

BURA Resolution No. 162

A RESOLUTION OF THE BEND URBAN RENEWAL AGENCY AUTHORIZING STAFF TO SEND THE BRITTA RIDGE TAX INCREMENT FINANCE PLAN OUT FOR FORMAL PUBLIC REVIEW

Findings:

- A. The Bend Urban Renewal Agency ("BURA"), as the duly authorized and acting urban renewal agency of the City of Bend, Oregon, is authorized to undertake certain redevelopment activities in designated areas within the City of Bend pursuant to ORS Chapter 457.
- B. Between January 2024 and September 2024, staff held sessions with BURA, the Bend City Council and Stewardship Subcommittee, the Affordable Housing Advisory Committee, Bend Economic Development Advisory Board, Core Area Advisory Board, Economic Development of Central Oregon, Bend Chamber of Commerce and local housing and economic developers on developing a policy regarding creation of new tax increment finance ("TIF") areas or development incentives within existing TIF areas to support projects that would create new housing units and employment opportunities.
- C. On October 16, 2024, BURA adopted Resolution No. 158, establishing a Policy on Tax Increment Assistance for Housing Affordability and Employment Growth (the "Tax Increment Assistance Policy"), which set out a policy for creation of new tax increment finance areas and development assistance within existing tax increment finance areas for projects that provide housing and employment meeting the goals of the policy.
- D. BURA finds that, consistent with the provisions of ORS Chapter 457, housing production and employment development are redevelopment activities that contribute to the public health, safety, and welfare of the community.
- E. On January 7, 2025, JKC Britta Ridge LLC ("Applicant") applied under the Tax Increment Assistance Policy for creation of a TIF area for a 6.16 acre site that includes currently vacant land at 20300 Halfway Road, Bend, Oregon 97703 (the "Site"). Applicant has land use approval from the City of Bend for a multi-unit apartment complex at the Site.
- F. On February 19, 2025, BURA directed staff to draft a tax increment plan and report consistent with ORS 457.085 and ORS 457.087 for creation of a TIF area for the purposes of providing development assistance as an urban renewal project for Applicant's housing project at the Site. BURA heard from staff about the existence of blight on the Site, and defined by ORS 457.010, and how the rehabilitation and redevelopment activities on the Site are necessary to protect the public health, safety or welfare of Bend and will remediate the blighted conditions by creating additional housing units at market-rate and rents affordable to households making 90% area median income or less.

G. Based on this direction, staff has prepared the Britta Ridge Tax Increment Finance Plan (the "Plan") and Britta Ridge Tax Increment Finance Plan Report (the "Report"), attached to this Resolution as Exhibit A and Exhibit B respectively (together, the "Plan and Report"), for BURA consideration.

Based on these findings, THE BEND URBAN RENEWAL AGENCY OF THE CITY OF BEND RESOLVES AS FOLLOWS:

Section 1. Pursuant to ORS 457.089, BURA directs staff to forward the Plan and Report to the Bend Planning Commission for review of whether the Plan conforms to the Bend Comprehensive Plan, and to each taxing district affected by the Plan, and to take all steps necessary under state law to present the Plan and Report to the Bend City Council for consideration and adoption.

Adopted by a vote of the Bend Urban Renewal Agency on March 19, 2025.

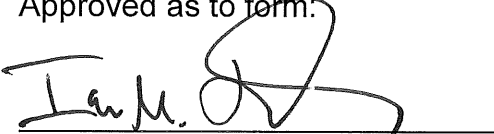
YES: Riley, Méndez, Kebler, Perkins, Norris, Platt
NO: Franzosa


Mike Riley, BURA Chair

Attest:

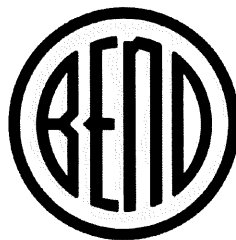

Morgen Fry, City Recorder

Approved as to form:


Ian Leitheiser, City Attorney

Britta Ridge
Tax Increment Finance Plan
Exhibit A

DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED



CITY OF BEND

BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE

LIST OF PARTICIPANTS

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Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

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Dawn Cofer

Hank Kamakaala

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Jeff Baker

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$14,666,437.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Britta Ridge TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Britta Ridge TIF Plan” or “Report” means the official report that accompanies the Britta Ridge TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to clear the way for

redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

This Britta Ridge TIF Plan was developed for the Bend City Council based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024, to support the development of new multi-unit housing with minimum numbers of more affordable units by providing development assistance in existing or through the creation of new TIF areas. The Policy was developed with input from BURA and the City advisory bodies – Core Area Advisory Board, Bend Economic Development Advisory Board, and the Affordable Housing Advisory Committee. This Plan was developed with public input at BURA meetings, a Planning Commission meeting, and meetings of the Bend City Council. This Plan will go into effect following adoption by the City Council.

A. Background

The Bend Urban Renewal Agency's Policy Justification for the Policy noted:

Bend has a very low residential vacancy rate and many households are spending more than 30% of their household income on housing costs. An average individual/household would need to make \$72,000 to not be cost burdened to afford current market rent. Currently, 81% of occupations in the Bend Redmond MSA cannot adequately support market rate rent on a single income. Those making \$43,000 or less account for nearly 50% of total employment. The number of Bend households that cannot adequately afford market rate rent is 45%.¹

Providing incentives for housing affordability starting at 90% area median income for multi-unit rental units, with additional incentives for developments meeting certain energy efficiency and supplier diversity criteria, will assist in meeting the City of Bend's affordable housing and other Council goals.

The City of Bend currently incentivizes housing affordable to households making 60% and 80% AMI or less through its Non-Profit and Qualifying Rental Property Tax Exemptions. This Plan and Projects incentivize creation of additional units of market rate housing integrated with units that are affordable to households making 90% AMI or less.

ORS chapter 457 allows for the use of tax increment revenues, a financing source that is unique to TIF areas, to fund projects within a specific boundary. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established - are used to repay borrowed funds or meet contractual obligations. The borrowed funds and contractual obligations fund projects within an area that meet the goals of the plan and cannot exceed the maximum indebtedness amount set by a TIF plan.

The purpose of a TIF area is to improve specific areas of a municipality that are poorly developed or underdeveloped, called blighted areas in ORS chapter 457. These areas can

¹ Bend Urban Renewal Policy Justification for the Tax Increment Assistance for Housing Affordability and Employment Growth, presented on August 7, 2024

have property that is undeveloped or underdeveloped, old or deteriorated buildings, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, TIF area projects funded with tax increment can include construction or improvement of streets, utilities, and other public facilities, assistance for development, rehabilitation or redevelopment of property, and improvements to public spaces.

The Bend Urban Renewal Agency's Policy allows the creation of TIF areas consisting of a single or small number of tax lots in the City currently not included in an existing tax increment area to support construction of new housing that includes More Affordable Housing, for households earning 90% AMI or less. The development assistance for the project in the new TIF area may consist of a rebate of a portion of the tax increment to the property owner in exchange for making a minimum percentage of units available to households earning 90% AMI or less at rents affordable to those households, and agreeing to limit annual rent increases to lower than the maximum rental increases allowed under ORS 90.323 for those rent restricted units. The actual rebate amount and number of affordable units in the development will be set in an agreement between BURA and the property owner and based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth, consistent with the provisions of this Plan.

This Plan will support the development of housing that includes More Affordable Units and the other requirements of the Policy, in an area known as Britta Ridge, shown in Figure 1.

The Plan reflects input from the community received at public meetings at the Agency and hearings before the Planning Commission and the City Council.

The Plan is anticipated to last 32 years, resulting in 30 years of tax increment collection.

The Plan is to be administered by the Agency. Substantial amendments to the Plan must be approved by City Council as outlined in Section VII of this Plan. All amendments to the Plan are to be listed numerically on the inside cover of the front page of the Plan and then incorporated into the Plan, document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the noted statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XIII
ORS 457.085(2)(d)	XII

ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII

B. TIF Area Overview

The Britta Ridge TIF Plan Area shown in Figure 1, consists of approximately 6.16 total acres.

This TIF Area meets the definition of a blighted area due to its infrastructure deficiencies, including inadequate streets and rights-of-way, undeveloped status resulting in the unproductive land that is potentially useful and valuable for contributing to the public health, safety, and welfare as the location of new housing units, and impaired investments. These blight conditions are specifically cited in the ordinance adopting the Plan and described in detail in the Report.

The Report contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area;
- The expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Area;
- The relationship between each Project to be undertaken and the existing conditions;
- The estimated total cost of each Project and the source(s) of funds to pay such costs;
- The estimated completion date of each Project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the Area; and
- A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is a legal term for the total amount of money that can be spent on projects, programs, and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$14,666,437 (Fourteen Million Six Hundred and Sixty Six Thousand, Four Hundred and Thirty

Seven Dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness, or interest earned on bond proceeds. The projects under this plan are not anticipated to be financed through bonds, but primarily through rebate of property taxes paid.

IV. PLAN GOALS

The goals of the Plan represent its basic intent and purpose. The TIF Projects identified in Sections V and VI of the Plan are specific means of meeting the goals. The goals will be pursued as economically as is feasible and at the discretion of the Agency.

A. Housing Development

To increase the supply of housing by providing financial incentives for the development of housing in the City of Bend.

B. Encourage More Affordable Housing

To increase the supply of more affordable housing options by providing financial incentives for the development of more affordable housing in the City of Bend.

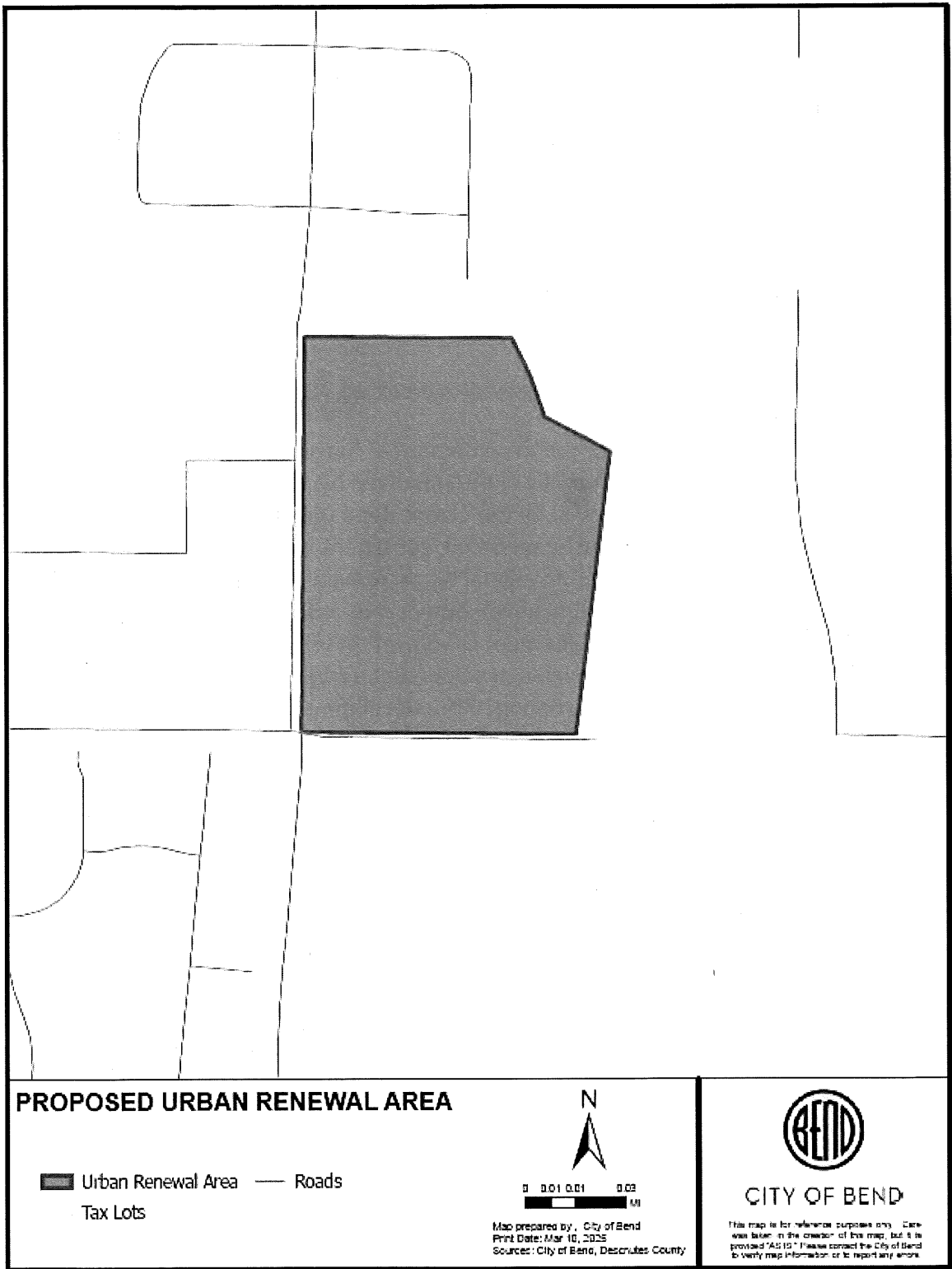
C. Encourage Energy Efficiency Housing

To increase the number of energy-efficient certified housing projects by providing financial incentives for the utilization of energy efficiency standards in the construction of housing projects that lower overall housing costs for households and reduce carbon emissions.

D. Administration.

To provide administrative support for the implementation of the Plan.

Figure 1 – Britta Ridge TIF Area



Source: City of Bend

V. TIF AREA PROJECT CATEGORIES

To support the Plan Goals described in the previous section, the Projects within the Area fall into the following categories:

A. Housing Development and Development Incentives, Partnership, and Support

B. Plan Administration, Implementation, Reporting, and Support

VI. TIF AREA PROJECTS

The Projects authorized by the Plan are:

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a multi-unit residential complex in the Area approved by the City of Bend under application number PLSPR20211127, as such approval may be modified, consistent with the goals of this Plan. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units. A guideline for the amount of Assistance is provided in the Report accompanying the Plan.

B. Plan Administration, Implementation, Reporting, and Support

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation, and annual reports pursuant to ORS 457.460.

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to BURA, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City, as required by ORS 457.120.

Substantial Amendments shall be processed in accordance with ORS 457.095 and 457.220.

Substantial Amendments are amendments that:

1. Add land to the Area, representing more than 1% of the existing area of the Area;²
or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS chapter 457. Minor Amendments require approval by BURA by resolution.

The projects proposed in the Plan and Report are organized by project categories. If BURA determines that the allocation of funds within a project category should be adjusted based on needs within the Area, they may do so through a Minor Amendment.³

VIII. PROPERTY ACQUISITION AND DISPOSITION

Property acquisition and disposition are not eligible activities under the Plan.

IX. RELOCATION METHODS

There are no persons living in or business situated in the Plan Area, therefore relocation is not part of this Plan.

² Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law, with increases beyond that amount requiring concurrence as stated in ORS 457.

³ Project costs may be impacted by grants, timing, cost savings, inflation, or other external forces unanticipated at this time but which may occur over the 32-year life of this Area.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds, or contractual obligations for TIF projects under a TIF plan.

Tax increment revenues are the revenue received from increases in property taxes based on the *increase* in assessed value within a TIF area over the total assessed value from the time a plan is adopted. Increment does not include property taxes levied to pay for General Obligation (GO) bonds and local option levies.

A. General description of the proposed financing method

The Plan will be financed using tax increment revenues. Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning and undertaking project activities, and otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this Plan, including preparation of the Plan. No bonds will be issued to finance the activities in the Plan.

B. Tax increment financing

The Plan may be financed, in whole or in part, by tax increment revenues allocated to BURA, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to BURA based upon the distribution schedule established under ORS 311.390.

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

XI. ANNUAL REPORT

BURA shall file an Annual Report in compliance with ORS 457.460.

XII. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan describe the relationship of the plan to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements. This section provides that analysis. Relevant local planning and development objectives are set out in the Bend Comprehensive Plan, Bend Economic Development Advisory Board Strategic Plan, and the Bend Development Code. This section describes the purpose and

intent of these plans, the main applicable goals and policies within each plan, and an explanation of how this Plan conforms to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. The language from the original document is in *italics*.

All of the land in the Area is designated Mixed Employment (ME) in the Comprehensive Plan, and zoned Mixed Employment in the Bend Development Code. Allowed land uses, maximum densities, and building requirements for all land in the Area are governed by the Bend Development Code, as described in subsection C of this Section XIII.

A. Bend Comprehensive Plan

The analysis of how the Plan conforms to the Comprehensive Plan covers the most relevant sections, but may not cover every section of the Comprehensive Plan that relates to the Plan.

If the Comprehensive Plan policies identified in the Plan are updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment is completed in the future, this section of the Plan should be updated at that point.

Below are applicable Comprehensive Plan policies and statements of how the Plan conforms to these Comprehensive Plan policies.

Chapter 1 Citizen Involvement

Policies

- 1-4 *The City and special districts shall work toward the most efficient and economical method for providing their services within the UGB.*
- 1-7 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 1-8 *The City and county will encourage infill and redevelopment of appropriate areas within the Bend Central Core, Opportunity Areas and Transit Corridors.*
- 1-15 *The City shall continue to use advisory committees in their planning process, members of which are selected by an open process, and who are widely representative of the community.*
- 1-16 *The City will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.*

Finding: The Plan conforms to Chapter 1 Citizen Involvement as there has been extensive citizen involvement in the preparation of the Plan and all related BURA policies. The Plan and

Project support compact development within the Urban Growth Boundary by supporting residential development in the Mixed Employment (ME) zone, near residential and commercial uses. The Area is in a Transit Corridor as identified in Figure 11-1 of the Comprehensive Plan, and the identified Project supports infill development on currently undeveloped lots.

Over twenty-five opportunities for public involvement were provided in the course of development of the Policy supporting this Plan. In this process, the Bend Economic Development Advisory Board, the Affordable Housing Advisory Committee, Core Area Advisory Board, the Bend Chamber of Commerce, Economic Development of Central Oregon, and a round table of housing developers provided input on development of the Policy supported by the this Plan. Specific to public improvement in this Plan, BURA, the Planning Commission, and the City Council all held public meetings regarding this Plan, at which public comment was accepted prior to the adoption of this TIF Plan and Report.

Chapter 5 Housing

Policies

- 5-7 *The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City's obligation under the State Housing Goal to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density".*
- 5-18 *The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate percentages of Area Median Family income in the Housing Needs Assessment.*
- 5-31 *Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.*
- 5-38 *Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.*

Policy 5-20 defines affordable, in the case of dwelling units offered for rent, as housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA. Policy 5-20 provides that other programs or policies can specify other levels of affordability.

Finding: The Plan conforms to Chapter 5 Housing as the Housing Development and Development Assistance, Partnership, and Support Project will encourage the development of housing for households earning 90% AMI or less, along with market rate units, meeting housing needs identified in the Oregon Housing Needs 2025 Methodology for the Bend UGB, supporting

the goals of the Comprehensive Plan and Policy 5-20 to provide affordability at additional income levels. The Area is within a Transit Corridor identified in the Comprehensive Plan, and has access to transit, K-12 public schools, commercial services, employment, and public open space. The Area is within 1.2 miles of two K-5 public schools, within 0.1 miles from a developed public park, and is in a Mixed Employment (ME) zone surrounded by properties developed with commercial and a mix of housing types and densities. Surrounding properties are zoned Residential Standard Density (RS) to the north and west, which are developed with single-unit detached dwellings. A 116-unit apartment complex is located on the property located directly to the south of the Area, on a parcel zoned Residential Medium Density (RM). The properties to the east are zoned Mixed Employment (ME) and developed with a variety of commercial, service, and industrial uses.

Chapter 11: Growth Management

Employment Districts

- 11-1 The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 11-2: The City will encourage infill and redevelopment of appropriate areas within Bend's Central Core, Opportunity Areas and transit corridors.*
- 11-3 The City will ensure that development of large blocks of vacant land makes efficient use of land, meets the city's housing and employment needs, and enhances the community.*
- 11-4 Streets in the Centers and Corridors, Employment Districts, Neighborhoods, and Opportunity Sites will have the appropriate types of pedestrian, biking, and transit scale amenities to ensure safety, access, and mobility.*
- 11-12 The City shall explore incentives for re-development of existing commercial strips in order to help reduce the need to expand the Urban Growth Boundary.*
- 11-23 The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.*

Finding: The Plan conforms to Chapter 11 Growth Management as for the Project encourages infill and redevelopment in a Transit Corridor, makes efficient use of large blocks of vacant land that meets the City's housing needs, and supports development and redevelopment in commercial corridors that is transit-supportive, and offers safe and convenient access and connections for all modes in the Area. The housing development supported by the Plan will be required to improve its frontage streets with appropriate pedestrian and biking amenities supporting the housing units developed in the Area.

B. Bend Economic Development Advisory Board Strategic Plan

The Bend Municipal Code requires the Bend Economic Development Advisory Board (BEDAB) to create a three-year strategic plan, identifying projects and guiding the work of the city's nine-member board as it seeks to:

- Advocate: Provide input into City policy and procedures from a private sector perspective.
- Facilitate: Broker entrepreneurial support among existing community resources.
- Market: Brand and guide marketing efforts of Bend as “Open for Business.”
- Coordinate: Organize and oversee City resources applied to economic development.

The following goal and strategy from the 2022-2024 BEDAB Strategic Plan is directly related to the Plan.

Goal 2: Monitor and provide input on other relevant City policies relating to economic development

- *Support policies that provide for a spectrum of workforce housing opportunities*

Finding: The Plan conforms to the Bend Economic Development Advisory Board Strategic Plan as for the Project will create additional market rate and 90% AMI housing units in the Area, supporting the Bend workforce.

C. Bend Development Code

The Projects in the Area supported by the Plan conform to the zoning in the Bend Development Code, including maximum densities and building requirements, and those provisions of the Bend Development Code are incorporated by reference herein. The entirety of the area is zoned Mixed Employment (ME). Multi-unit residential developments are permitted in the ME as part of a mixed-use development or if approved as an Urban Dwelling Site.

As the *Bend Development Code* is updated, the references to the Bend Development Code in this document will be deemed to incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment to this Plan is completed in the future, this section will be updated to match the current zoning designations. The provisions of the Bend Development Code in effect at the time of development approval will apply for any development assisted by this Plan.

B.2 – MIXED-USE ZONING DISTRICTS

Bend Development Code Section 2.3.100 Purpose and Applicability

Mixed Employment District (ME) - The Mixed Employment Zone is intended to provide a broad mix of uses that offer a variety of employment opportunities. Where Mixed Employment Districts occur on the edge of the City, their function is more transitional in nature providing service commercial businesses and supporting residential uses in an aesthetic mixed environment. In this instance, when residential units are provided, the units shall be within easy walking distance to the commercial and employment uses.

Multi-unit residential development is an allowed use within the ME zone, as part of a mixed-use development or as an Urban Dwelling Site under BDC 3.8.800. The Area is within the area shown in BDC Figure 3.8.800.D. as eligible for development as an Urban Dwelling Site.

Maximum residential density in the ME zone is controlled by the applicable lot coverage and building height standards. There is no maximum density for Urban Dwelling Sites.

Finding: The Plan conforms to the Bend Development Code as the Projects and expenditures proposed in the Plan conform to the requirements in the Bend Development Code and support the types of uses allowed in the zoning present in the Area. The Project will support development of a multi-unit residential project that the City has approved as a Urban Dwelling Site in the Mixed Employment (ME) zone under application number PLSPR20211127. This development has been required to comply with the provisions of BDC Chapter 3.4, Public Improvement Standards, and other provisions of the Bend Development Code to provide sufficient public infrastructure to serve the development. The proposal includes the build-out of an undeveloped site, in a generally developed area.

XIII. PLAN AREA LEGAL DESCRIPTION

A PORTION OF SECTION 17, TOWNSHIP 17 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN,

DESCHUTES COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT SOUTH 89°55'44" EAST, 30 FEET FROM THE SOUTHWEST CORNER OF THE

SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4 SE1/4); THENCE NORTH, 620 FEET;

THENCE SOUTH 89°55'44" EAST, 325.16 FEET; THENCE SOUTH 26°58'58" EAST, 66.85 FEET; THENCE

SOUTH 20°00'54" EAST, 69.33 FEET; THENCE SOUTH 63°09'04" EAST, 73.36 FEET; THENCE SOUTH

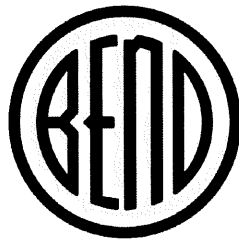
62°06'37" EAST, 41.96 FEET; THENCE SOUTH 06°26'40" WEST, 445.46 FEET; THENCE NORTH 89°55'44"

WEST TO THE POINT OF BEGINNING.

EXHIBIT B

Britta Ridge Tax Increment Finance Plan - Report

DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED



CITY OF BEND

BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

Erin Ludden

Nathan Nelson

City Manager

Eric King

City Finance Director

Samantha Nelson

City Attorney

Ian Leitheiser

Senior Assistant City Attorney

Elizabeth Oshel

Real Estate Director

Matt Stuart

Urban Renewal Manager

Jonathan Taylor

Planning Manager

Renée Brooke

Housing Manager

Racheal Baker

Bend Urban Renewal Agency

Mike, Riley, Chair

Gina Franzosa, Vice-Chair

Ariel Méndez

Megan Norris

Steve Platt

Melanie Kebler

Megan Perkins

Core Area Advisory Board

Corie Harlan, Chair

Dale VanValkenburg, Vice-Chair

Dawn Cofer

Hank Kamakaala

James Teeter

Jeff Baker

John Fischer

John Heylin

Katherine Austin

Bend Economic Development Advisory Board

Gary North, Chair

DaWayne Judd, Vice-Chair

Briana Manfrass

Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Oroslanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

Alison Hohengarten

Ian Karasz

Tony Levison

Isabel Mikovich

Richard Reese

Helen Silfven

Heather Simmons

Geoff Wall

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$14,666,437.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Britta Ridge Area TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Britta Ridge Area TIF Plan” or “Report” means the official report that accompanies the Britta Ridge TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies

throughout the country wherein minorities and vulnerable populations were displaced to clear the way for redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

The Report contains background information and project details that pertain to the Britta Ridge TIF District Plan. The Report is not a legal part of the Plan but provides public information and supports the findings made by the Bend City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area, ORS 457.087(1)
- Expected impact of the Plan, including fiscal impact in light of increased services, ORS 457.087(1)
- Reasons for selection of the area, ORS 457.087(2)
- The relationship between each project to be undertaken and the existing conditions, ORS 457.087(3)
- The estimated total cost of each project and the source of funds to pay such costs, ORS 457.087(4)
- The estimated completion date of each project, ORS 457.087(5)
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired, ORS 457.087(6)
- A financial analysis of the Plan, ORS 457.087(7)
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area, ORS 457.087(8)
- A relocation report, ORS 457.087(9)

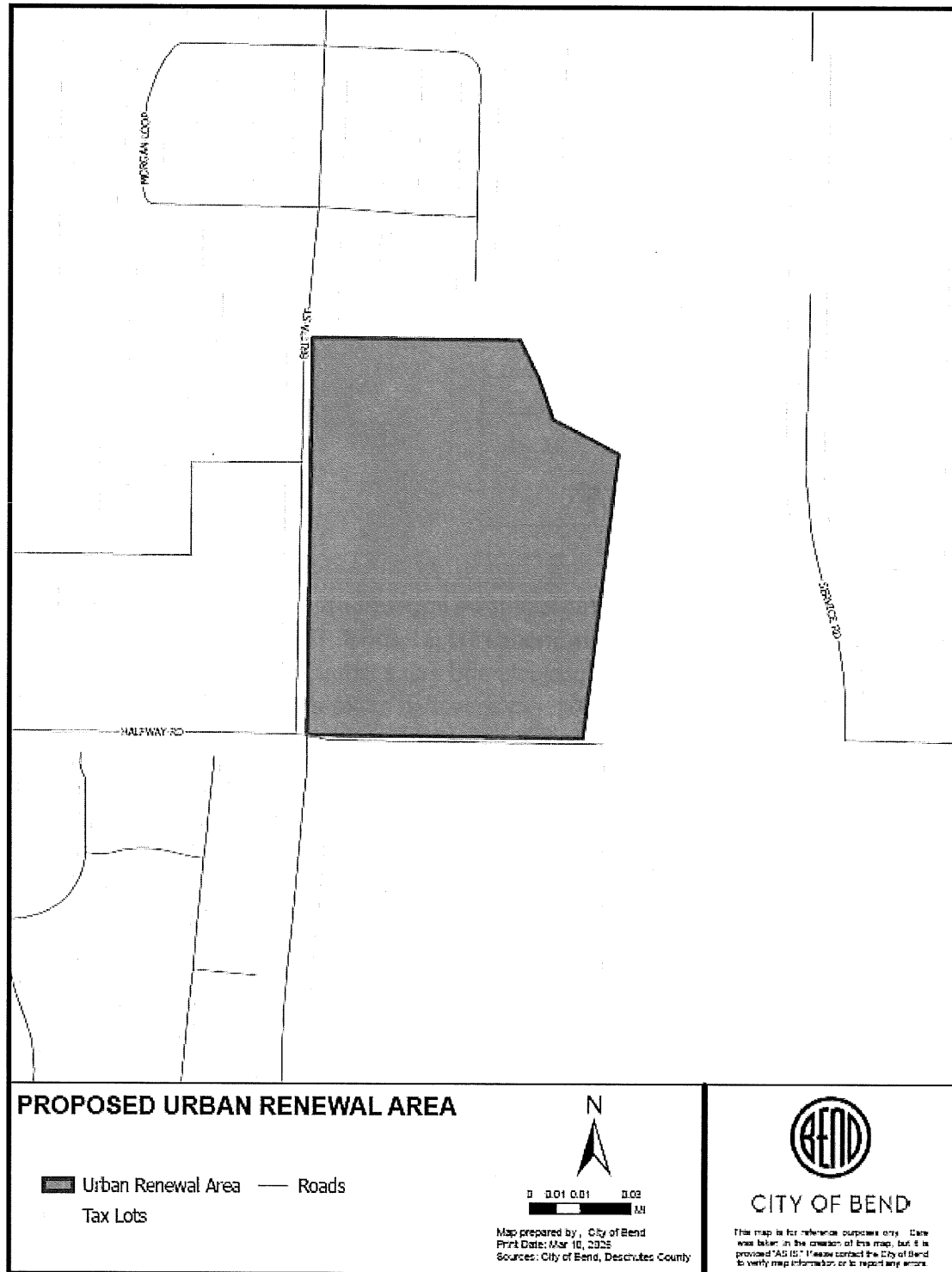
The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087(1)	X, VIII
ORS 457.087(2)	XI
ORS 457.087(3)	II
ORS 457.087(4)	III
ORS 457.087(5)	VI
ORS 457.087(6)	IV,V
ORS 457.087(7)	IV,V
ORS 457.087(8)	VIII
ORS 457.087(9)	XII

The Report provides guidance on how the Plan might be implemented. The Agency has the authority to adjust the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the overall maximum indebtedness of the Plan.

Figure 1 – Britta Ridge TIF Area Boundary



Source: City of Bend

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TIF DISTRICT PROJECTS AND THE EXISTING CONDITIONS IN THE TIF DISTRICT

The projects identified for the Britta Ridge TIF Plan Area are described below, including how they relate to the existing conditions in the Plan Area.

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a 178-unit apartment complex in the Area approved by the City of Bend under application number PLSPR20211127. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period of time and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units.

A guideline for the amount of Assistance is shown in the Table 2 of this Report. This is a guideline only, and actual assistance provided will be set through development agreements with BURA, balancing the needs for administration and incentives.

Existing Conditions: The property is currently undeveloped. There are transportation deficiencies, topography challenges, and impaired investments as identified in Section X of this Report. As described in the Plan and the adopting documents, there is a lack of residential housing units and affordable housing units in Bend.¹ The Plan will support development of housing in the Area, including improvements to presently deficient rights-of-way and public infrastructure, increase the supply of housing units, and provide housing units affordable for

¹ City of Bend Comprehensive Plan

households in income ranges for whom there is presently a lack of affordable units in Bend.²

B. Administration

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation and annual reports pursuant to ORS 457.460.

Existing Conditions: There is presently not a TIF area in this location. Therefore, there is no existing funding or need for administration in the Area by BURA. This project would provide that administrative support.

A table showing the projects and total estimated costs is shown in Table 2. The total costs are estimated based on the projected future assessed value of the project.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for the Projects are shown in Table 2 below. These are all estimates acknowledging that these project activities must fit within the maximum indebtedness. These costs are shown in nominal, year of expenditure (YOE) dollars, and are equal to the maximum indebtedness of \$14,666,437. The estimated project costs assume development assistance of 97% of the tax increment from the Plan to the developer incentive project and 3% to the Agency for administration of the Plan.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

Table 2 - Estimated Cost of Each Project, (\$2025)

Project	Estimated Cost	Percentage of Total
Development Assistance	\$ 14,226,444	97%
Administration	\$ 439,993	3%
TOTAL	\$ 14,666,437	100%

Source: City of Bend

² Oregon Housing Needs Assessment 2025 Methodology

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through fiscal year ending 2057 are calculated based on projections of the growth in assessed value of new development within the TIF Area and the consolidated tax rate that will apply in the TIF Area.

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, truncation loss, and receipt of delinquent taxes from prior years.³

The incremental assessed value is the estimated assessed value based on real market value of the proposed project as determined by the Deschutes County Property Tax Estimator as provided by the applicant.

The first year of tax increment collections is anticipated to be FYE 2026. Gross tax increment financing revenue (the column titled Gross TIF, in Table 3) is calculated by multiplying the tax rate times the excess value used. Excess value is the increased in assessed value over the frozen base. The tax rate is expressed per thousand dollars of assessed value, so the calculation is “tax rate times excess value used divided by one thousand.” The column titled Net TIF Revenue in Table 3 also indicates the total Maximum Indebtedness proposed in this plan as referenced in Table 2, and represents the gross TIF, less expected discounts, to show the total amount of increment expected to be received by BURA in each year of the Plan.

³ In Oregon, when the full amount of the property tax bill is paid by November 15, the taxpayer gets a 3 percent discount. If the taxpayer pays two thirds of the tax by November 15, they get a 2 percent discount. To get a discount on the current year's tax bill, all delinquent taxes, penalty, and interest must first be paid in full (See <http://www.oregon.gov/dor>, Property Tax Payment Procedure).

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total AV	Frozen Base	Increment	Increment Not Used	Increment Used	Tax Rate	Gross TIF	Truncation / Loss Discount	Net TIF Revenue ⁴	Admin Cost	Rebate
2026	\$277,183	\$269,110	\$8,073	-	\$8,073	\$13.2079	\$107	\$1.07	\$106	\$3	\$102
2027	\$285,498	\$269,110	\$16,388	-	\$16,388	\$13.2079	\$216	\$2.16	\$214	\$6	\$208
2028	\$23,745,340	\$269,110	\$23,476,230	-	\$23,476,230	\$13.2079	\$310,072	\$3,100.72	\$306,971	\$9,209	\$297,762
2029	\$24,457,701	\$269,110	\$24,188,591	-	\$24,188,591	\$13.2079	\$319,480	\$3,194.80	\$316,286	\$9,489	\$306,797
2030	\$25,191,432	\$269,110	\$24,922,322	-	\$24,922,322	\$13.2079	\$329,172	\$3,291.72	\$325,880	\$9,776	\$316,103
2031	\$25,947,175	\$269,110	\$25,678,065	-	\$25,678,065	\$13.2079	\$339,153	\$3,391.53	\$335,762	\$10,073	\$325,689
2032	\$26,725,590	\$269,110	\$26,456,480	-	\$26,456,480	\$13.2079	\$349,435	\$3,494.35	\$345,940	\$10,378	\$335,562
2033	\$27,527,358	\$269,110	\$27,258,248	-	\$27,258,248	\$13.2079	\$360,024	\$3,600.24	\$356,424	\$10,693	\$345,731
2034	\$28,353,178	\$269,110	\$28,084,068	-	\$28,084,068	\$13.2079	\$370,932	\$3,709.32	\$367,222	\$11,017	\$356,206
2035	\$29,203,774	\$269,110	\$28,934,664	-	\$28,934,664	\$13.2079	\$382,166	\$3,821.66	\$378,344	\$11,350	\$366,994
2036	\$30,079,887	\$269,110	\$29,810,777	-	\$29,810,777	\$13.2079	\$393,738	\$3,937.38	\$389,800	\$11,694	\$378,106
2037	\$30,982,283	\$269,110	\$30,713,173	-	\$30,713,173	\$13.2079	\$405,657	\$4,056.57	\$401,600	\$12,048	\$389,552
2038	\$31,911,752	\$269,110	\$31,642,642	-	\$31,642,642	\$13.2079	\$417,933	\$4,179.33	\$413,754	\$12,413	\$401,341
2039	\$32,869,105	\$269,110	\$32,599,995	-	\$32,599,995	\$13.2079	\$430,577	\$4,305.77	\$426,272	\$12,788	\$413,484
2040	\$33,855,178	\$269,110	\$33,586,068	-	\$33,586,068	\$13.2079	\$443,601	\$4,436.01	\$439,165	\$13,175	\$425,990
2041	\$34,870,833	\$269,110	\$34,601,723	-	\$34,601,723	\$13.2079	\$457,016	\$4,570.16	\$452,446	\$13,573	\$438,873
2042	\$35,916,958	\$269,110	\$35,647,848	-	\$35,647,848	\$13.2079	\$470,833	\$4,708.33	\$466,125	\$13,984	\$452,141
2043	\$36,994,467	\$269,110	\$36,725,357	-	\$36,725,357	\$13.2079	\$485,065	\$4,850.65	\$480,214	\$14,406	\$465,808
2044	\$38,104,301	\$269,110	\$37,835,191	-	\$37,835,191	\$13.2079	\$499,723	\$4,997.23	\$494,726	\$14,842	\$479,884
2045	\$39,247,430	\$269,110	\$38,978,320	-	\$38,978,320	\$13.2079	\$514,822	\$5,148.22	\$509,674	\$15,290	\$494,383
2046	\$40,424,853	\$269,110	\$40,155,743	-	\$40,155,743	\$13.2079	\$530,373	\$5,303.73	\$525,069	\$15,752	\$509,317
2047	\$41,637,598	\$269,110	\$41,368,488	-	\$41,368,488	\$13.2079	\$546,391	\$5,463.91	\$540,927	\$16,228	\$524,699
2048	\$42,886,726	\$269,110	\$42,617,616	-	\$42,617,616	\$13.2079	\$562,889	\$5,628.89	\$557,260	\$16,718	\$540,543
2049	\$44,173,328	\$269,110	\$43,904,218	-	\$43,904,218	\$13.2079	\$579,883	\$5,798.83	\$574,084	\$17,223	\$556,861
2050	\$45,498,528	\$269,110	\$45,229,418	-	\$45,229,418	\$13.2079	\$597,386	\$5,973.86	\$591,412	\$17,742	\$573,669
2051	\$46,863,484	\$269,110	\$46,594,374	-	\$46,594,374	\$13.2079	\$615,414	\$6,154.14	\$609,260	\$18,278	\$590,982
2052	\$48,269,388	\$269,110	\$48,000,278	-	\$48,000,278	\$13.2079	\$633,983	\$6,339.83	\$627,643	\$18,829	\$608,814
2053	\$49,717,470	\$269,110	\$49,448,360	-	\$49,448,360	\$13.2079	\$653,109	\$6,531.09	\$646,578	\$19,397	\$627,181
2054	\$51,208,994	\$269,110	\$50,939,884	-	\$50,939,884	\$13.2079	\$672,809	\$6,728.09	\$666,081	\$19,982	\$646,098
2055	\$52,745,264	\$269,110	\$52,476,154	-	\$52,476,154	\$13.2079	\$693,100	\$6,931.00	\$686,169	\$20,585	\$665,584
2056	\$54,327,622	\$269,110	\$54,058,512	-	\$54,058,512	\$13.2079	\$713,999	\$7,139.99	\$706,859	\$21,206	\$685,654
2057	\$55,957,450	\$269,110	\$55,688,340	-	\$55,688,340	\$13.2079	\$735,526	\$7,355.26	\$728,171	\$21,845	\$706,326
Total							\$14,666,437			\$439,993	\$14,226,444

Source: City of Bend

⁴ Net TIF Revenue is used to establish the total Maximum Indebtedness of the Century TIF Plan.

VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The maximum indebtedness is \$14,666,437 (Forteen Million Six Hundred and Sixty Six Thousand, Four Hundred and Thirty Seven Dollars). This is also the estimated total amount of tax increment revenues required to service the maximum indebtedness as no formal borrowings or interest payments are anticipated in the Plan.

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Anticipated annual expenditures for program administration are shown in Table 2.

The Agency is anticipated to complete the projects and to terminate the Plan in FYE 2057, allowing two years for construction of the housing assisted by the Plan and 30 years of increment rebate and housing affordability, for a 32 year Plan duration.

VIII. REVENUE SHARING

Revenue sharing thresholds are not projected to be reached during the life of the Plan.

Revenue sharing is defined in ORS 457.470 and requires that the impacted taxing jurisdictions receive a share of the incremental growth in the Plan Area when annual tax increment finance revenues exceed 10% and 12.5% of the original maximum indebtedness of the Plan. For this Plan, 10% equals \$1,466,64. As shown in the column labeled Gross TIF in Table 3, neither threshold is projected to be reached during the life of the Plan.

If either threshold is met, the Agency will comply with statutory requirements for revenue sharing.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the TIF Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the TIF Area. These projections show the estimated tax revenues that would be received by the taxing districts if the development assisted by the Plan were to occur without the Plan. Table 4 and Table 5 show impacts estimated through FYE 2057.

The Bend-La Pine School District is not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. If new school aged students move into these units and attend the local schools, the funding through the State School Fund would increase.

Table 4 and Table 5 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 4 shows the general government levies, and Table 5 shows the education levies.

Table 4 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	City of Bend	Deschutes County	County Library	Countywide Law Enforcement	County Extension	9-1-1	Bend Parks and Recreation District	Total
2026	\$23	\$10	\$4	\$10	\$0	\$3	\$12	\$62
2027	\$46	\$21	\$9	\$20	\$0	\$6	\$24	\$127
2028	\$65,816	\$30,010	\$12,912	\$29,345	\$526	\$8,494	\$34,299	\$181,401
2029	\$67,813	\$30,920	\$13,304	\$30,236	\$542	\$8,751	\$35,340	\$186,905
2030	\$69,870	\$31,858	\$13,707	\$31,153	\$558	\$9,017	\$36,412	\$192,575
2031	\$71,988	\$32,824	\$14,123	\$32,098	\$575	\$9,290	\$37,516	\$198,414
2032	\$74,171	\$33,819	\$14,551	\$33,071	\$593	\$9,572	\$38,653	\$204,429
2033	\$76,418	\$34,844	\$14,992	\$34,073	\$611	\$9,862	\$39,824	\$210,624
2034	\$78,734	\$35,900	\$15,446	\$35,105	\$629	\$10,161	\$41,031	\$217,006
2035	\$81,118	\$36,987	\$15,914	\$36,168	\$648	\$10,469	\$42,274	\$223,578
2036	\$83,575	\$38,107	\$16,396	\$37,263	\$668	\$10,786	\$43,554	\$230,348
2037	\$86,104	\$39,261	\$16,892	\$38,391	\$688	\$11,112	\$44,872	\$237,321
2038	\$88,710	\$40,449	\$17,403	\$39,553	\$709	\$11,448	\$46,230	\$244,503
2039	\$91,394	\$41,673	\$17,930	\$40,750	\$730	\$11,795	\$47,629	\$251,900
2040	\$94,159	\$42,933	\$18,472	\$41,983	\$752	\$12,151	\$49,069	\$259,520
2041	\$97,006	\$44,231	\$19,031	\$43,252	\$775	\$12,519	\$50,553	\$267,368
2042	\$99,939	\$45,569	\$19,606	\$44,560	\$799	\$12,897	\$52,082	\$275,451
2043	\$102,960	\$46,946	\$20,199	\$45,907	\$823	\$13,287	\$53,656	\$283,777
2044	\$106,071	\$48,365	\$20,809	\$47,294	\$848	\$13,689	\$55,277	\$292,353
2045	\$109,276	\$49,826	\$21,438	\$48,723	\$873	\$14,102	\$56,947	\$301,185
2046	\$112,577	\$51,331	\$22,086	\$50,195	\$899	\$14,528	\$58,668	\$310,283
2047	\$115,977	\$52,881	\$22,753	\$51,711	\$927	\$14,967	\$60,439	\$319,654
2048	\$119,478	\$54,478	\$23,440	\$53,272	\$955	\$15,419	\$62,264	\$329,306
2049	\$123,085	\$56,123	\$24,147	\$54,880	\$983	\$15,885	\$64,144	\$339,248
2050	\$126,801	\$57,817	\$24,876	\$56,537	\$1,013	\$16,364	\$66,080	\$349,488
2051	\$130,627	\$59,562	\$25,627	\$58,243	\$1,044	\$16,858	\$68,074	\$360,035
2052	\$134,569	\$61,359	\$26,400	\$60,000	\$1,075	\$17,367	\$70,128	\$370,898
2053	\$138,628	\$63,210	\$27,197	\$61,810	\$1,108	\$17,890	\$72,244	\$382,087
2054	\$142,810	\$65,116	\$28,017	\$63,675	\$1,141	\$18,430	\$74,423	\$393,612
2055	\$147,117	\$67,080	\$28,862	\$65,595	\$1,175	\$18,986	\$76,668	\$405,483
2056	\$151,553	\$69,103	\$29,732	\$67,573	\$1,211	\$19,558	\$78,979	\$417,710
2057	\$156,122	\$71,186	\$30,629	\$69,610	\$1,247	\$20,148	\$81,361	\$430,304
Total	\$3,144,533	\$1,433,800	\$616,905	\$1,402,057	\$25,125	\$405,811	\$1,638,724	\$8,666,956

Source: City of Bend

Table 5 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Bend La-Pine School District	Central Oregon CC	High Desert ESD	Total
2026	\$38	\$5	\$1	\$44
2027	\$78	\$10	\$2	\$90
2028	\$111,843	\$14,565	\$2,263	\$128,671
2029	\$115,237	\$15,007	\$2,332	\$132,575
2030	\$118,732	\$15,462	\$2,403	\$136,597
2031	\$122,333	\$15,931	\$2,475	\$140,739
2032	\$126,041	\$16,414	\$2,550	\$145,005
2033	\$129,861	\$16,911	\$2,628	\$149,400
2034	\$133,795	\$17,423	\$2,707	\$153,926
2035	\$137,848	\$17,951	\$2,789	\$158,588
2036	\$142,022	\$18,495	\$2,874	\$163,390
2037	\$146,321	\$19,054	\$2,961	\$168,336
2038	\$150,749	\$19,631	\$3,050	\$173,430
2039	\$155,310	\$20,225	\$3,143	\$178,677
2040	\$160,007	\$20,837	\$3,238	\$184,082
2041	\$164,846	\$21,467	\$3,336	\$189,649
2042	\$169,830	\$22,116	\$3,436	\$195,382
2043	\$174,963	\$22,784	\$3,540	\$201,288
2044	\$180,251	\$23,473	\$3,647	\$207,371
2045	\$185,697	\$24,182	\$3,758	\$213,636
2046	\$191,306	\$24,913	\$3,871	\$220,090
2047	\$197,084	\$25,665	\$3,988	\$226,737
2048	\$203,035	\$26,440	\$4,108	\$233,583
2049	\$209,164	\$27,238	\$4,232	\$240,635
2050	\$215,477	\$28,060	\$4,360	\$247,898
2051	\$221,980	\$28,907	\$4,492	\$255,379
2052	\$228,678	\$29,779	\$4,627	\$263,085
2053	\$235,577	\$30,678	\$4,767	\$271,022
2054	\$242,683	\$31,603	\$4,911	\$279,196
2055	\$250,002	\$32,556	\$5,059	\$287,617
2056	\$257,540	\$33,538	\$5,211	\$296,289
2057	\$265,305	\$34,549	\$5,368	\$305,222
Total	\$5,343,632	\$695,869	\$108,127	\$6,147,627

Source: City of Bend

Please refer to the explanation of the schools funding in the preceding section

Table 6 shows the projected increased revenue to the taxing jurisdictions after termination of the Plan and tax increment collection by BURAs is terminated. These projections are for FYE 2058.

The frozen base is the assessed value of the Plan Area established by the County Assessor at the time the Plan is established. Excess value is the increased assessed value in the Plan Area above the frozen base.

Table 6 - Additional Revenues Obtained after Termination of Tax Increment Financing in FYE 2058 (Year after Termination)

Taxing District	From Increment Value	From Frozen Base Value	Total
General Government			
City of Bend	\$160,806	\$754.45	\$161,560
Deschutes County	\$73,322	\$344.00	\$73,666
County Library	\$31,547	\$148.01	\$31,695
Countywide Law Enforcement	\$71,699	\$336.39	\$72,035
County Extension	\$1,285	\$6.03	\$1,291
9-1-1	\$20,752	\$97.36	\$20,850
BPRD	\$83,801	\$393.17	\$84,195
Subtotal	\$443,213	\$2,079	\$445,292
Education			
Bend La-Pine School District	\$273,264	\$1,282.07	\$274,546
COCC	\$35,586	\$166.96	\$35,752
High Desert ESD	\$5,529	\$25.94	\$5,555
Subtotal	\$314,379	\$1,474.96	\$315,854
Total	\$757,592	\$3,554	\$761,146

Source: City of Bend

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TIF/URBAN RENEWAL AREAS

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base of the Britta Ridge TIF Area (using assumed FYE 2025 values) is projected to be \$269,110. The total assessed value of properties in the City is \$16,125,929,179. The increment of the City's existing TIF areas is \$833,743,768. To get the total percentage of assessed value in TIF areas, divide the total assessed value of the City minus the increment of the TIF areas by the frozen base values of the urban renewal areas. Table 7 shows that in Bend, 3.35% of the City's assessed value is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 7a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 7- Assessed Value Statutory Limit Verification

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Britta Ridge	\$269,110	\$ -
TOTAL:	\$530,563,971	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$530,563,971
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.35%

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value

Frozen base – assessed value the urban renewal area at the time it is established

Increment – increased assessed value over the frozen bas

URA – urban renewal area

Table 7a – Assessed Value Statutory Limit Verification –Proposed Districts (May 2025)

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594

Core Area	\$443,857,101	\$80,495,350
Veridian*	\$0	
Britta Ridge*	\$269,110	
Century*	\$3,559,680	
TOTAL:	\$534,123,651	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$534,123,651
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.38%
* Other recommended Plan Areas		

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value

Frozen base – assessed value the urban renewal area at the time it is established

Increment – increased assessed value over the frozen bas

URA – urban renewal area

The Britta Ridge TIF Area contains 6.16 acres. There are 1,640.12 acres in other TIF areas in the City. The City contains 21,315.8 acres. 7.70% of the City's acreage is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 8a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 8- Acreage Statutory Limit Verification

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Britta Ridge	6.16
<i>Total</i>	<i>1,640.42</i>
City of Bend	21,315.80
URA as % of City of Bend	7.70%

Source: City of Bend

Table 8a – Acreage Statutory Limit Verification – Proposed Districts (May 2025)

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Veridian	2.81
<i>Britta Ridge*</i>	<i>6.16</i>
<i>Century*</i>	<i>9.20</i>
Total	1,652.43
City of Bend	21,315.80
URA as % of City of Bend	7.75%

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Plan Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Plan Area measures 6.16 total acres in size. The Area consists of vacant, undeveloped, privately owned land and adjacent rights-of-way.

2. Zoning and Comprehensive Plan Designations

The Area is zoned Mixed Employment (ME) and designated Mixed Employment (ME) in the Comprehensive Plan.

3. Topography

The Plan Area is in irregular shape and has varying topography with elevation changes up to 25 feet. Steeper slopes exist on the north side of the area, the east side of the area, and the mound on the central/south portion of the area. The area will require strategic placement of developed structures and the use of retaining walls so the site can be developed in accordance with the Bend Development Code to provide accessible connections to required site elements, along with abutting streets and rights-of-way.

B. Infrastructure

This section identifies the existing conditions in the Plan Area to assist in establishing blight in the ordinance adopting the Plan. This does not mean that all of these projects are included as projects to be undertaken in the Plan. The specific projects that are included in the Plan are listed in Section II of this Report.

1. Transportation

The Plan Area abuts Halfway Road and Britta Street. Britta Street is the proposed frontage. This street is designated as collector in the Bend Transportation System Plan (“TSP”). A residential development has been approved by the City in land use permit PLSPR20211127. This approved development is anticipated to be assisted by the Project in the Plan. This development will dedicate adequate right-of-way, and the improve the street to meet the City transportations standards. The proposed development will construct the boundary street improvements of Britta Street and Halfway Road in accordance with land-use permit PLSPR20211127.

There is presently no public pedestrian pathway on the site. There is presently no interior transportation system that provides multimodal access from Britta Street and Halfway Road to the eastern and southern boundaries of the site.

2. Other Utilities

The water, sewer, and storm infrastructure are available within surrounding streets/areas and are adequate to serve the site. As stated in permits PLLD20211128 / PLVAR20211129 / PLMISC20220384, approved by the City, the developer is proposing to connect to a 8-inch gravity sewer main from manhole CMH012251 north to the intersection of Halfway Road and Britta Street, and then east in Halfway Road so that area can be served by a lateral that meets City of Bend standards. The development is also proposing to install an 8-inch water main within Halfway Road to service the plan area or provide a future opportunity to loop the water system in conformance with the City of Bend Standards. Public utility improvements are required for the development of this site. All proposed improvements are conceptual at this time. These improvements must conform to the City of Bend Standard and Specifications and will be reviewed by the City.

C. Social Conditions

The Plan Area has no existing residents. The City of Bend needs an additional 8,500 residential units across all income ranges by 2030⁵ to accommodate the underproduction for existing need and 15,000 new residents.⁶ Building more housing units with emphasis on encouraging more affordable housing options are high priorities within the City according to both community statements and City Council 2023-2025 Goals.

The Plan Area is in Block Group 2 in Census Tract 11.02 in the City of Bend. Tables 9 through 13 show the social conditions for this block group.

Table 9 - Race in Block Group 2

⁵ Oregon Housing Needs Analysis, 2025

⁶ Portland State University, Population Projects 2030

Race	Number	Percent
White alone	1,691	81%
Black or African American alone	26	1%
American Indian and Alaska Native alone	16	1%
Asian alone	0	0%
Native Hawaiian and Other Pacific Islander alone	0	0%
Some other race alone	59	3%
Two or more races	300	14%
TOTAL	2,092	100%

Source: American Community Survey 2023 5-year Estimates

Table 10 - Age in the Block Group 2

Age	Number	Percent
Under 5 years	75	4%
5 to 9 years	7	0%
10 to 14 years	9	0%
15 to 17 years	34	2%
18 to 24 years	324	15%
25 to 34 years	554	26%
35 to 44 years	244	12%
45 to 54 years	285	14%
55 to 64 years	361	17%
65 to 74 years	90	4%
75 to 84 years	57	3%
85 years and over	52	2%
TOTAL	2,092	100%

Source: American Community Survey 2023 5-year Estimates

Table 11 - Educational Attainment for Population 25 years and Over in the Block Group 2

Educational Attainment	Number	Percent
Less than high school	95	6%
High school graduate (includes equivalency)	210	13%
Some college	557	34%
Associate's degree	90	5%
Bachelor's degree	460	28%
Master's degree	114	7%
Professional school degree	82	5%
Doctorate degree	35	2%
TOTAL	1,643	100%

Source: American Community Survey 2023 5-year Estimates

Table 12 - Travel Time to Work in Block Group 2

Travel Time	Number	Percent
Less than 10 minutes	179	22%
10 to 19 minutes	546	68%
20 to 29 minutes	16	2%
30 to 34 minutes	45	6%
35 to 59 minutes	6	1%
60 or more minutes	6	1%
TOTAL	798	100%

Source: American Community Survey 2023 5-year Estimates

Table 13 – Means of Transportation to Work in Block Group 2

Means of Transportation	Number	Percent
Drove alone	710	89%
Carpooling	41	5%
Using Public Transportation	12	2%
Bicycling	0	0%
Walking	5	1%
Working at home	30	4%
TOTAL	798	100%

Source: American Community Survey 2023 5-year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Plan Area

The estimated total assessed value from the Deschutes County Department of Assessment and Taxation for FYE 2025 is \$269,110. The Area is zoned Mixed Employment (ME) and is presently vacant. The Area previously included a single-unit home, a use that is not permitted in the ME zone. The home has since been demolished. With a consistent lack of development, the Area has diminished taxable value reducing overall tax receipts in comparison to adjacent areas thereby not contributing its fair share to the overall tax base of the City. The result is stagnant and unproductive use of land resulting in taxable value \$2.9 million less per acre than adjacent parcels.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Plan Area (affected taxing districts) is described in Section VII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects in the Plan are for development assistance to assist in the development of housing units in the Area and administration of this Plan.

The development to be supported by the Projects in this Plan is new residential units in the Plan Area, approved by the City under planning application number PLSPR20211127. The Area is within the City limits, and the approved development is consistent with the Comprehensive Plan and zoning designations, and the City has anticipated the need to provide services to the Area. As the development will be new construction, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by housing production and, in the future, adding future increased increases in assessed value to the tax bases for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH PLAN AREA IN THE PLAN

The reason for selecting the Plan Area is to fund development assistance necessary to cure blight within the Plan Area. The development assistance will support providing more market rate and workforce affordable housing units as identified in Bend's Housing Needs Analysis and the Oregon Housing Needs Assessment 2025 Methodology, contributing to the health, safety and welfare of Bend residents. The Plan Area is vacant, does not have adequate development of streets and other rights of way or utilities, and has not been developed commensurate with surrounding lands.

XIII. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified. However, if property is acquired that requires relocation, the Agency will comply with applicable relocation requirements.