



CITY OF BEND

# Minutes

**Bend Economic Development Advisory Board (BEDAB)**

**Monday, August 5, 2024**

**Hybrid Meeting: Council Chambers or via Zoom**

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## Noon      **BEDAB Meeting**

**Roll Call:** Briana Manfrass- Chair, Gary North, Petra Orosanova, Jillian Taylor, Jenn Lynch, Ryan Andrews, Tierney Booker

Sara Odendahl, Katy Brooks, Nate Wyeth, - Ex Officio

Councilor Perkins-Council Liaison

Introduction of all BEDAB Committee members including the two newest members, Jenn Lynch, Portland Seed Fund and Jillian Taylor, Business Consultant and Executive Coach.

### 1. **Approve June 3 Meeting Minutes**

Gary North made a motion to approve June 3, 2024, Briana Manfrass seconded.

Unanimously approved.

### 2. **Public Comment**

No Public Comment.

### 3. **Site Specific Tax Increment Financing | Matt Stuart**

Matt Stuart explained that Tax Increment Financing (TIF) is where you identify an area or site along with new development that increases the tax base. The new TIF district takes that increase in taxes and reinvests it into projects, programs, and other things within that TIF. Currently, there are three existing TIF districts, Juniper Ridge which is more commercial industrial, the Core Area, and Murphy Crossing.

TIF is a tool that can be used throughout the city. TIF is regulated by State statutes. TIF is overseen by the Bend Urban Renewal Agency (BURA).

The goal is to lower rents and encourage good paying jobs. The approach to remedy this issue is Housing Tax incentives that encourage multifamily developments to provide more affordable units and Employment/Wage tax incentives.

#### **Recommendation:**

- To identify any new projects
- If you want to opt in for this program, you will need to provide 15% of those units to be at or below 90% of the AML.
- The amount of rent they would increase year over year would be lower than statutory requirements.
- 10-year minimum tax rebate to include a mix of studios, one-, two- and three-

bedroom units.

Looking at “Good Paying Jobs” policy with an annual rebate. Create at least 5 new jobs with average annual salary of \$72K.

***Committee discussion:***

**This is different than MUPTE, the building owners in the TIF will still pay the full tax amount and then they will get some amount rebated back later in the year?**

- With TIFF you freeze the base, whatever taxes you are paying today that would stop. That amount of tax dollars would continue to go to all the different jurisdictions. Once your project comes in your tax bill would go up because you have made improvements, that increment goes up. That is what we could rebate. Of that increment about 80% can be rebated back to you. MUPTE was a full tax exemption, so it included bonds and levies TIF, with this program, will exclude those.

**You are looking for developers to say, “this might benefit me” and then you would run all the scenarios before you are too far into it.**

- Yes, it is critical to come to us before you start any groundbreaking to get locked into the lowest possible tax rate, and then you can generate the most amount of increments.

**Does the 15% restriction equate to the 80% potential rebate?**

- Yes, the 80% would be the max we could rebate year over year if you are meeting the minimum. Where the sliding comes in if you were to do 30% of the units instead of the 15%, we would look at giving you a 15-year rebate package.

**Are these policy level approvals or are applicants going to have to present to the taxing districts?**

- No, you are going to apply to BURA staff, which will be Jonathan Taylor, Allison Platt and someone from Housing who will then review the applications and work with the applicant on producing whatever a package looks like. If it is not an existing TIF, we would make a recommendation to adopt a new TIF Plan, BURA would then say Yes or No. There is no obligation of the applicant to make any presentation, which would be on staff to meet with the taxing districts.

**Do you have any potential applicants in the pipeline? Anyone that is waiting for this program?**

- Yes.

Matt Stuart explained that the Stewardship Committee suggested incorporating Energy Efficiency into the policy. They are looking to adopt the policy August 21, 2024, to capture the tax and roll it out in January.

**MOTION:**

**Jillian Taylor, BEDAB Member, made a motion to write a letter adding the following bullet points to recommend to City Council:**

- Start with broad requirements-see what the market offers.
- Don't overcomplicate the process in this first phase, BEDAB doesn't

**recommend including the sustainability component.**

- **Provide a status report to BEDAB on program activity, barriers to participation, basic metrics after the first window is closed, ideally August 2025.**

**Ryan Andrews seconded.**

**Briana Manfrass, Gary North, Petra Oroslanova, Jillian Taylor, Jenn Lynch, Ryan Andrews, Tierney Booker Yes-7 No-0.**

#### **4. BEDAB Visioning and Goals | Ben Hemson**

Ben Hemson recapped how the Target Sector Analysis is the foundation for both the Economic Opportunity Analysis EOA and the Economic Development Strategy.

Council goal to have an Economic Development Strategy adopted by the end of quarter 2 of 2025, with Target Sector Analysis wrapping up by the end of 2024 with the EOA moving in lockstep. Incentive Draft policy will be adopted this year and then come in later Q4 and plug in those Target Sectors that we identify.

Goal is to create Strategic Plan. Ben Hemson went on to discuss what should be in that plan. What are the problem statements that we need to address from an economic development perspective in the next 5, 10, 15 or 20 years? Then we start thinking about goals, then objectives and finally you get into action and strategies and where you invest money or staff time.

Committee member suggested starting with a conversation around our visions for the preferred future, rather than diving into issues. What are we trying to create? The desired outlook? Opportunities.

Allison Platt recommended sharing with BEDAB the Eco NW State memo that shared State and National Economic Trends that we are seeing along with the Envision Bend section.

#### **5. BEDAB Sub-committees | Cyrus Mooney**

Cyrus Mooney discussed the desire to develop two different subcommittees:

- Advocacy subcommittee-to have more in depth detailed conversations that are both city and externally related. Bringing in subject matter experts. Examples: temporary signage in various parts of town. Other business community members could be invited to participate. This would be good exposure to how BEDAB works.
- Budget & Sponsorship committee-BEDAB has a \$9K sponsorship budget they give out annually through an application process. This committee would review those sponsorship applications, provide recommendations to BEDAB and how they think they should get allocated. Historically this allocation has gone out annually. There is opportunity to do this bi-annually or quarterly and give BEDAB more direct oversight into the application process and allow more time to process those applications and to get the word out.

Recommendation for both subcommittees is to have three to four BEDAB committee members and they serve as recommendation bodies to BEDAB.

Jillian Taylor wants to be on the Budget & Sponsorship Committee.

Briana Manfrass and Tierney Booker, interested in being on the Advocacy subcommittee.

## **6. Roundtable and Future Topics | Group**

- Parking Policy update is currently working its way through Council, Ben Hemson to share with BEDAB.
- Permitting update from Colin Stephens, CEDD Director slated for October.
- Fee increases.
- Electrification topic. A consultant team has been brought on board, when there are results, they will be invited to speak to BEDAB.
- New State tax being proposed, measure 118. It came from initiative proposal 17. It is a 3% tax on any company that earns \$25M or more in the State of Oregon on gross receipt. This is on top of the corporate activities tax in place in the State of Oregon.

## **7. Adjourn 1:49pm**

**For a recording of this meeting click on the link below:**

**[August 5,2024](#)**

### **Upcoming Meetings:**

**August 7:** Bend City Council | Council Chambers, 5 pm | Hawthorne Bridge Alternatives (Work Session)

**August 14:** Bend Urban Renewal Agency | Council Chambers, 5 pm | Adopt Site Specific TIF Policy