



CITY OF BEND

BEND ECONOMIC DEVELOPMENT ADVISORY BOARD

Subject: MINUTES

Meeting date: February 2, 2016

The Bend Economic Development Advisory Board held its regular meeting on Tuesday, February 2, 2016 in the Council Chambers at 710 NW Wall, Bend, OR. The meeting was called to order at 8:01 AM by Chair Corwin.

Those present included:

Committee: Wally Corwin
Erich Schultz
Dale VanValkenburg
Wendy McGrane
Van Lewing
Katie Tank
Dan McCarthy
Steve Curley
Roger Lee

Guests: Tim Casey, Chamber of Commerce; Tom Rowley, EDCO; Sandy Henderson, Central Oregon Film Office

Staff: Carolyn Eagan, Economic Development Director; Ben Hemson, Bend Business Advocate; Kathy Montgomery, Administrative Specialist; Jon Skidmore, Assistant City Manager; Robin Lewis, Transportation Engineer; Rose Schaefer, Finance; Russ Grayson, Community Services Director; Jesse Thomas, Performance Analyst; Craig Chenoweth, Development Services Coordinator; Susanna Julber, Project Manager; Jennifer Engels, Senior Administrative Specialist

Approval of Minutes

Minutes of the January meeting will be reviewed at the March meeting.

Public Comment

There was no public comment.

Air Service Update and Request

Ms. Eagan reviewed an opportunity through the FAA to bring a direct flight between Phoenix and Redmond to the area. It requires a monetary match of \$100,000, and \$15,000 for two years is requested from City of Bend. All funds would be due by March 1, 2016. Financing options by BEDAB and the City were discussed. Economic benefits to the community in general, as well as to the business community, were enumerated. Ms. Eagan distributed the February 1, 2016 budget handout to assist in the discussion. It was agreed that the CEDR Sub-committee should convene, review budget allocations, and discuss this opportunity.

System Development Charges (SDC) Deferral Programs

Member VanValkenburg reported on the Advocacy Sub-committee's discussion. Conclusions reached were to create a program for multi-family units (3+ units) and to have SDC fees due at occupancy. The program might include a fee at signing. It was also agreed to look into creating a commercial program that would relieve the burden on small business owners. The sub-committee is recommending implementation of a multi-family program and study of a possible commercial program. Ms. Eagan recommended speaking with Bend Parks and Recreation about SDC collection timing. Council would need to approve the program, and the contract with Parks would have to be modified. Member VanValkenburg moved to create a program for multi-family where-in SDC's are collected at Certificate of Occupancy (COO), rather than at the time of permitting, with a caveat to pursue modification of the contract with Parks to allow collection of Parks' SDC fees at time of occupancy rather than issuance. Details would include fee at signing, and the time to appeal fees would be at issuance not COO. The second part is to get more detailed information from City legal and finance departments on how to treat commercial projects. The motion was seconded by Member McGrane and passed unanimously.

Recommendations to Council for March 2, 2016

- **BEDAB Support for Central Oregon Film Office**

Sandy Henderson, Central Oregon Film Office, provided an update on specific opportunities for Bend, *Myst* and *Life is Strange*. She provided handouts on each which detailed funds that would come to Bend and positive economic impact on the area, explaining individual items. After discussion, Chair Corwin stated that BEDAB would be willing to support the request to Council but is unable to offer financial support itself. Member VanValkenburg moved to recommend to City Council that it explores funding options for Central Oregon Film Office. Member McCarthy seconded the motion which passed unanimously.

- **Visit Bend Contract**

Ms. Eagan reviewed agreements from last month's meeting which included the fact that Visit Bend is meeting the obligations of its business plan and BEDAB is not the best body to tell Visit Bend what to do beyond what is in its business plan. BEDAB had agreed to one year over-site. It would be comfortable continuing to review the business plan, recommend the plan to Council, and monitor progress on that plan, but it would be uncomfortable recommending changes to that plan to Council. This is the policy recommendation Ms. Eagan will make to Council at the March 2 City Council work session. Confirmation of the exact recommendation will occur at the March 1 BEDAB meeting.

- **Process for Distribution of Additional Tourism Fund**

Tourism funds are projected to come in over and above the maximum amount allocated to Visit Bend. Previously, Visit Bend was the only agency requesting additional funds. With the contract currently limiting the amount to Visit Bend, these additional funds are open to other groups. Recommendations that BEDAB could make to Council regarding timing and method of distribution of funds or holding those funds in reserve were discussed. Funds could be put out to competitive bid for groups that would promote tourism. Whether or not the requests should be vetted through BEDAB was discussed. Possible processes for awarding the money were outlined. Due to the fluidity of the funds, one year contracts would be considered, not multiple year contracts. Performance must be demonstrated during the contracted year. Visit Bend has requested that the entire Board review proposals and not a sub-committee. Chair Corwin recommended that excess funds be available for bid at fiscal year-end as well as a request for maintaining a rainy day fund at a 75/25% split. Member Tank moved to recommend to City Council that, at the end of the fiscal year, excess funds be offered for RFP's and a rainy day fund

to use the excess funds. The motion was seconded by Member McGrane and passed unanimously.

Air Service Update and Request (continued)

Roger Lee, EDCO, distributed a handout with information on the proposed Phoenix-Redmond air service opportunity. He reviewed proposed financial scenarios. A \$500,000 grant through the Department of Transportation requires a \$100,000 revenue match. A decision is needed in the next 12-14 days, but funds would not be needed until summer. Mr. Casey agreed that the Chamber could be used as a pass-through for the funds. Time is needed for CEDR to examine the budget and discuss the issue. Member Tank moved to have the budget examined and a determination made as to whether funds could be available through the salary savings or the business registration program to contribute \$15,000 a year for two fiscal years to this program. Member VanValkenburg seconded the motion which passed unanimously. Member McGrane urged Board members to take the information to businesses and have them contact EDCO with questions about funding the program. CEDR should convene quickly and provide a recommendation. Ms. Eagan would like a funding stream developed that did not require this last minute action if other opportunities become available in the future. Mr. Lee concurred. Member Tank would like to ensure that the business cluster funding remains.

City-wide Safety Projects

Robin Lewis, Transportation Engineer with Growth Management Department, provided information on the City's safety program. Safety, health, and economics are the focus of the program which is small right now. She explained economic impact of vehicle crashes. Changes made to roads make travel comfortable and safe and help connect businesses and people. Current focus is the 3rd Street and Greenwood area. At times, the best solution is addition of a median which requires education of the public and a visual mock-up of the area to demonstrate the benefits to citizens and businesses. In the future, events will be held to involve the public.

Overview of Community Services Department

Mr. Grayson reviewed City Council goals and the role of the Community Development Department. The main role of the department is regulatory, but it also serves to implement the vision of the City and be a community resource. Core service areas include Building, Planning, Code Enforcement, and Private Development Engineering. Funding for the department is mostly fee based which accounts for fees that are higher than other cities. He outlined the responsibilities of each area. Restructuring of the department has taken place recently to increase efficiencies.

Mr. Thomas, Performance Analyst, explained his efforts to move the department forward. Reorganization of workflow, tracking, and collection of data will help determine how processes may flow more efficiently and quickly. Chair Corwin would like measurable, specific goals for improvements established. He'd like these included in the next report. Mr. Grayson agreed to return in six months' time with a report.

Mr. Chenoweth, Development Services Coordinator, explained the focus of this area which is economic development, business development/advocacy, external customer focus, and project management. Projects are categorized as linear, multi-dimensional, or high-profile projects, depending on the departments and special needs involved. The department will help to guide businesses through the planning and building processes.

Mr. Grayson outlined goals of the department going forward:

- Perform reviews consistently with predictable timelines
- Be a resource for private investment in the city
- Be as efficient and transparent as possible
- Provide a high level of customer service
- Promote a healthy work environment with engaged staff
- Position department for LEAP and the future

Adjournment

Chair Corwin adjourned the meeting at 10:05 AM.