

Meeting Minutes

Bend Economic Development Advisory Board

Location: Council Chambers, City of Bend, 710 NW Wall Street

Date: September 8, 2025

Time: 12 p.m. – 2 p.m.

12 p.m. Bend Economic Development Advisory Board (BEDAB) Meeting

Called to order at 12 p.m.

Roll Call: Gary North- Chair, DaWayne Judd- Vice Chair, Briana Manfrass (online), Mark Kroncke (online), Jillian Taylor, Jenn Lynch, Tierney Booker (online), Chad Schlottmann, John Evons

Chad Young, **Sara Odendahl**, Jennifer Gould, Nate Wyeth, **Don Myll**, **Mike Richards**- Ex Officio

Mayor Pro Tem Perkins-Council Liaison

Absent:

1. Public Comment

- Ian Karasz from Bend YIMBY speaks about having neighborhood commercial areas, pro mixed commercial give residents resources in walkable distance, builds, community/connectiveness reduces bills and need for cars.
- David Burger with UA Local 290 Plumbers and Steam Fitters speaks about the Bend Electrification Process. Requests self or building trades are involved in this process.
- Chris Piper speaks about Invest Bend. Former Bend Councilor, board member. Bend must prioritize and involve marginalized businesses; econ development involved region and Central Oregon collaboration.
- Mike Richards, Ex-Officio, introduced self, with St. Charles health system.

2. Council Liaison Report | Mayor Pro Tem Megan Perkins

- Recap of 9/3 Council meeting



- Dick Tobiason spoke about Medal of Honor Highway, celebration coming
- Constitution week proclamation
- Welcoming week proclamation
- HREC workplan, how to integrate work throughout Council work, for example electrification, getting committees involved
- Work session this week at 4 p.m., intended to talk about legislative session, but no info yet as no decision made. Also, transportation fee and transportation fee for BPRD, and parking districts
- Wednesday 9/17: Council meeting 6 p.m. police contract for automated traffic enforcement, TSSA update, come to consensus for joint meeting with County
- Work Session 9/24 at 4p.m. on midtown crossings discussion, and private development engineering review.
- Joint meeting with County 9/29, 4-6 p.m., will cover Juniper Ridge, landfill and solid waste franchise agreement.

3. Electrification Policy Options and Joint Committee Process | Senior Management Analyst Cassie Lacy & Business Advocate Cyrus Mooney

Ms. Lacy: The Environment and Climate Committee reviews policy options and makes recommendations to Council. Regarding electrification, the ECC recommended direction to pursue a fee, eliminate natural gas from new buildings as it's more cost effective than retrofitting, incentives for converting existing buildings. Council directed staff to further engage with BEDAB and others regarding recommendations.

Workplan shared with BEDAB in February: Ongoing education and outreach via newsletters and website, energy navigator paused, so will focus on incentive/disincentive strategy development, continue to monitor regulatory pathways for gas restriction, including fee for electrification disincentive. Revenues used to create incentive program. April Council direction: fee is foundational aspect of this.

Shared metrics on # of new construction applications with and without gas hookups to help determine baseline for Bend.

Highlighted:

- Large majority of all new construction uses gas in Bend, most predominantly single-family homes. Small residential use gas majority of time.
- Only residential type that is predominantly all electric is large multi-family
- Commercial data not entirely accurate b/c permit data captures an earlier stage of development before gas hookup, but believe a majority of commercial does use gas.

Trends in Residential building types:

- 95% of single-family use gas 2020-2024
- 12% of multi-family applications in last five years have used gas
- 88% of townhomes use gas
- 76% of new duplexes use gas

Important to note because cities with similar fees have very different baseline. Our fee would impact a large portion of construction.

Several policy decisions that need to be considered in order to develop fee program:

- Fee Purpose: What is the goal? (revenue generation vs. behavior change)
- Fee Design Factors: What should be included? (social cost of carbon, appliance emissions, home size/climate impact, market electrification costs)
- Incentive Definition: How should we encourage electrification?

Council will help define purpose, then begin public engagement – Joint committee will help shape how the fee comes together. Three members are needed from each the ECC , AHAC and BEDAB. Will include Ex-Officios from Cascade Natural Gas, Pacific Power, and Central Electric Cooperative. Additional development/industry and environmental stakeholder roundtable as needed.

Focus engagement on fee structure and incentive program design and fund use.

Expect at least 6 months of joint committee meetings.

Next steps:

- Council check-in on overall goal, October 22, 2025
- In procurement process for a consultant with experience in these types of fee development
- Start Joint Committee meetings in November 2025
- Would like to have recommendation for Council in Spring 2026.

Vice Chair Judd – Joint Committee will need to consider comments and topics from developer community. Want to know if the fee is an effective disincentive/punitive measure – look at other examples.

Lacy referenced Council presentation made in August. There are very few other policies like this, 2 in existence, Ashland OR (not in effect until Jan. 2026), Burlington VT went into effect in Jan. 2024, no fee issued as all developers have complied. The existing policies don't directly apply and there isn't a lot of information developers can provide. Fairly novel policy.

Regarding potential lawsuits:

Lacy responded that we are working with our legal team, and has given relative risk information to Council, which has decided to continue to move forward. Those issues Judd raised are not at question now, Council has decided to move forward.

We will have conversations with developers while we move through the process, not before October 22.

Judd – Regarding single-family homes being largely gas – what is value chain in decision? Recommend developing a communication process so that developers voluntarily switch from gas to electric.

Lacy – This is part of work plan and why we start with outreach and education, doing modest work to get people to make that switch voluntarily due to the City providing information. More meaningful part through energy navigator program.

North – Disappointing that Council is pushing for additional fees w/o having information we asked for, example cost associated with electrification. Does the State have any initiatives that align with this or a matching program? Doesn't want all costs to be borne by consumer, as it will not help with affordability in Bend. October meeting, what are they deciding?

Lacy – In October – will discuss what is the goal of the fee, driving behavior change or raise revenue, or something in between. Ashland model has people pay for social impact with the social cost of carbon. Lacy will outline pros and cons with different options.

Lacy –Confirmed Joint Committee will respond to Council's decision.

Taylor – Recommends including stakeholders as early as possible to understand downstream consequences because it is a novel policy. Ex open forum of those impacted up front, early in the process

Judd – how will we measure the success of a disincentive, and important to be honest with Council if we don't have data.

Kroncke – Expresses concerns over cost of electrification and potential legal implications.

Lacy – Notes that legal issues are much more over regulatory paths, not fee. Fee is lower risk than other options. We will gather more data as we move forward. This will be a process.

Judd – It is important to define problem the Council is trying to solve and ask if we are going about it the right way. There may be other avenues to address the issues.

Evons – If info on commercial is inaccurate, commercial may be the bigger contributor, rather than single-family. If Council is trying to reduce net usage, may use different metrics than # of permits.

Lacy – We do have data on overall consumption of natural gas residential v. commercial. Residential is a little larger, 28%, while commercial is 20%. Recommended focus on residential due to complexity of commercial, and based on overall emissions data, residential is a larger energy consumer. Commercial discussion would happen later, if it happens.

Evons – Quantity of new home building/development, education now would be essential. Feels that education navigator is a higher priority. This is the time to make the largest impact.

Schlottman – Regarding long range fee impacts, are we considering the long range impact of energy cost associated with 2 options, and why do more people buy gas? We need to ask what is the extra cost per home owner for heating?

Lacy – City will be looking into this. Hope consultant can provide clearer data on costs.

Three decisions for Board – 1.) Regarding public comment regarding trades representative be included in the committee structure? Dave – requested trade representative in joint committee structure as ex-

officio. Would BEDAB like to recommend that. Yes – see Judd’s proposal below. 2.) Regarding development community – when to bring those voices into the mix? BEDAB is interested knowing the impact of the fee on housing costs and on homeowners. 3.) Who in BEDAB is considering participating in the Joint Committee? Will need to speak more with Cyrus.

Regarding Q1 - Judd: BEDAB proposes to have an ex-officio seat on the Joint Committee for the Trades group.

In favor: Members North, Manfrass, Kroncke, Taylor, Lynch, Booker, Schlottmann, Evons

Opposed: None

4. Neighborhood Commercial Presentation | Kristin Reidelberger, Central Oregon LandWatch and David Welton, Chapter Lead with Bend YIMBY

Reidelberger: Shares current code and reiterates that neighborhood commercial does exist in residential code under non-residential uses, like schools or parks. Vast majority currently focus on historical, wants to focus on bringing more commercial aspect to residential neighborhoods. Code recommendations: broadening 1.) allowed building types such as live-work, 2.) permitted and conditional uses, and 3.) siting standards.

Other objectives: annual reviews, exploring incentives (subsidized rent for a time, ADA ramps, bike racks), and community outreach/education.

Would like Council to review at work session and then get Council direction on code amendments, outreach and commitment to annual check-in.

Possible short-term items: live-work units, broadening uses and standards, and annual reviews. Mid-term: ACUs, outreach and awareness, incentive, Growth Plan

Questions for BEDAB: Poses four questions related to presentation topic.

Board can weigh in now and discuss more in future meeting. Economic prosperity goal related to this is called out. Planning staff have a FTE to do code amendments with already robust portfolio, so balance needed.

North: Interested in knowing more about actual barriers. How many people would take advantage of this?

Kronke: Any unfair impact on commercial areas/those that need to comply with commercial rules?

Reidelberger: Haven’t dived into that. These are unique in that in car-heavy areas.

Judd: What are the primary locations under consideration? Or is this city-wide. Timeframe? Will you phase this?

Reidelberger: City wide but lack of this on the East side. Short-term early next year, mid-term more research needed. Phases are a good idea.

Discussion on what ACUs are, including food trucks.

5. Invest Bend Update | Economic Development Officer Katy Brooks, Urban Renewal Project Manager Jonathan Taylor, Business Advocate Cyrus Mooney

Brooks: Overview of Economic Development Program and Invest Bend and how fit into Council Economic Prosperity Goals. Comprehensive plan specific to Bend, having the right people and policies. Implementation of urban renewal investment strategy.

Economic Development Program: Informs policy, investments in infrastructure, business relations, business development, planning, development navigation (permitting), housing, with commercial component. Bend Urban Renewal is a separate board from the Council.

Invest Bend is an economic development strategy supporting four areas: BURA, Contracted (Destination Management, Traded Sector Business Recruitment, economic advocacy), Partnerships (workforce development, education, funding and infrastructure, housing) and the Economic Development Team (start up support, small business support, commercial development, industrial development, housing).

Will measure our progress using metrics. Working on internally and taking input from stakeholder groups. Will look at GDP, number of people leaving Bend, quality of life, interest rates, etc.

Next steps: Will present to Council in October, so now completing stakeholder interviews, focus group, will draft report for Council. Revise based on feedback and back to Council in December.

BEDAB: Regarding investment strategy, how does Bend compare with similar size cities?

Brooks: City is speaking with peer cities and cities of similar size and qualities. Strategy begins with industry sectors and will be specific to our market. Incentivization is low because of State issues. Nikes, Columbia and others came along awhile ago, but new is different. Need to do the best with what we have.

6. Roundtable and Future Topics | Group

BBC pitch – 18 Oregon companies gave three minutes pitches then take questions. Narrowed to 10 companies who will present at Pub Talk. Of 18 companies, nine were from Bend. From top ten, three or four are from Bend.

Judd- Will bring BEDAB up to speed on August 28 meeting: Economic development professionals and business owners spoke about contributions to investment strategy. Requests time at next meeting to review and discuss stakeholder conversation. Cyrus will share notes with BEDAB.

7. Adjourned at 2:07 p.m.

Respectfully submitted,

Ashley Bontje, City Recorder



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