



CITY OF BEND

Minutes

Bend Economic Development Advisory Board (BEDAB)

Monday, January 8, 2018

12:04 pm BEDAB Meeting

Roll Call: Katie Tank-Vice Chair, Dale VanValkenburg, Jamie Klopp, Keith Dodge, Kevin Cole, Stephanie Senner, and Will Warne

Jamie Christman, Kevney Dugan, Kip Barrett - ex officio

Councilor Russell

1. Public Input

None.

2. Approve December 4 Meeting Minutes

Approved.

3. Comprehensive Plan/Zoning Map Alignment Discussion | Group

General support but wanted to do some business outreach first and bring back.

Colin Stephens: Here to answer questions. Will notify property owners by mail. Will give opportunity to opt out. Katie Tank: any other owners who might have an issue besides Deschutes Brewery? Colin Stephens: Reminder that is matching to Comp Plan.

Deschutes Brewery concern is related to the Comp Plan designation. Part of property is in mixed use which doesn't permit manufacturing. Jon Skidmore: we promised to protect their manufacturing use so this is a mistake on City's part that can be addressed as part of the planned cleanup.

Ben Hemson: All impacted properties would have received a measure 56 notice to address on file (via UGB process). Keith Dodge: seem to be taking away industrial area. Ben Hemson: already changed. Employment analysis was taken into account. Colin Stephens: found have adequate supply to end of planning period.

Kevney Dugan asked what is BEDAB being asked to weigh in on? Alignment to Comp plan. Work Session on February 7th. As part of this proposal would change the ones that need cleanup. Ben Hemson: no fundamental changes.

Will Warne: are there incremental winners and losers? Colin: have to go by Comp plan designation. How much friction does it create? Already have to go by Comp plan so doesn't change that. Ben Hemson: Reason we brought agreed upon Economic

Development Outcomes today, this smooths development process, matching several of our outcomes.

Michael LaLonde: President of Deschutes Brewery. Will expand operation to the south. If zoning not corrected, would cost them a lot of money to obtain a conditional use permit or to fix.

Colin Stephens said he can look into that area; the issue is expansion. Maybe not designate as legal non-conforming. Can extend through conditional use. Roger Lee: EDCO doesn't recommend anyone to move into an area requiring approval of a conditional use.

Ben: We are talking about aligning the Comprehensive Plan and Zoning Map. Colin Stephens: this project is aligning, split the two issues apart: map alignment vs. permitted uses in the UGB Opportunity Areas.

Kevin Cole: support alignment plan with a caveat to address concerns. Ben Hemson: can bring back as a separate issue via the Advocacy Subcommittee.

Katie Tank: letter to Council. Write letter to support matching zoning with comp plan.

Dale VanValkenburg: Recommend BEDAB support Zoning Map be updated to match Comp Plan Map. The known problem with Deschutes Brewery's zoning should be addressed. Future study of non-conforming uses recently created with UGB. Will Warne seconded. All were in favor.

4. Visit Bend & TRT Bi-Annual Update | Kevney Dugan

Interim update. Kevney Dugan: high level overview. Everything looks good overall. Industry is healthy.

First 6 months. Projected 8%. Currently 7.8% up. On track for winter and shoulder season direct media. New website. Website is currently designed for first time visitor. New will be more interactive. More returning visitors. Visit Like a Local.

Recently the State of Colorado partnered with Leave No Trace. Travel Like a Local. Breckenridge – Visit Like You Live Here.

Marketing plan: 88.4% spent during non-summer months. 38% SFO; 32% SEA; 30% PDX. Online digital advertising.

Katie Tank asked how Visit Bend tracks effectiveness. Kevney answered that they use engagement. Someone clicking through to website or liked or commented. Also an area market share of traffic.

Transient room tax collections:

7.8% over FY2017. August up due to eclipse, then tails off likely due to smoke. In talking to lodging operators: Group businesses canceled. Still feeling it. Now no snow. Not overly worried. Thinks it is more a blip on radar.

More capacity is out there now. Will affect the shoulder seasons. Rates and occupancy will go down. Shouldn't affect summer.

Reserve fund:

In another few months Visit Bend will be presenting their business plan.

Next year 2% increase in TRT. Year after that is predicted to be a flat year. After that growth again. Per what some economists have said. Settled on 5% of total budget to grow reserve fund. \$750K by end of year 5. Industry standard dollar amount.

What will reserve be used for? Historically was a wind down fund. Grow this part to \$100k. Second is reserve fund: for significant economic downturn. Less coming in but still able to market. Also for unbudgeted marketing opportunities.

Don't want to put too many rules around. 103% of projection would be kicker. Mandate to grow reserve fund by 5%. In order to spend reserve must be accompanied by a written plan and specific timeline to replace those funds. Deemed reasonable by majority vote of Board of Directors. Will be re-evaluated as time goes on. Kevney suggested BEDAB think about over next couples of months before business plan is presented.

Karna Gustafson: Can you use before hit \$750k. Doesn't there need to be specific language? Kevney Dugan: Didn't want to put too many specific restrictions. Board Approval is mandated. The word "may be used". Will tighten up wording.

Council Russell: Do you imagine an opportunity like cyclo-cross event to be able to use that funding and then use to replenish. Kevney Dugan: usually would have lead time but could use for this type of instance. Plan to invest and plan to replenish. Council Russell also mentioned more than one opportunity bucket. Kevney: prefers to keep in one bucket in addition to wind down.

5. Urban Renewal Update | Carolyn Eagan

Spoke to Council about urban renewal. Council and BURA have the same makeup, seven City Councilors. BURA Agreed to put some proceeds from sales into Urban Renewal general fund. If there's an interest in developing new urban renewal areas, then feasibility studies would be needed. Done by consultants. No areas chosen. Did not provide for hiring of staff. Causes a delay maybe 3 months to initiate. Overall supportive. Some concern of what means for police and fire. Other issue: other taxing districts need to be involved. What is wanted from BEDAB: ask Council to think about staffing and also to appoint an advisory board. For Council worksession committee/board update on 17th. Know more by end of February what areas make sense to explore. Want to make sure areas chosen are engaged. If okay, please include in update.

Has feasibility been initiated? No, Council needs to direct BURA.

6. Juniper Ridge Group Check-In | Erich Schultz & Katie Tank

Subcommittee met 3 times and realize needs to meet more. A couple more times before come back to BEDAB with recommendations. Ben Hemson: is a complicated issue but is important. Need to flesh out. BEDAB's update to council: allow BEDAB to continue to work.

7. Upcoming 5-Year Enterprise Zone Application | Kip Barrett

Request going before Council Feb 7th. 5 year abatement of new investment. Cascade Integrated Instruments. Goal: Job creation 50% and wage levels much higher. Capital and facilities. Ben Hemson: BEDAB support is implied.

Kip Barrett: If make program too restrictive, costs more to administer program. They are paying for SDCs etc. If not meeting requirements, have to pay back. Carolyn Eagan: Enterprise Zone is a state program, a geographic boundary. Back in 2009. A long term game. Good times and bad. This Board needs to have a long term perspective. Kevin Cole: is a proven economic model. Oregon incentives always linked to jobs and have accountability measures.

BEDAB supports, no motion necessary.

8. Check-In: BEDAB Work Plan | Ben Hemson & Group

Formal recommendations. Moving forward. Comp Plan. Reserve Fund.

Charter Review – do we want to weigh in on? Stephanie Senner mentioned that directly elected mayor is only one moving forward on ballot. Wards went down. Not weighing in on process.

Transportation: several people on committee. Can monitor. Annexation: February/March. SDCs: Stay tuned. Enterprise Zone expansion: done.

9. Adjourned at 2:01 pm