



CITY OF BEND

2019-21

Biennial Report



Building on our past.
Serving the present.
Shaping Bend's future.



Introduction

About this report

Bend is a sunny recreation mecca in Central Oregon that is home to about 90,000 people. This thriving community has grown, on average, about 2% a year over the past 20 years. The City’s goals are focused on keeping Bend a desirable place to live, work and play.

With a mission to provide the right public services for the Bend way of life, City government provides services such as public safety, streets, water, sewer and community planning.

This two-year report highlights the City Council’s 2019-21 goals, which cover core services and address emerging issues such as mental health, homelessness and wildfire resiliency.

Reflecting the community’s feedback, this two-year plan places a heavy value on **transportation and affordable housing**.

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Bend at a Glance

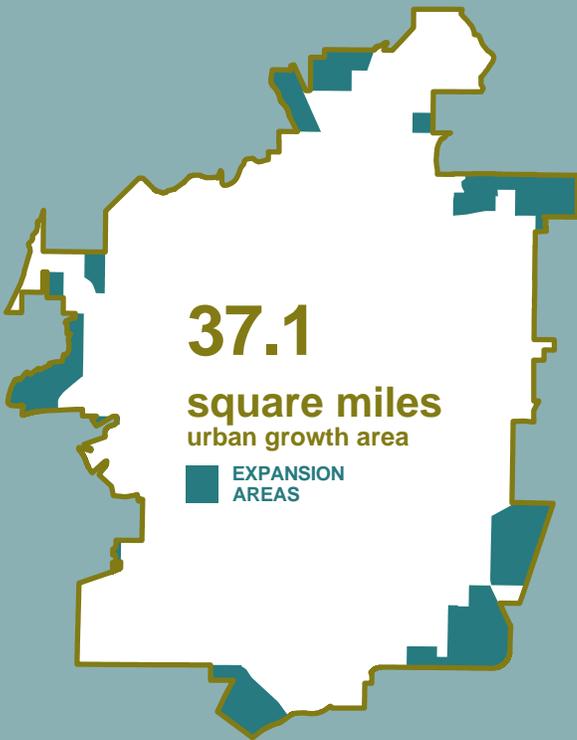
* PSU Population Research Center, 2018

** ACS, 2017 5-year estimates

† Oregon Employment Department, 2018 (Bend, MSA)

‡ For scale, that's the distance from Bend to Disneyland

Bend is home to **89,505** people*



83,189 jobs[†]

Bend's top 3 industries by employment:

15,742

Transportation, Trade & Utilities

13,749

Private Education & Health Services

12,990

Leisure & Hospitality

\$60,563
median income**

10.9% of households have income below the federal poverty level



18,980 students**

15 primary schools / 6 middle schools
5 high schools / 2 colleges/universities



25,000

water customers



31,000

sewer customers



32,000

stormwater customers



The City maintains **848 lane miles**[‡]



911 received
98,193 calls
in 2018



Permanent tax rate
\$2.80 per \$1,000



703

City employees

Top 3 departments:

1. Police (140)
2. Fire (131)
3. Utilities (124)



38,970
housing units**



2019-21

Bend City Council

Our elected policy makers volunteer time and dedicate energy to making Bend great.

We, the City Council, believe that Bend is a unique community that people are drawn to because it is an outstanding place to live. We desire to demonstrate consistent stewardship of resources and quality of life. We will be guided in decision-making **by following these values** as the foundation for public trust and confidence:

- Inclusivity.**
- Sustainability.**
- Partnership.**
- Stewardship.**
- Responsiveness.**



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City Council

Goal Setting & Budget Development Process

The Council uses input from the community to develop two-year goals for the City. Council Goals influence the budget, so discretionary funds are spent on community priorities.



Input from Community
Jan-Feb 2019

Council Goal Setting Retreat
Feb 2019

Council Work Sessions
Mar 2019



Adoption of Goals
Mar 20, 2019



Economic Vitality

- More housing types
- Managed growth
- Developable employment lands
- Natural resource stewardship
- Public/Private partnership opportunities



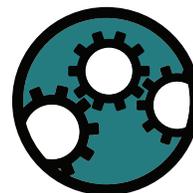
Transportation & Infrastructure

- Congestion relief
- Funding plan
- Mobility options
- Neighborhood safety
- Streets, sewer and water investments



Public Safety & Health

- Good response times
- Traffic safety
- Downtown crime prevention
- Wildfire resiliency plan
- Homelessness and mental health partnerships



Effective & Efficient City Operations

- Data and technology investments
- Community participation
- Public facility plans
- Diversity, Equity and Inclusion (DEI) programs



Budget Development & Adoption
June 2019



Goal

Economic Vitality

In recent years, the City successfully completed a community-supported Growth Plan to set a path forward for strategically-targeted expansion and redevelopment.

City government responds to growth and change with an eye toward the future. We are working to create a healthy environment in which everyone can have a good job and a safe and affordable place to live.

2019-21 Strategies

The City will leverage policies and community partnerships to increase opportunities for additional housing and housing types and land for higher-wage employment. The City will increase shovel-ready land and decrease development costs for housing development. And, we'll make sure that growth takes natural resource stewardship into consideration.



2019-21 PLANS

Permit 3,000 housing units.

Implement tax exemption programs for housing.

Get Juniper Ridge land ready for employment development.

Adopt a Community Climate Action Plan.

Identify renewable energy options.

The City supported the development of 2,640 multi-family units and started a pilot project for more affordable housing.



Progress made

2017-19

Progress in Housing

The City won a pilot project proposal to expand the Urban Growth Boundary for **affordable housing**, in partnership with a developer for 241 deed-restricted homes, 155 mid-range affordable homes and 80 market-rate units.

The City **changed codes** to remove development barriers for additional housing supply.

The City permitted **2,640 multi-family units**.

Progress for the Environment

The City received grant funds to hire a **sustainability coordinator**.

The City completed a **greenhouse gas inventory**.

The City **reduced its energy costs** by 13%.



Goal

Transportation & Infrastructure

In 2011, voters approved a \$30 million bond to upgrade major street corridors and dangerous intersections. These projects were completed in 2018.

Transportation and infrastructure remain City priorities. In 2016, the completion of major water projects dominated the capital project list. In addition to the construction of a new Water Filtration Facility, the City replaced two water pipelines with a single line and built a new intake facility where our award-winning drinking water is diverted on Bridge Creek.

Then our infrastructure work turned to sewer improvements. In 2018, we completed the massive \$66.8M Southeast Interceptor sewer line, built sewer improvements in the north area of the city and established a funding program to help residents transition from septic to sewer.

We continue to invest in capacity improvements at the Water Reclamation Facility, our wastewater (or sewer) treatment facility. Expansion projects will ensure future capacity is available for both residential and industrial needs.

More recently, our focus shifted to transportation. In 2018, the City celebrated the completion of the 2011 General Obligation Bond projects. Thank you to voters who approved \$30 million in upgrades to major street corridors and dangerous intersections! Improvements benefitted safety, all modes of travel and were distributed all over the city.

Also during the last biennium, in response to a community call for better road maintenance, the City prioritized improving our pavement conditions, in part due to additional State funding.

We provide core services so Bend residents can take care of their lives, families and jobs.



Progress made 2017-19

Progress in Infrastructure

The City resurfaced **179 lane miles**, or 25% of our road system, on time and under budget.

The City **improved our pavement condition** index (a measurement of road quality) from 70 to 73, which means roads are getting better overall.

The City began **neighborhood greenways construction**.

The City **filled 2,269 potholes**.

The City **created more than 500 ADA-compliant curb ramps** and **1.2 miles of ADA-compliant sidewalks**.

“We’ve seen steady improvement with our road conditions in recent years and will continue this trend.”

David Abbas, Streets & Operations Director

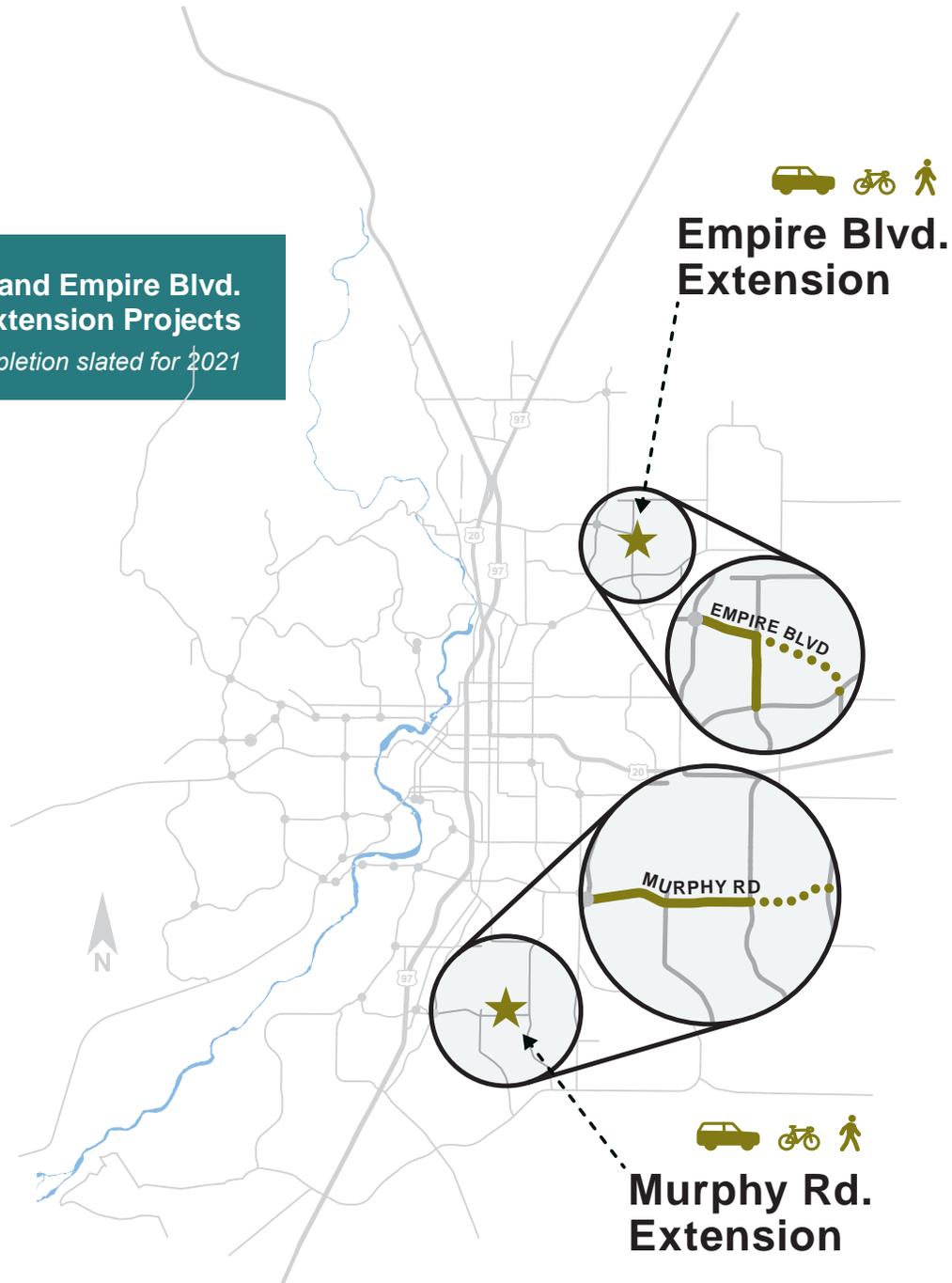


Goal

Transportation and Infrastructure

Murphy Rd. and Empire Blvd.
Extension Projects

Completion slated for 2021





Progress made 2017-19

Progress in Transportation

Council approved **\$60 million** to extend Empire Blvd. and Murphy Rd.

These projects will **reduce future emergency response times** by 2+ minutes.

This accomplishment involved **22 departments and external agencies** working together.

“This Council is focused on transportation—from local greenways to corridor improvements to regional highways. The City is working with the community and other partners to leverage funding and improve safe, reliable transportation options.”

Sally Russell, Mayor



Goal

Transportation and Infrastructure

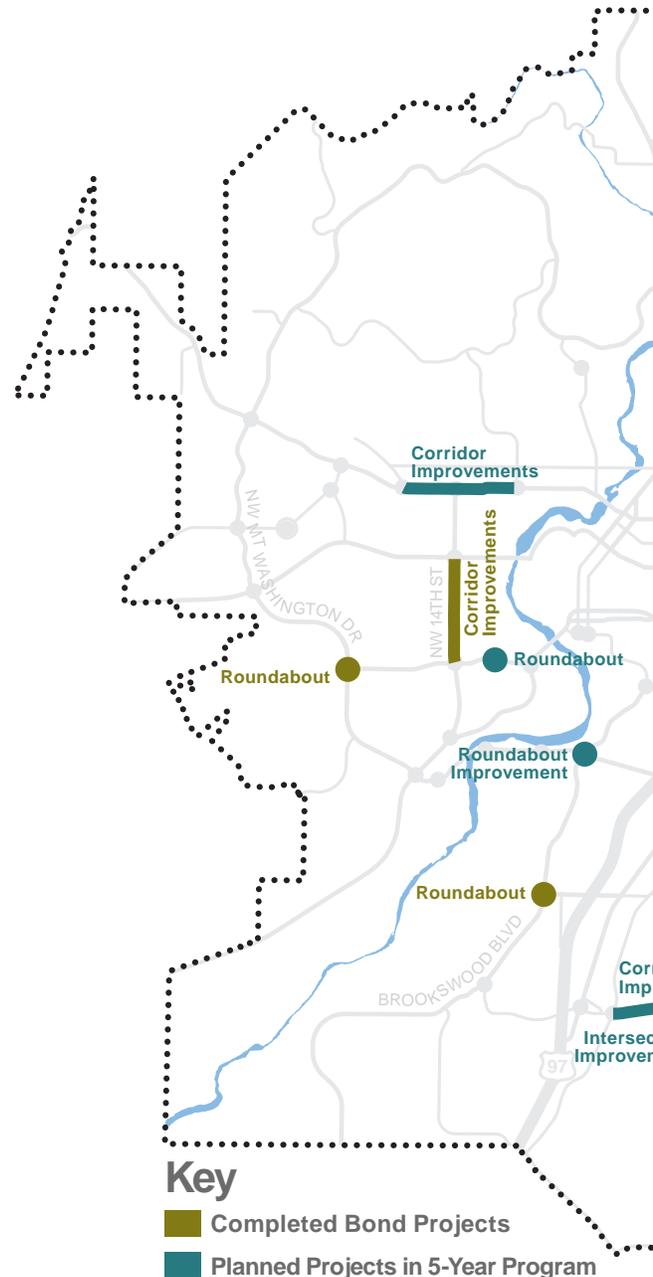
2019-21 Strategies

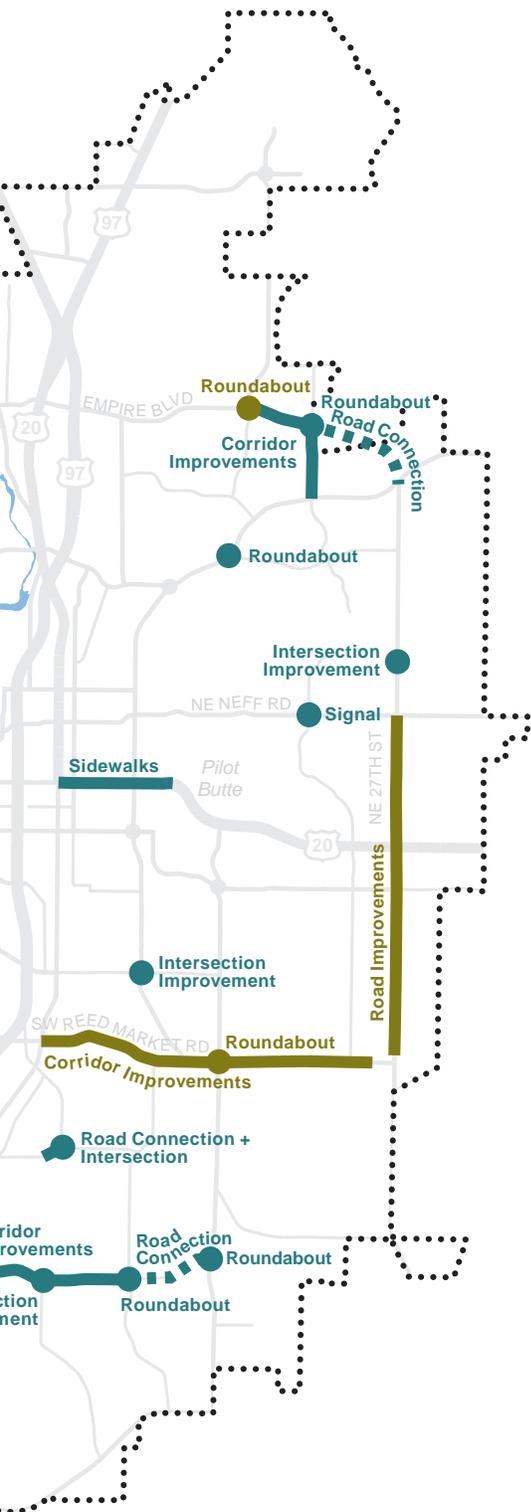
The City aims to maximize ease of travel for all users with an updated, long-range transportation plan and associated funding plan to pay for needed projects.

The most significant impact on the 2019-21 biennial budget is additional funding for transportation projects that reflect community priorities. The City will leverage multiple funding sources to enhance and improve transportation systems, which can help address housing and mobility challenges. Whenever possible, utility projects will coordinate with transportation projects to be efficient and responsible with public funds.

With the 2019-21 budget, the City approved an increase in Transportation System Development Charges (*impact fees charged on new development*). This increase is aimed at accelerating the construction of crucial citywide transportation and congestion-relief projects.

Transportation System Plan updates and a 2040 project list can be found at bendoregon.gov/tsp.

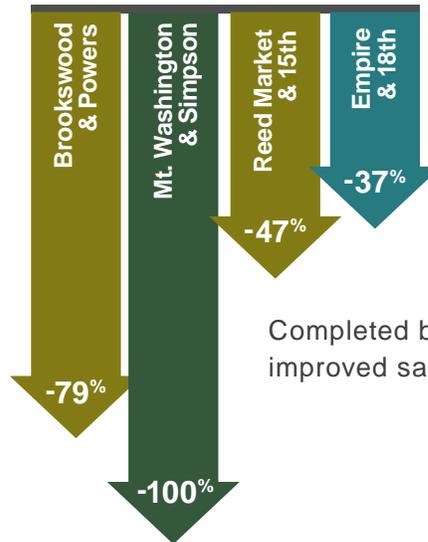




Roundabouts



Reduce Collisions



Completed bond projects improved safety.

2019-21 PLANS

Develop a community-wide parking program in response to community needs, to modernize parking management.

Create a neighborhood traffic safety plan.

Improve pavement conditions from ranking of 73 to 75.

Create a sidewalk plan to share responsibilities for sidewalks between City and property owners.

Complete another phase of our neighborhood greenways project.

Leverage funding sources to improve transportation.



Goal

Public Safety & Health

The Police and Fire Departments collaborated to create a nationally-recognized wellness program for staff.

Public safety has traditionally been a community priority, and tends to lead the City's discretionary spending. To provide services in the most responsible and efficient manner possible, our Public Safety departments have developed innovative models for service that improve response times at lower costs.

We protect lives, property and community vitality with compassion, professionalism and teamwork.

2019-21 Strategies

City strategies aim to protect and improve health and safety for everyone while addressing the challenges associated with a rapidly growing community.



2019-21 PLANS

Preserve current service levels and response times through innovative service models and build a new Fire station in the core of the community.

Build wildfire resilience plans.

Connect residents and businesses to resources for mental health and homelessness issues.

Address livability crime in downtown.

Increase traffic safety programs by 20%.



Faster response times mean more lives saved. Bend's cardiac survivability rate is one of the highest in the nation.

Progress made

2017-19

Progress in Police

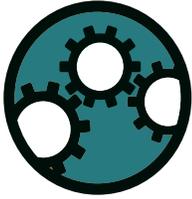
The Police Department increased downtown patrols, which reduced calls for service.

The Department improved **pro-active, community-based policing** by 29%, resulting in almost 4,000 community interactions and a **reduction in mental health calls** by almost 5%.

Progress in Fire

The Fire Department maintained a 50% **cardiac survivability rate** and response times that are **faster than target** levels through innovative Basic Life Support and Quick Response Vehicle programs.

The Department began construction on **two new fire stations**.



Goal

Effective & Efficient City Operations

The City is an efficient, well-run organization that has the appropriate people, systems and processes to meet changing customer needs. This two-year plan builds on progress from the last two years. The City successfully implemented new payroll and human resources software over the past two years, and continues to modernize its technology to improve customer service. In the last biennium, we created a performance dashboard to show measurable results associated with Council Goals, and that work continues.

The City increased support to Neighborhood Associations and community participation continues to be a goal. We welcome everyone to participate and work to include underrepresented voices. We leverage data and partnerships to innovate and continually improve the public services we provide.

2019-21 PLANS

Planning to address facility constraints at City Hall and Public Works.

Developing City-wide data management and innovation programs to make forward-thinking, data-informed decisions more consistently.

Supporting and improving the effectiveness of Neighborhood Associations.

Developing a diversity, equity and inclusion program, beginning with an organizational assessment and including a task force to help identify needs and priorities of underrepresented communities.



The City of Bend website receives an average of about 350,000 site visitors each year!

Progress made

2017-19

Progress in Governance

The City revitalized all of its 13 Neighborhood Associations and created a new Council-appointed advisory committee called the Neighborhood Leadership Alliance.

The City facilitated a Charter Committee which resulted in voters approving Bend having a directly-elected mayor.

The City developed a data and analytics team and hired an innovation officer with existing resources.

Did you know?

The City has 13 citizen advisory committees!

Want to get involved?

Visit us online:
bendoregon.gov/committees



The Budget in Brief

How We Do It

To accomplish Council's goals, this two-year, \$887 million budget reflects a 5% increase in revenues for the first year and a 4% increase for the second. Additional revenues will come from increases in tax assessed property value, rate increases for sewer, water and stormwater, increases in franchise fees and transportation system development charges.

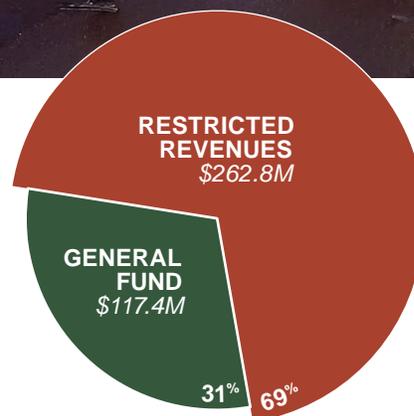
The biggest expenditures in the budget are for investments in transportation (nearly \$74 million over five years) and other infrastructure (\$18 million for water, \$136 million for sewer improvements).



About Restricted Revenue

A majority of the City's \$380 million in revenues are *restricted*, or designated for specific operations and programs.

For example, the City can't use water fees to pay for Fire trucks or Police officers. The fees you pay for water can only be used for water-related expenses.



2019-21 Revenues

City Budget Breakdown



Here's how the City spends every \$100 dollars locally.



\$13.02
Community &
Economic Development

\$22.39
Transportation
System Funding



\$41.31
Utility System Funding

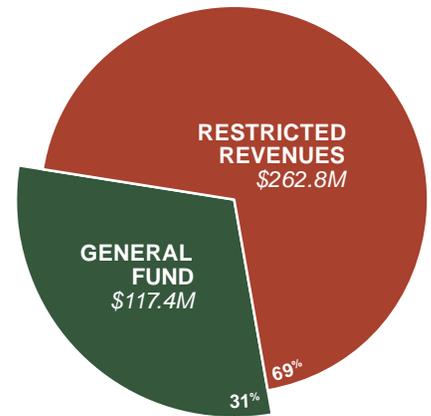


\$23.28
Public Safety

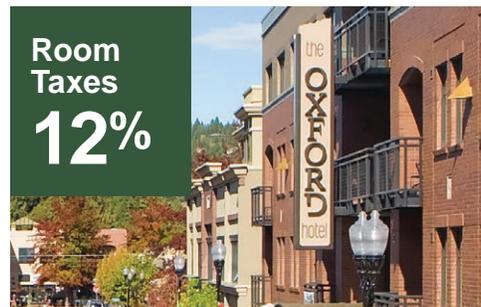
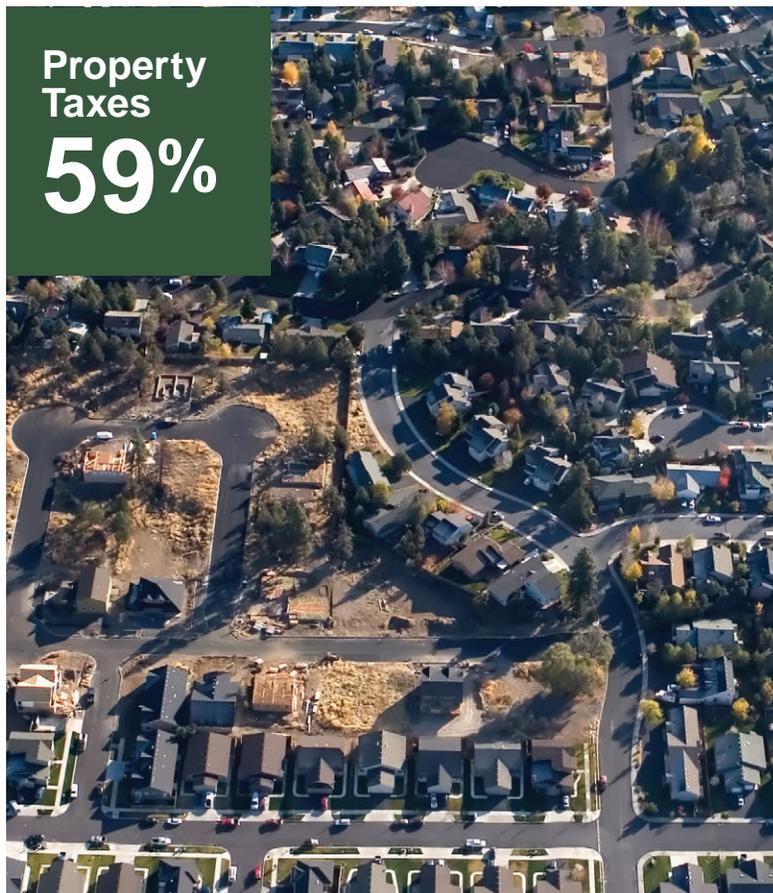
The Budget in Brief

General Fund

Thirty-one percent, or about a third, of the revenues that the City receives go in to the General Fund, and they are known as “discretionary” funds. Remember, these are the funds that City Council Goals can influence!



2019-21 Revenues

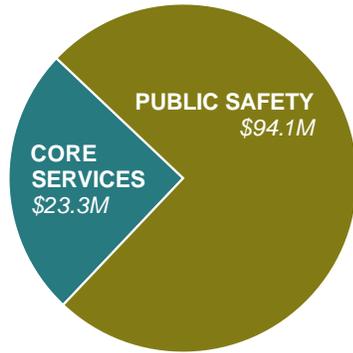


Where the money comes from...

The General Fund is primarily comprised of property taxes. A few other sources of income for the General Fund include room taxes (lodging taxes) and franchise fees that companies pay to use the public right-of-way to provide other necessary services to the community (such as waste haulers or cable companies).

**Includes revenue from the State and other discretionary revenue.*

...and where the money goes.



For more information, visit bendoregon.gov/budget.



Every two years, following a Council election, the City Council—your elected policymakers—develops goals that determine how discretionary funds should be prioritized in the biennial budget.

About 80% of the General Fund pays for public safety—Police and Fire services. Other core services supported by the General Fund include street maintenance, accessibility and some community development expenses.

Property Taxes

About 21% of a property tax payment goes to the City. The rest goes to other entities including Bend-La Pine Schools, Deschutes County, the Bend Park and Recreation District, and others.

Property tax rates cannot be increased without voter approval. Bend's \$2.80 per \$1,000 of taxable assessed value tax rate has remained unchanged since 1981. Measures 5 and 50 in the 1990's froze that rate and capped taxed assessed value increases at 3% per year.



42.6%
Bend-La Pine Schools

21.1%
City of Bend

14.8%
Deschutes County

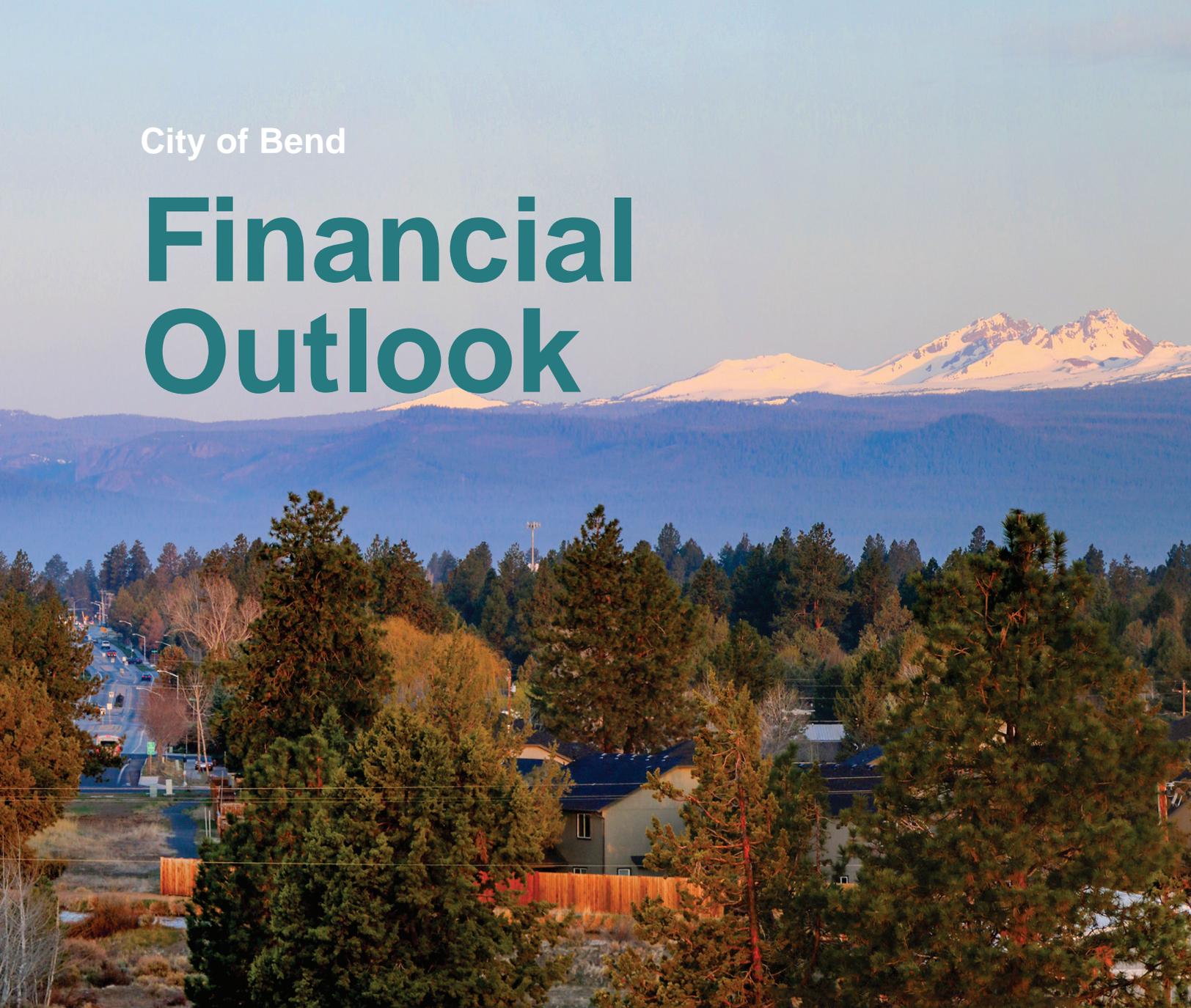
10.4%
Park & Rec

11.1%
Other*

*COCC 4.7%
Library 3.5%
911 2.3%
High Desert ESD 0.6%

City of Bend

Financial Outlook



The 2019-2021 biennial budget

represents an aggressive approach in addressing the community's top priorities: investing in transportation and increasing housing supply. These investments are made possible by a financial strategy that includes increases in rates and fees, a draw down of reserves, and a creative approach through public/private partnerships.

The City will leverage fee and rate increases to issue over \$100 million of debt to ensure today's and future generations share equally in paying for the investment and replacement of aging infrastructure, facilities and equipment that will

benefit the community for decades to come. The 2019-2021 budget makes significant progress in addressing key priorities, but more long-term investment is needed, especially to ensure our transportation system is meeting community needs.

"The City is in a healthy financial position. We will continue to work with the City Council to address community priorities while maintaining the financial health of our organization and being good stewards of the public funds that are entrusted to us."

Sharon Wojda, Chief Financial Officer



“Bend is evolving into a City of 100,000. We are **catching up to growth** and creating long-term plans for **investments in transportation** and other necessary **infrastructure**. I am optimistic that this budget continues our path to balanced **economic development, environmental stewardship, housing affordability** and our **community heritage** that preserves our strength as a desirable, friendly and livable City.”

Eric King, City Manager



CITY OF BEND

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bendoregon.gov



Accommodation Information for People with Disabilities

To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact the Communications Department at communications@bendoregon.gov or (541) 388-5573; Relay Users Dial 7-1-1.