



CITY OF BEND

Meeting Minutes

Bend Economic Development Advisory Board

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

Date: Monday, April 21, 2025

The meeting of the Bend Economic Development Advisory Board was called to order at 12:01 p.m. on Monday, April 21, 2025, in the City Council Chambers, 710 NW Wall Street, and online.

Roll Call: Gary North (Chair), DaWayne Judd (Vice Chair), Briana Manfrass, Mark Kroncke, Jillian Taylor, Jenn Lynch, Ryan Andrews (online), Tierney Booker (online)

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

Councilor Perkins-Council Liaison

Absent: Petra Orosanova, Katy Brooks (ex-officio)

1. Approve April 7, 2025, Meeting Minutes

Member Manfrass moved to approve the April 7, 2025, BEDAB Meeting Minutes. Member Kroncke seconded the motion.

The voice vote passed 8-0:

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

No: none

2. Public Comment

None

3. Council Liaison Report | Mayor Pro Tem Megan Perkins, Senior Management Analyst Cassie Lacy

Mayor Pro Tem Megan Perkins summarized the Transportation Utility Fee (TUF) conversation that occurred at the April 16, 2025, City Council meeting. Council decided on following the majority of

BEDAB's recommendations, moving childcare to a different bin, fully doubling the lodging rate, and settling on the "middle ground" of 56%/44% for the residential/non-residential split. This decision will be brought to the business community at the upcoming stakeholder meetings.

Lacy summarized the Electrification conversation that occurred at the April 16, 2025, City Council meeting. Lacy presented staff's proposal, which included three steps:

1. Launch an outreach and education initiative
2. Spend the next year developing an incentives program
3. Continue to monitor litigation around regulations; do not move forward with regulations at this time

Lacy reported that Council was supportive of the plan but added a priority of exploring a fee for natural gas appliances in homes, similar to the ordinance recently passed in Ashland, Oregon. Lacy confirmed the intent to seek input from a joint committee (which will include BEDAB representation) and stakeholders to develop an incentives and fee program, but may need to adjust the process to accommodate the new direction from Council. Lacy will finalize the scope with Council at an August work session.

Chair North stated he is currently collecting data on electrification costs and found high-level data that shows electrification poses a \$8-10k cost increase to single family starter homes. Chair North noted that the City Attorney in Ashland is worried about the way the ordinance was passed and that North and BEDAB members will continue to gather cost data for future conversations.

Lacy pointed out that the Ashland ordinance was passed but is not yet in effect. Ashland's model targets new residential development, but the City has not yet decided on the scope of a potential fee.

Chair North expressed concern over the added cost to housing and would like to keep housing costs top of mind.

Lacy confirmed that staff is planning on maintaining the timeline presented to Council on April 16, 2025.

4. **Development Activity and Permit Fee Update** | Community and Economic Development Director Colin Stephens, Senior Management Analyst Roger Serad

Slides included:

- CEDD Funds Update Q4 FY25
- Permitting Timelines
 - New Residential Construction Applications [graph]
 - Residential New Construction Average Days to Complete First Review [graph]
 - Residential New Construction Average Days to Permit Issued [graph]
 - Commercial New Construction Average Days to Complete First Review [graph]
 - Commercial Building Applications Average Days to Permit Issued [graph]
 - Tier 3 Right of Way Average Days to Complete First Review [graph]
 - Type 2 Planning Application, Average Days From Completeness Date to Issuance [graph]
- Current Fee Increase Schedule [chart]

- Building Safety
 - Building Safety – Projection on Q1 FY25 [graph]
 - Building Safety – Year End (YE) FY25 Q1 FY25 vs. Current Projection [graph]
 - Building Safety – Projection as of Q4 FY25 [graph]
- Private Development Engineering
 - Engineering – Projection on Q1 FY25 [graph]
 - Engineering – YE FY25 Q1 FY25 vs. Current Projection [graph]
 - Engineering – Projection as of Q1 FY25 [graph]
- Planning
 - Planning – Projection on Q1 FY25 [graph]
 - Planning – YE FY25 Q1 FY25 vs. Current Projection [graph]
 - Planning – Projection as of Q4 FY25 [graph]

Stephens stated that permit rates, particularly residential, were fairly steady as compared to last year.

Slides included:

- Planning Fee Recalibration Project
- Agenda
 - Note: Staff is not seeking direction or a motion from BEDAB today. This is an informative update; however, Staff is always open to feedback and suggestions
- Summary of Findings
 - Staff analyzed 23 of the highest volume Planning permits. (~70% total volume)
 - 6 of the top 10 Permits were underpriced (~50% total volume) Creating mini-deficits that snowballed to large shortfalls.
 - One-Time Fee Adjustment in the range of 8-14% on July 1, 2025, is needed to recalibrate fees.
 - Final adjustment % is still being finalized by Staff.
 - *Original Plan: 10% on July 1, 2025, and 5% on January 1, 2026*
 - Recalibration should significantly improve the long-term financial sustainability of Planning.
 - Estimated Annual General Fund Support: \$250,000
- Planning Fund – Current State as of Q4 FY25 [graph]
- Planning Fund – Recalibrated Fees [graph]
- Historical Context
- 2014 & 2019 Ordinances
 - In 2014, the Bend City Council directed staff to prepare Bend Code Amendments to allow for the General Fund to pay for the following:
 - City-initiated Code amendments, such as the Development Code Tune-Up project
 - Pre-application meetings
 - 50% percent of the cost of the Planning Division's general services.
 - 50% of Sign Code Application Fees
 - In 2019, the Bend City Council suspended the General Fund's support for these services.
 - The Planning Fund, with approx. 15 months of reserves was to "absorb the reduction in revenue through a decrease in ending reserve balances."

- 2019 to Present
 - The Planning Fund has operated in a shortfall every year since 2019, except for 2022, burning through over 10 months of reserves in 5 years.
 - Shortfalls ranged from \$500,000 - \$1.2M per year
- Internal Fee Study Process
 - Staff innovated and internally recreated and improved on the methodology used in the fee studies that were performed in 2014 and 2022.
 - Rebalanced the fee schedule based on updated codes, state laws, and actual time worked.
 - Applied an updated direct labor hourly rate to the updated time per fee.
 - Identified any unbalanced fees that need adjusting.
 - The study's anticipated completion date is May 26, 2025
- Insights and Actions
- Insights
 - General Fund Support for Planning is Necessary for Solvency.
 - Planning will likely always operate in a slight shortfall.
 - Staff is evaluating a sustainable funding model between Planning and the General Fund.
 - Pre-Application Meetings, Code Updates, and Front Counter Services are Mutually Beneficial to the City and Community.
 - These services significantly improve application quality, turnaround time, and helps build good relationships with developers and community members
- Actions
 - The Fee Study results, proposed FY26 Fee Schedule, and projected on-going fee increases will be presented to City Council at the Work Session on June 4th, 2025.
 - Staff will evaluate workload per planner to ensure optimal staffing levels for permit turnaround times.
 - After Planning's study is complete, Staff will analyze Private Development Engineering and then Building Safety fees.
 - The goal is to go back to annual fee increases, linked to Expenditure and Personnel cost inflation.

Stephens and Serad provided the following clarifications:

- Planning fee adjustments will target those that are in need of an increase.
- The deficits identified were not large, but they add up to a significant amount in high turnover permits. Staff does not expect adjusted permit fees to increase drastically.

5. **Economic Development Strategic Plan Framework & Decision Points** | Business Advocate Cyrus Money and Urban Renewal Project Manager Jonathan Taylor

- Focus Group
 - 20 members
 - Entrepreneurship
 - Business Recruitment
 - Business Retention
 - Workforce Development

- Social infrastructure
- 3 meetings
 - June 10
 - July 10
 - August 28
- Facilitation
 - SSW Consulting
- Focus Group – Entrepreneurship
 - Small Business – Downtown Area
 - Small Business – Core Area
 - Small Business – Minority Owned Business (MOE)
 - Identify the top 10 and go through request and approval process
 - Central Oregon Innovation Hub
 - Bend Chamber of Commerce
- Focus Group – Business Recruitment Reps
 - Industry Recruited in Last 5 Years
 - Identify the top 5 and go through request and approval process
 - Pacific Power
 - Economic Development for Central Oregon (EDCO)
- Focus Group – Business Retention and Expansion Reps
 - Target Sector Industry – Manufacturing (Metals and Machinery)
 - Target Sector Industry – Advances Manufacturing (Bioscience or IT)
 - General Industry – Healthcare (non-traded)
- Focus Group – Workforce Development
 - OSU – Cascades
 - Central Oregon Community College
 - East Cascades Works
- Focus Group – Social Infrastructure Reps
 - Cascade East Transit
 - Visit Bend
 - Core Area Advisory Board Member
 - Environmental and Climate Committee Member
- Stakeholder Interviews
 - 100 interviews (GOAL)
 - 75 with top employers (private employers)
 - 25 with new Quarterly Censes Employment Wages (QCEW) businesses

Taylor stated that Vice Chair Judd agreed to reach out to MOE community and will identify potential MOE businesses for the focus group by June 2025.

Taylor clarified that the Affordable Housing Advisory Committee (AHAC) was asked if they would like to participate, but determined that they do not currently have the capacity to join the focus group and will participate when they are able.

Mooney and Taylor asked for volunteer for stakeholder interviews.

Member Taylor, Gould, and Vice Chair Judd volunteered to support stakeholder interviews.

Member Lynch and Vice Chair Judd volunteered to compile list of recommended stakeholders to interview.

Ex-Officio Don Myll asked why the entrepreneurial businesses were limited by geographic area (Downtown and Core Areas).

Taylor responded that BEDAB can direct staff to create a broader entrepreneurship workgroup, including small businesses in general. Taylor stated that staff identified the two areas (downtown and Core Area) because the City hears many concerns, including development and parking concerns, from downtown businesses, and the Core Area is a primary goal for Council.

BEDAB members expressed concern over limiting the small business focus group representatives to geographic areas and not including industries identified as target sectors.

Taylor suggested removing “Downtown” and “Core Area” and including any small business.

Mooney identified next steps:

- Mooney and Taylor will draft a list of 20 different partners reflecting discussions at this meeting
- Member Lynch, Member Taylor and Vice Chair Judd will provide input on the drafted list
- BEDAB will be asked to vote to approve the list at next BEDAB meeting

Ex-Officio Jen Gould agreed to move to the stakeholder interviews volunteer group.

Member Manfrass moved to approve the solicitation by Jonathan and Cyrus, as presented by staff.
Member Taylor seconded the motion.

The voice vote passed 8-0:

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

No: none

6. Roundtable and Future Topics | Group

None

7. Adjourned at 12:22 p.m.

Respectfully Submitted,

Ashley Bontje
Deputy City Recorder



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