010(12), are not eligible for development assistance.



EVALUATION SCORING

Applications will be reviewed by a scoring team comprised of three Core Area Advisory Board (CAAB) members without any potential conflicts of interest, as defined in Oregon law, and up to two BURA members. The subcommittee will meet in a public meeting to review applications and make recommendations for funding awards to BURA. BURA has the ultimate authority to approve funding awards for the Development Assistance Program. The following evaluation scoring will support application reviews by the scoring team prior to recommending any allocation of funding awards to BURA.

Individual bullets listed under each scoring evaluation criteria are intended to demonstrate a variety of metrics that could be used to determine how the project meets the intent of the overall scoring criteria (ie. each bulleted item is not intended to equate to a certain number of points).

1) CATALYTIC POTENTIAL: Project has catalytic potential (0-25pts)

- Project is likely to spur other redevelopment efforts.
- Based on the construction value estimate of the project, the project will generate a higher tax value/acre (and therefore higher levels of tax increment revenue) relative to other applications. Reduced revenues caused by an applicant's intent to utilize the Multiple Unit Property Tax Exemption (MUPTE) Program will be taken into consideration.
- More catalytic potential is considered for project located in a higher risk market area (east of Bend Parkway and/or north of Revere Avenue)
- Project is located in the Bend Central District as defined by **Bend Development Code 2.7.3205**
- Projects located within two blocks of other planned investments (Franklin Avenue, 2nd Street, Hawthorne Avenue, Greenwood Avenue, major private developments)
- Project is likely to be completed (receive Certificate of Occupancy) within the next two years, as identified by the applicant or in the reviewer's assessment.
- Improvements are likely to last 10 or more years, as identified by the applicant or in the reviewer's assessment.

2) COMMUNITY BENEFIT: Project benefits the community (0-25pts)

- Design elements of the project that will provide community benefit are included into the project such as energy efficient/green building features, improvements that benefit people walking, biking, rolling, and/or using transit, active ground floor uses, and/or open space/plazas.
- Housing projects that:



- i. Are mixed-income and will include rental levels that serve a variety of income levels
 - ii. Include Affordable Housing units (80% Area Median Income or less for dwelling units for sale and 60% AMI or less for dwelling units for rent)
 - iii. Include Middle Income Housing units (120% Area Median Income or less)
 - iv. Include Transitional housing
- For mixed-use projects, project will include priority uses including:
 - i. Customer facing businesses (ie. Public facing businesses such as retail; not office)
 - ii. Food and/or beverage
 - iii. Entertainment/art
 - iv. Childcare
 - v. Makers (art, craft, design, or production related businesses including but not limited to artisanal foods, baked goods, brewing, decorative arts, glassblowing, pottery, printmaking, textiles, traditional crafts, reuse, and woodcrafting)

3) PROJECT NEED: Project has need for financial assistance to overcome project challenges (0-25pts)

- Project funds will be used to overcome specific challenges of the site or project (ie. environmental remediation, infrastructure challenges/costs, small and/or constrained site, accessing capital, etc) and funds are needed.
- Funding need will be evaluated based on both on & offsite cost information provided by the applicant for costs associated with anything above and beyond minimum or standard site development. The scoring team may also evaluate other funding sources the applicant is using to fund the project (ie. additional grant or financial assistance programs) to evaluate need.

4) EQUITABLE OUTCOMES: Project beneficiaries are a priority (0-25 pts)

- At least one person on ownership or on the ownership of the development team identifies as at least one of the following:
 - i. Black, Indigenous, and/or Person of Color (BIPOC)
 - ii. Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning, Intersex, Asexual, Two-Spirit (LGBTQIA2S+)
 - iii. Veteran
 - iv. Person with a disability
 - v. Woman
- Residential rental levels will include units that will be rented at affordable and/or middle-income rental rates (up to 120% Area Median Income) including transitional housing.
- Mixed-use projects will include the following priority uses:



- Small businesses (10 or less employees)
- Local businesses (headquarters are or will be located in Core TIF Area)
- Businesses with 50% or more ownership by the following identities or whose business or group mission is to serve the following identities:
 - Black, Indigenous, and/or Person of Color (BIPOC)
 - Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning, Intersex, Asexual, Two-Spirit (LGBTQIA2S+)
 - Veteran
 - Person with a disability
 - Non-English Speaking
 - Non-citizens
 - People of lower socioeconomic status (<80% Area Median Income)

APPLICABILITY

This policy pertains to projects selected for Development Assistance by BURA. All projects shall be reviewed and deemed eligible by City staff in conformance with this program policy and the Core Area Tax Increment Finance Plan and shall be approved for reimbursement by BURA.

PAYMENT

Award amounts shall not exceed \$750,000. BURA will provide assistance in the form of reimbursements to selected projects.

Recipients must enter into a Grant or Loan Agreement with BURA prior to the disbursement of funds. The Development Agreement will include the total amount project costs, total amount of financial assistance to be reimbursed, the estimated reimbursement amounts, the estimated payment schedule, and the remedies for BURA in the event that the recipient fails to meet the terms and conditions of the Development Agreement. The Development Agreement will require that awarded funds be utilized within 24 months of executing the Development Agreement to ensure timely use of funds.

MODIFICATIONS

Under extraordinary conditions and after all other project funding has been secured, BURA may approve modification of the above terms (such as payment terms, reimbursement process, and/or maximum grant amount) to accommodate a project's specific needs. Modification of these terms will



be the exception rather than the rule. In such cases, the applicant must provide sufficient evidence that the standard reimbursement requirements and terms would cause undue hardship to the applicant or the project. Approval or denial will be in the sole discretion of BURA.



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Allison Platt at corearea@bendoregon.gov or 541-388-5580; Relay Users Dial 7-1-1.

