

RESOLUTION NO. 3368

A RESOLUTION AMENDING RESOLUTION NO. 3340, TO SET RATES FOR THE TRANSPORTATION FEE

Findings

A. The Bend City Council is authorized to adopt fees for services provided by the City under its home rule authority and the authority of the Charter of the City of Bend. The City is the road authority for roads within city limits and has authority and responsibility to maintain City streets within its boundaries. Bend Municipal Code (BMC) section 12.15.005 states that the City Council may, by resolution, establish and amend fees or service charges (collectively "fees") for any and all services provided by the City. The fee shall not exceed the average cost of providing the service. The fees established by this resolution recover costs incurred by the City and are therefore authorized by BMC 12.15.005.

B. Funding for the City transportation system comes from state gas tax revenues, franchise fees, the City's general fund, and other sources. These revenue sources are not keeping up with expenses and costs to maintain the transportation system and provide the transportation services the community is asking for.

C. City Council's adopted goals for the 2023-2025 biennium included implementing a transportation fee, and Council has discussed the fee at public meetings throughout 2023. City Council held a first reading of a new chapter 3.110 of the Bend Municipal Code authorizing a Transportation Fee on March 20, 2024, which will become effective 30 days after a second reading scheduled for April 3, 2024. The fees established by this resolution are authorized under BMC Chapter 3.110. The provisions of BMC Chapter 3.110 direct that the Transportation Fee will be implemented in three phases, through fee resolutions adopted by Council. The code says Phase 1 fees should raise \$5 million in fiscal year 2024-2025. Phase 2 fees should raise \$10 million in fiscal year 2024-2025, and Phase 3 should raise \$15 million in fiscal year 2025-2026 and beyond.

D. In 2023, the City engaged Galardi Rothstein Group to assist in evaluating methods for assigning costs to system users based on transportation impacts and establishing rates for the Transportation Fee.

E. The fee schedule adopted by this resolution is based on trip generation estimates for broad user categories developed using information available primarily from the Bend-Redmond Travel Demand Model and Institute of Transportation Engineers (ITE) Trip Generation Manual (ITE Manual). The Travel Demand Model provides information on the number of households, schools, and employees by broad groups (i.e., industrial, warehouse, retail, and office), and is used by the City in planning for the transportation system needed to serve the City today and into the future. The ITE Manual is used to estimate these groups' impacts on the transportation system by assigning different

classes of users different trip rates based on travel surveys from across the country. Trip rates help estimate the intensity of transportation system use per unit of scale (e.g., per square foot) for different types of system users. Phase 1 implementation of the Transportation Fee uses only units of scale (square feet) for most non-residential users; units of intensity are planned to be added in later phases. The ITE, and therefore the Transportation Fee, use different scaling systems for some non-residential classes, such as number of students for schools, number of rooms for tourist/overnight accommodations, and acres for parks.

F. Fees for subsequent phases of the Transportation Fee will be set in resolutions adopted by Council at a public meeting, where the public will have an opportunity to comment. All resolutions and fee amounts are subject to approval by City Council.

G. The City Council discussed a Transportation Fee at work sessions on February 15, 2023, March 15, 2023, July 19, 2023, and August 2, 2023. Council held three Roundtable Meetings in August, September and October of 2023 to hear from invited stakeholders representing a wide variety of community groups and interests. Council has received direct communication from many community members. Council advisory committees also provided feedback to the Council regarding the fee, including the Bend Economic Development Advisory Board (BEDAB), which met five times from October to December 2023 to provide feedback on the non-residential Transportation Fee. Council held two additional work sessions on January 3, 2024, and February 7, 2024, to discuss the code and fee schedule prepared in response to Council direction and community input provided over the preceding year. Following the February 7, 2024, meeting, the proposed code and fee schedule were released for public review and comment. On February 26, 2024, and February 29, 2024, Council held listening sessions to provide information to the community on the proposed Transportation Fee and to take public comment on the proposal. Council discussed public input received and provided further direction to staff at a work session on March 6, 2024. Comments on the proposed fee and code were taken at the City Council meeting on March 20, 2024. In addition, Council considered written comments submitted before the vote on this Resolution.

Now, therefore, based on the above findings,

THE CITY OF BEND RESOLVES AS FOLLOWS:

- Section 1. The City of Bend Fee Schedule, Resolution 3340, is amended to add the fees shown in the attached Exhibit A.
- Section 2. The fees established by this Resolution take effect on July 1, 2024.
- Section 3. If any provision, section, phrase or word of this resolution or the documents adopted hereby, or application thereof to any person or circumstance, is

held invalid, the invalidity does not affect other provisions that can be given effect without the invalid provision or application.

Adopted by motion of the Bend City Council on March 20, 2024.

YES: Mayor Melanie Kebler
Mayor Pro Tem Megan Perkins
Councilor Barb Campbell
Councilor Anthony Broadman
Councilor Ariel Méndez
Councilor Mike Riley
Councilor Megan Norris

NO: none



Melanie Kebler, Mayor

ATTEST:



Robyn Christie, City Recorder

APPROVED AS TO FORM



Mary A. Winters, City Attorney

EXHIBIT A to RESOLUTION AMENDING RESOLUTION 3340 TO SET RATES FOR THE TRANSPORTATION FEE

SECTION 4. REGULATORY:

	Description	Fee	Unit
4.1.15d	Short-Term Rental Transportation Fee		See 6.10.02e

SECTION 6. OTHER SERVICE CHARGES

6.10 Transportation Fee, BMC Chapter 3.110			
	Description	Fee	Unit
Charges will be prorated based on a 30-day billing cycle and included on utility bill unless otherwise specified.			
6.10.01	Residential Rates		
6.10.01a	Single-unit residential charges	\$ 5.60	Per dwelling unit
6.10.01b	Accounts on Utility Billing Assistance	\$ 2.80	Per dwelling unit
6.10.01c	Multi-unit residential charges	\$ 4.15	Per dwelling unit
6.10.02	Non-Residential Special Unit		
6.10.02a	Public schools K-12	\$ 0.60	Per student
6.10.02b	Public schools - higher education	\$ 0.65	Per student
6.10.02c	Tourist accommodations	\$ 4.50	Per room
6.10.02d	Parks with off-street parking	\$ 0.45	Per acre
6.10.02e	Short-Term Rental Supplement	\$ 100.00	Per year, charged to STR license
6.10.03	Non-Residential Standard * Applies to non-residential customers not listed as a special unit category.		
6.10.03a	First 50,000 SQ FT of building space	\$ 6.25	Per 1,000 SQ FT
6.10.03b	Square footage between 50,000 and 100,000 SQ FT	\$ 4.50	Per 1,000 SQ FT
6.10.03c	Square footage over 100,000 SQ FT	\$ 3.00	Per 1,000 SQ FT