



CITY OF BEND

Nonresidential Transportation Fee Discussion #4

Sarah Hutson, Senior Management Analyst

Ben Hemson, Economic Development Manager

Russ Grayson, Chief Operating Officer

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Goals of Today's Presentation

1. Review nonresidential data and options
2. Summarize additional input received since Dec. 4 meeting
3. Discuss next steps for recommendations to Council

Nonresidential Data

Caveats

- Some accounts missing data (e.g., units, SQ FT, etc.) and certain accounts need additional verification
- Policy decisions could impact total revenue generated and/or cost distribution
- Will get reconciled during the testing period prior to implementation, which may result in changes to the numbers shown today

What the Data Tells Us

Data	Application
Utilities served to each account (e.g., stormwater, water, irrigation, sewer, extra strength) and number of accounts tied to a particular account holder	Which accounts are eligible for a Transportation Fee
SQ FT of space tied to each commercial utility account	Cost per SQ FT estimate
Travel Demand Model data for the City of Bend	How much impact different customer categories have on the City's transportation system; associated allocation of revenue generation
Average monthly bill per account across a 6-month period	Level of impact to a customer's bill <i>Note: Customer receiving a mix of utilities (for example, customer receives water service from a different provider) makes it difficult to evaluate holistic financial impact</i>

Special Unit Categories

- Several commercial categories don't align with a \$/SQ FT type of assessment and are accounted for differently in the transportation data (trips by unit)
 - Examples:
 - Tourist accommodations → rooms
 - Schools → students
 - Parks → acres
- Balance between administrative feasibility and equity; some special unit categories are feasible within Phase 1 implementation



Example Revenue Generation

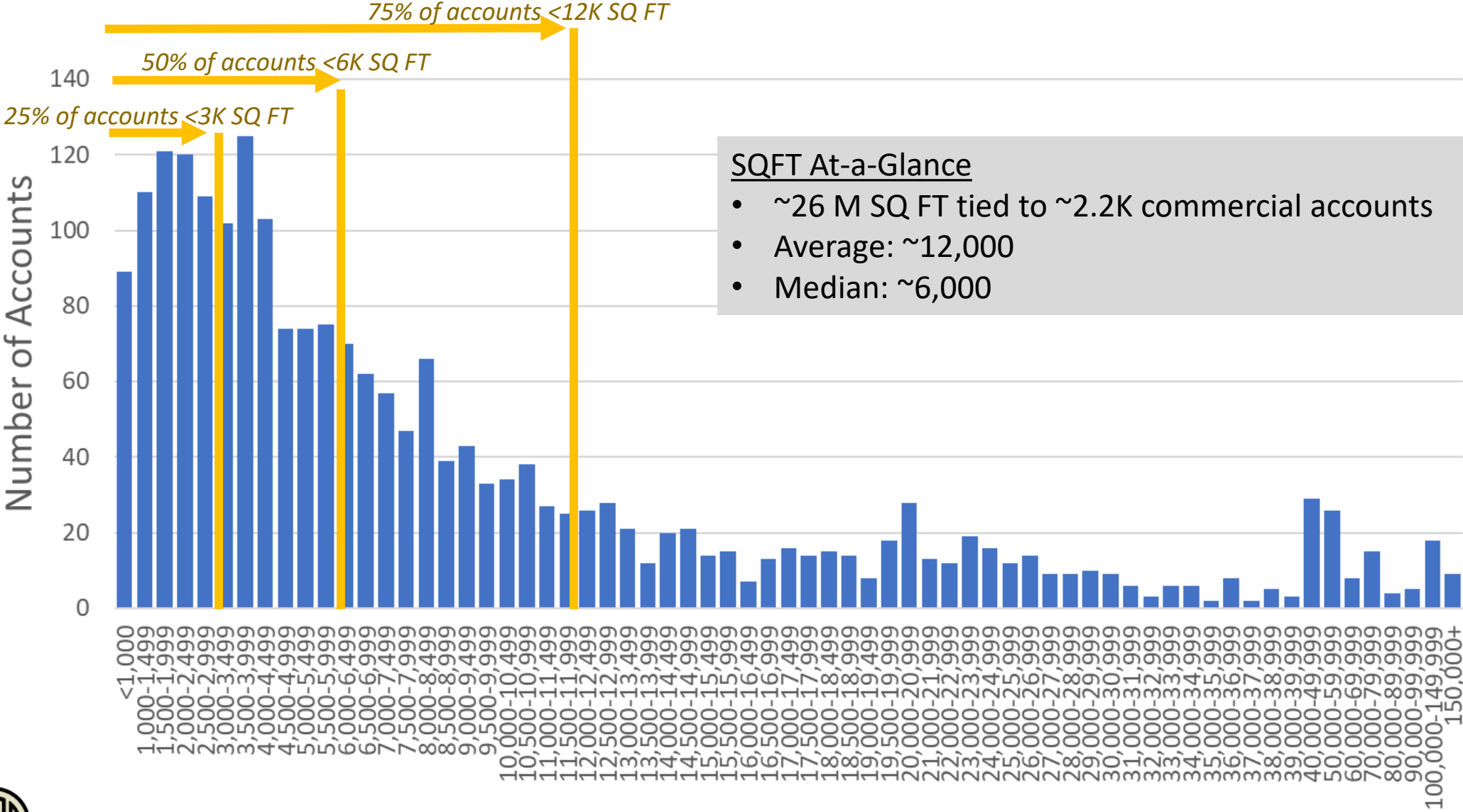
Category	Annual Revenue Generation		
Total	\$5M	\$10M	\$15M
Nonresidential	\$2.35 M	\$4.7 M	\$7.05 M
<i>Tourist Accommodations*</i>	\$210K	\$420K	\$630K
<i>Schools/ Higher Education**</i>	\$320K	\$640K	\$960K
<i>All Other Commercial***</i>	\$1.82 M	\$3.64 M	\$5.46 M
Residential	\$2.65 M	\$5.3 M	\$7.95 M

**Does not include Short-Term Rentals, which could generate additional revenue and be assessed via short-term rental licenses*

***Includes Bend La Pine School District, COCC, OSU-Cascades*

****"All other commercial" category includes nonresidential accounts for which a fee would be calculated on a SQ FT basis*

SQ FT Distribution of Commercial Accounts

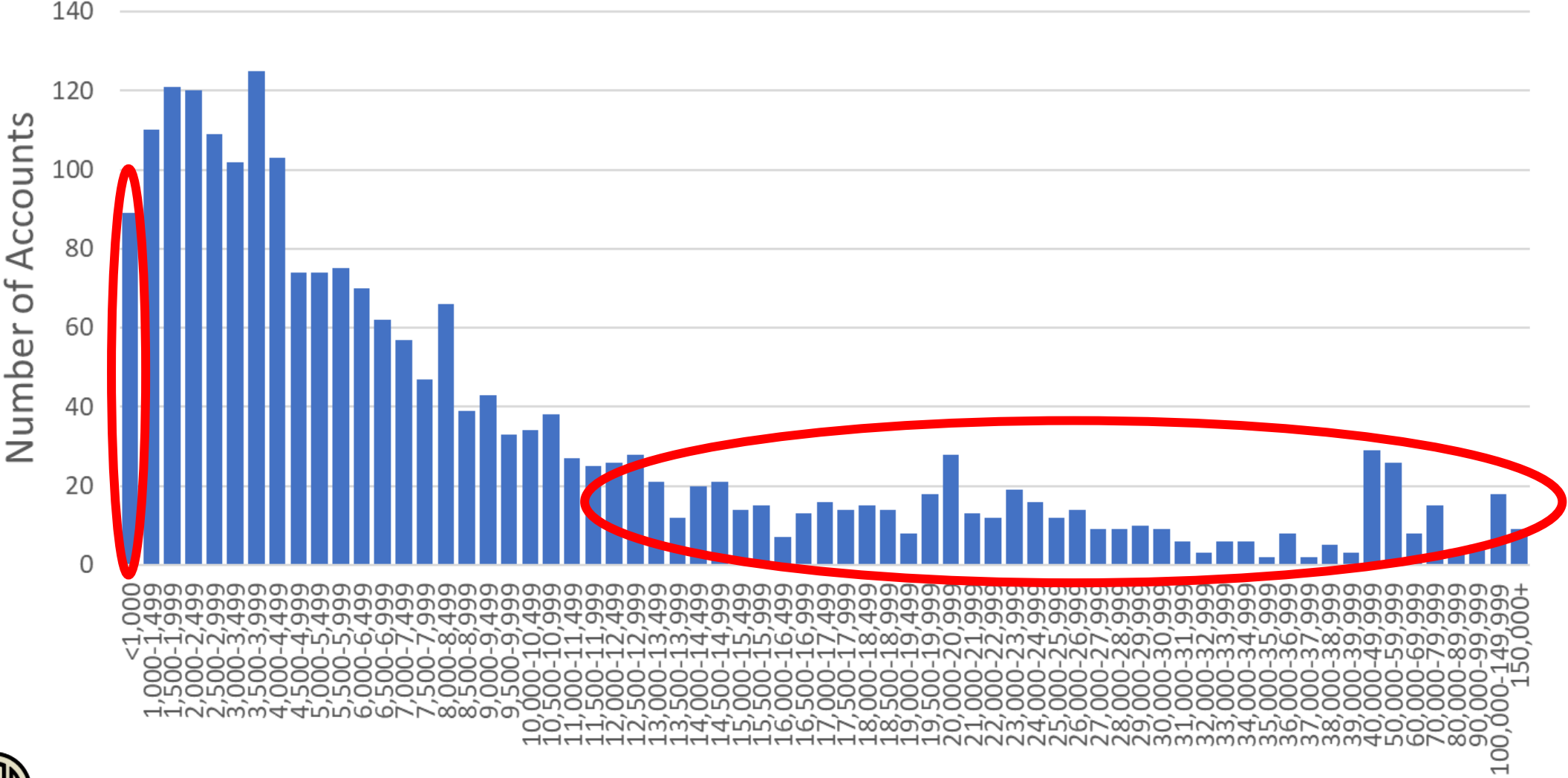


Example Cost Per SQ FT

Calculated by taking total SQ FT of commercial space divided by number of nonresidential accounts subject to a cost per SQ FT fee basis

SQ FT	Cost Per Month	Cost per Year
1,000	\$6	\$72
10,000	\$60	\$720
100,000	\$600	\$7,200

SQ FT Distribution of Commercial Accounts



Options on the Lower End

- ~80 accounts would receive a monthly rate lower than the estimated Single-Unit rate (~\$5.50/mo.) and ~50 accounts would receive a monthly rate lower than the estimated Multi-Unit rate (~\$4/mo.) if left as is
- What is the preferred way to proceed?

Example Monthly Fee Impact Scenarios

	Leave as is	Create a base rate for all nonresidential accounts?	Round up accounts under 1K SQ FT	Something else?
		= Single-Unit Rate		
1,000 SQ FT	\$6	\$11	\$6	
10,000 SQ FT	\$60	\$59	\$59	Higher base rate?
100,000 SQ FT	\$600	\$542	\$590	

Options on the Tail

- ~25 accounts above 100,000 SQ FT – would receive an average bill of \$940, equating to ~50% average increase in their total utility bill
- What is the preferred way to proceed?

Example Monthly Fee Impact Scenarios

	Leave as is	Set a maximum rate (i.e., cap SQ FT)			Something else?
		20K	60K	100k	
1,000 SQ FT	\$6	\$8.50	\$6.50	\$6.20	
10,000 SQ FT	\$60	\$85	\$65	\$62	
100,000 SQ FT	\$600	\$170	\$400	\$620	

Discussion

Additional Business Community Input

Next Steps

Questions

- How would BEDAB like to proceed?
 - Share feedback directly at Council
 - Staff share on BEDAB's behalf – letter?
- Policy questions
 - Nonresidential rate
 - Phase-in
 - Base rate / capping
 - Accountability
 - Use of funds
 - BEDAB involvement in Phase 2 design (business type / use)
 - Other business feedback for consideration?



Accommodation Information for People with Disabilities



To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Sarah Hutson at shutson@bendoregon.gov or 541-693-2132; Relay Users Dial 7-1-1.

