

Meeting Minutes



CITY OF BEND

Bend Economic Development Advisory Board

Location: City Council Chambers, 710 NW Wall Street, and online

Date: Monday, March 3, 2025

The meeting of the Bend Economic Development Advisory Board was called to order at 12:01 p.m. on Monday, March 3, 2025, in the City Council Chambers, 710 NW Wall Street, and online.

Roll Call: Gary North (Chair), Briana Manfrass, DaWayne Judd (Vice Chair), Jillian Taylor, Mark Kroncke (left the meeting at 3:02 p.m.), Ryan Andrews (left the meeting at 1:18 p.m.), Tierney Booker

Absent: Petra Orosanova, Jenn Lynch

Chad Young, Sara Odendahl, Katy Brooks, Jennifer Gould, Nate Wyeth, Don Myll- Ex Officio

Councilor Perkins-Council Liaison

1. Approve February 3, 2025, Meeting Minutes

Member Manfrass moved to approve the February 3, 2025 BEDAB Meeting Minutes. Member Taylor seconded the motion.

Unanimously approved.

2. Public Comment

None.

3. Transportation Fee Phase II Discussion | Chief Operations Officer Russ Grayson, Senior Management Analyst Sarah Hutson

Slides included:

- Phase 2 Nonresidential Transportation Fee Discussion
- Goals of Today's Presentation
- Summary of Recommendations To-Date
 - No discounts/exemptions in Phase 2

- Give annual update on impacts to childcare and Affordable Housing
 - Expanded STR supplemental fee to all types
 - Special unit classes – followed staff recommendation for items to add (golf courses, gas stations, cemetery, car washes)
- Phase 2 Data Approach
- NAICS to ITE Data Linking
 - Mapping Example
- Rate Setting Approach
- Bin-Setting Factors
 - SQFT distribution by trip rate and natural breakpoints
 - Grouping similar uses
 - Mixed business use considerations
 - Data availability
 - Approaches by other cities
- Trip Rate Distribution & Grouped Uses [graph]
- Initial Phase 2 Rate Modeling
 - Revenue Allocations: Same as Phase 1 (53% residential / 47% non-residential)
 - 6 Bins:
 - Bin 1 set at high end of trip range
 - Bins 3-5 set to weighted average
 - Bin 6 set at low end of trip range
 - Unidentified Accounts: Approx. 14%, set to Bin 1 in the model
 - Mixed-Use: Model accounts for several scenarios
 - Growth Assumptions: 1.5% residential growth and 1% non-residential growth.
 - Inflationary Adjustment: Includes 2.5% adjustment
 - Customer Appeals: Assumes 5% of SQFT will move to a lower bin based on SQFT
 - Data Cleaning: Ongoing tax log/account information cleaning; rates will shift, but provide a general ballpark
- Draft Approach to Mixed Business Use Accounts
 - ~14% of total non-residential SQFT is attributable to mixed business use, where different types of commercial activities occur on the same account
 - ITE and bin assignments straightforward for many accounts where NAICS codes are all attributable to the same root codes (ex: all types of manufacturing uses)
 - For accounts with uses of varying impacts, a representative average trip rate is currently assigned in the model
 - Industrial flex space – Bin 2
 - Warehouse and office – Bin 1
 - Need to balance equity, administrative burden, and changes in customers and how accounts are handles in perpetuity
- Draft Approach to Mixed Business Use Accounts
 - Medical uses and initial model assignments:
 - Hospital/medical office building on hospital campus: Bin 2
 - Medical office building near hospital (Medical Overlay District): Bin 3
 - Regular medical office building: Bin 4
 - Mixed medical and regular office: Bin 3
 - Integrated retail uses and initial model assignments:

- >150K SQFT: Bin 3
- <150K SQFT: Bin 4
- Area rates:
 - >150K SQFT, Bin 3: Proposed for commercial zones with many different accounts operating as a consolidated are (park once concept)
 - Central Business District (Downtown)
 - Old Mill District
- First Look: Phase 2 Rates – Draft [chart]
- First Look: New Phase 2 Special Unite Rates - Draft [chart]
- First Look: Phase 2 Bin Rates - Draft [chart]
- First Look: Rate Scenario Bill Examples – Draft [chart]
- Bins / Rates Questions & Considerations
 - Number of Bins: should we consolidate any bins or leave them as is?
 - Fee Increase Tolerance: What is an acceptable level of fee increase while still meeting revenue goals? Will certain uses be more impacted by fee increases?
 - Additional Scenarios / Information: What other rate scenarios or information would you like to see to support recommendations?
- First Look: Phase 2 Bin Rates – 5-Bin Scenario 2 (Bins 5&6)
- Mixed Business Use Questions & Considerations
 - Medical Uses: Should we think about these rates differently or leave them as is?
 - Integrated retail and area rates: Should we think about these rates differently or leave them as is?
- Accounts Without Business Registrations Questions & Considerations
 - Data Inputs
 - Compliance
 - Unregistered Accounts: How should we charge these accounts?
- Wrap-Up
 - Next meeting March 17th – 1 hour to solidify BEDAB Recommendations

Vice Chair Judd requested more information on the mathematical process supporting the proposed rates and bills.

Grayson offered to go through the technical details with interested BEDAB members.

Grayson clarified that the target income is based on the budgetary needs to provide a certain level of service, programs and infrastructure capital, particularly around the multi-modal network.

Grayson outlined next steps:

- BEDAB will develop a recommendation to Council
- Recommendation will be brought to Council Work Session on April 2, 2025
- Staff will solicit community feedback during the month of April
- Adoption by Council at the May 7, 2025 Council Meeting

Concerns raised by BEDAB members:

- Fees for the middle tier will increase significantly
- Math behind data is confusing; can it be simplified?

- Does the community still want this level of service given the cost?

BEDAB requested staff present the following scenarios:

- Combine bins 5 & 6
- Combine bins 4, 5 and 6
- Have the minimum for bin 1 be the Phase 1 rate

BEDAB supported placing unregistered accounts in bin 3.

BEDAB adjourned at 1:16 p.m. and reconvened at 1:20 p.m.

4. Target Sector Analysis Presentation | EConorthwest Project Director and Senior Planner Beth Goodman, EConorthwest Associate Natalie Walker, Senior Planner Damian Syrnyk, Business Advocate Cyrus Mooney

Slides included:

- Bend Target Sectors – Considerations for Policy Discussions
- Target Sector Analysis Purpose
- Proposed Target Sectors by Cross-Sector Group
 - Recreation & Tourism
 - Health Systems
 - Build for Growth
 - Technology & Innovation
- Benefits to Using Target Sectors in Economic Development Strategy
 - Localization Economies
 - Networking and Collaboration
 - Entrepreneurship and Business Formation
- Risks to Using Target Sector in Economic Development Strategy
 - Over-Specialization
 - Long-Term Commitment & Adaptability Required
- Developing Bend's Economic Development Strategy
 - Approaches to support growth or target sectors.
 - Considerations when creating policy for target sectors
 - Ideas for potential future analysis

Mooney invited community partners to respond.

Ex officio Katy Brooks, CEO and President of the Bend Chamber of Commerce, stated the importance of looking forward and focusing on factors that drive success. Brooks supported the analysis of overlapping sectors, overlapping interests and connectivity in resources. Brooks encouraged considering durability over time, and stated the importance of shared resources and interconnectivity. Brooks warned that the incubation entrepreneurial stage is very fragile.

Member Taylor asked what role the City can play using the data presented to promote the target sectors.

Brooks responded that it is important for the City to work with other partners, such as the Bend Chamber and Economic Development for Central Oregon (EDCO). The City should consider how economic development intersects with housing and infrastructure needs, and how the City can work with recruiting partners to make an attractive environment.

Ex officio Don Myll, Bend Area Director at EDCO, referenced a report on mountain towns that identified Bend as good at diversifying. Myll suggested the City identify what it's doing well that it can do more of, and what it can improve upon. Myll cited land as one of the biggest barriers to economic development. Myll observed that the target sectors identified in the report are not new to Bend, and that the City and partners will need to take a tactical approach to support the target sectors.

Syrnyk clarified that all data from the Bend Sector Analysis report will be used in the City's Economic Opportunities Analysis, which will consider supply of land for employment. The City will use trends data to help inform estimates on how different industries use land, which will inform infrastructure planning and coordinating with partners, such as electricity and broadband providers.

Mooney stated that as a next step, Urban Renewal Project Manager Jonathan Taylor will discuss how target sectors play into Urban Renewal.

Vice Chair Judd raised questions about visioning and suggested an intentional discussion to identify a vision and a timeline.

Member Taylor suggested using the Envision Bend's Bend Vision Project as a starting place for vision considerations.

Mayor Pro Tem Megan Perkins, Council Liaison to BEDAB, expressed support of a vision and visioning timeline, and supported bringing this suggestion to Council.

Jeff Knapp, CEO of Visit Bend, commented that he has worked on target sectors in his previous city and views the City's role as working on policy and identifying partners who will build strategies around the policy. Knapp encouraged partners to create business plans to reflect BEDAB's recommendation.

On behalf of the Bend Economic Development Advisory Board, Member Manfrass moved to recommend that the proposed Target Economic Sectors, as presented in the presentation given to BEDAB on March 3, 2025, be adopted by the City Council for purposes of the Bend Urban Renewal Investment Strategy and future economic development planning efforts. Member Taylor seconded the motion.

The voice vote passed 7-0.

Yes: North, Speirs, Manfrass, Taylor, Kroncke, Andrews, Booker

No: none

Abstain: Judd

Vice Chair Judd stated that he abstained because he felt the recommendation should include a visioning aspect.

Vice Chair Judd moved that BEDAB recommend to Council to have a specific timeline and vision statement related to the Economic Development Strategy. Member Taylor seconded the motion.

The voice vote passed 8-0.

Yes: North, Speirs, Manfrass, Judd, Taylor, Kroncke, Andrews, Booker

No: none

5. Tax Increment Assistance Programs and Economic Development Planning | Urban Renewal Project Manager Jonathan Taylor, Business Advocate Cyrus Mooney

Slides on 2025-2027 Investment Strategy included:

- 2025-2027 Investment Strategy
- The 2025-2027 Investment Strategy is intended to provide short-term guidance for the Bend Urban Renewal Agency (BURA) on the deployment of resources in tax increment investment areas
- Guiding Principles
 - Strategic, Sustainable, Measurable, Aligned
 - Focus on investments: Housing Development, Entrepreneurial Development, Infrastructure, Business & Land Development, Beautification & Enhancement
- Housing Development
- Entrepreneurial Development
- Infrastructure
- Business & Land Development
- Beautification & Enhancement
- Administration
 - Governing Documents Update
 - Explore Expanding Advisory Group Focus
 - North Employment Area Investment Analysis (April – October)
 - Expand Target Sector Analysis (Supply Chain Focus)
- Area 1 & Area 2 [map]
- BEDAB Work Schedule
 - March 3/20 – Overview, General Comments
 - April 4/7 – Business & Land Development, Entrepreneurial Development, Infrastructure
 - May TBD – Investment Strategy Summit
 - June 4 – BURA Adoption

Assistant City Attorney Elizabeth Oshel, Taylor, and Grayson explained what BURA is and how it relates to Council.

Taylor outlined next steps. At the next meeting, BEDAB will receive more information on the three primary areas that BEDAB will focus on and will discuss goals and policy. BEDAB's feedback will be included in the investment strategy or in the larger economic development strategy.

Slides on Site Specific Program:

- Site Specific Program
- Economic Summary of Proposals

- Proposed projects will result:
 - 893 residential units with 153 with rents restricted for households earning 90% AMI or less.
 - Contributes to 12% of OHNA 5-Year Goal
 - Construction will generate \$173 million for the local economy
 - Reduced rents saving households \$10.1 million* (2025\$).
 - All projects meet the enhanced policy for assistance >12 years.
 - 3 new TIF districts, 1 project in the Core Area TIF.
- BURA and Council Actions to Proceed
- Community Need
 - 8 out of 10 occupations and 50% of households can not adequately afford rent of a multifamily unit in Bend.
 - Bend will need 33,000 housing new units in specific AMI ranges over 20 years.
- Oregon Housing Needs Capacity (2025-2030) [graph]
- Contributes to 12% of 5 Year Goal (OHNA 2025-2030) [graph]
- Bend's Development Need
- 2025 Financial Rates Impact [2019 v. 2025]
- Construction Materials Impact (Tariffs) [graph]
- Encouraging living wage jobs that reduce housing cost burdens
 - Housing tax incentives
 - Employment/Wage Tax Incentives
- Key Policies
 - Housing Base
 - Housing Enhanced
 - Jobs Policy
- Round 1 – Site Specific [map]
- Century Housing Opportunity Area
 - Proposed Location [map]
 - Century Project 1
 - Details
 - Century Project 2
 - Details
 - Recommended Investment & Economic Impact
- Britta Ridge Housing Opportunity Area
 - Proposed Location [map]
 - Details
 - Recommended Investment & Economic Impact
- Veridian Housing Opportunity Area
 - Proposed Location [map]
 - Details
 - Recommended Investment & Economic Impact
- Project Platform
 - Proposed Location [map]
 - Details
 - Recommended Investment & Economic Impact
- Summary of Projects [chart]

Taylor clarified that to qualify, projects must remedy blight and provide more affordability. The City's purview is to generate overall economic impact and affordability. All projects that applied in the first round of applications qualified and were included in the presentation. The City will have one more round of applications later this year, after which BURA will review the policy and decide whether to keep, modify, or disband the policy.

Ex officio member Gould felt that the policy is not aggressive enough to deal with Bend's affordable housing crisis.

Taylor explained that the primary goal of this policy was to get units constructed and help stabilize rent and reiterated that BURA will review the policy and determine if they would like changes to be made.

Vice Chair Judd moved that BEDAB recommends the establishment of the new TIF areas presented at their March 3, 2025 meeting. Chair North seconded the motion.

The voice vote passed 6-0.

Yes: North, Speirs, Manfrass, Judd, Taylor, Booker

No: none

Members Andrews and Kroncke left the meeting before the vote occurred.

Vice Chair Judd moved that BEDAB recommends the approval of Project Platform presented at their March 3, 2025 meeting. Member Manfrass seconded the motion.

The voice vote passed 6-0.

Yes: North, Speirs, Manfrass, Judd, Taylor, Booker

No: none

Members Andrews and Kroncke left the meeting before the vote occurred.

6. Electrification Joint Meeting Recap | BEDAB Members Gary North, DaWayne Judd

Postponed to next meeting due to lack of time.

7. Roundtable and Future Topics | Group

Postponed to next meeting due to lack of time.

8. Adjourned at 3:07 p.m.

Respectfully Submitted,

Ashley Bontje
Deputy City Recorder



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