



CITY OF BEND

Minutes

**Bend Economic Development Advisory Board (BEDAB)
Monday, November 4, 2019**

Staff Liaison: Ben Hemson

12:04 pm BEDAB Meeting

Roll Call: Stephanie Senner-Chair, Keith Dodge-Vice Chair, Erich Schultz, Jamie Klopp, Kevin Cole, and Wendy McGrane

Heather Ficht, Jim Sansburn, Jerry Schulz, Kevney Dugan, Kip Barrett- ex officio
Councilor Piper

1. Public Input

None.

2. Approve October 7 Meeting Minutes

Approved.

3. Development Code Section 4.7 & Advocacy Feedback | Carolyn Eagan

Section 4.7 of the Development outlines how developers must address impacts on the transportation system. Must first describe the number of generated trips and how the City's system will be accessed. Is it safe? Where does traffic go? If over 15 peak hour trips to major intersections of arterials and collectors, must do intersection operations analysis. City has known failures that exceed the city's mobility standards. Time is wasted on both the development side as well as staff side. Council asked staff to develop 3-5 code changes that would make housing units come on line faster. There is a proposal to change number of trips before required to do analysis or improvements. Recent applications were looked at and none of developments were big enough to make a difference in terms of enough money to fix problems. Changes are meant to bridge until new policies out of TSP are in effect. Does not change mobility standards. Exempts from all analysis anything funded in capital plan for improvement or just built (within 3 years).

What type of revenue impact will this mean? Response: City will receive SDC revenue faster.

BEDAB Advocacy discussed 4.7 last week. They were supportive of change. Time frame for BEDAB weigh in: goes to Planning Commission on Monday, November 25th. Can weigh in by letter, to Council or testify at public hearing. Dec 18th Council meeting would be first reading and January 8th, the second reading.

At Advocacy it was mentioned that need to recognize that some businesses will have

a negative impact. Ben did reach out to businesses and will let them know dates of the meetings. Discussion was that changes made sense and were supportive of changes.

Stephanie brought up public concern about impact of mobility standards. Carolyn replied that still have to look at safety, trips etc.

Does accelerating capture of SDCs, accelerate improvements? Yes, might give city some opportunity; however, would have to be large developments to give us enough money to fund an intersection improvement.

Ben will send out to business community.

Submit letter with key points and additional context. **Keith Dodge moved that BEDAB supports Advocacy's recommendations and send letter to Council. Wendy McGrane seconded. All were in favor.**

4. Climate Action Plan Feedback & Next Steps | Cassie Lacy

Cassie wanted to provide update on time line. Council will expect BEDAB to weigh in on the proposed Resolution. CASC will be presenting to Council this Wednesday at worksession to see if Council is ready for a vote or more information is needed. If yes, then will be at December 4th Council meeting. Will have a public hearing even though not required.

Concerns:

- Solar easements conflict with density. Removed from sub-actions.
- Encouraging use of low carbon concrete – issue with supply issues in Central Oregon. Strategy is recommended not required. More for education or incentives. Will need to work with Council on how to do this after approved.
- Home energy score program – is only regulatory strategy in plan.

Concern about potential cost and adding complexity to sales process. Questions surrounding why mandatory, can't information be obtained in other ways. Who would enforce? Are there enough assessors to handle volume or would there be delays. What are costs? Need more concrete information.

- Casey indicated CASC feels will be more effective if mandatory. Score is the only mandatory requirement. There is no requirement to make any changes/repairs. City would be regulatory agency. Portland's costs are between \$150 and \$300. Portland did not launch until they checked how many people could do, cost, how long would take.
- What is communication plan? Education of public/realtors. Community and industry engagement. Question asked is limited to residential. Answer - yes. What about multifamily – decision not made yet.

COAR - Tyler Neese. Would add complexity to transactions. Can stigmatize older properties. Is this something that would be used under guise of requiring repairs? A few concerns but understands intention. Support other portions of resolution.

Why is this one mandatory? Can it be done any other way, with incentives for efficiency. Want to make comparisons available. Looking at energy bill history

doesn't take into account how being used – number of occupants, appliances, etc. Also gives people a list of improvements can make.

Mike Riley of Environmental Center: Would allow gathering of data about housing stock in area. Would help figure out where to target incentives. Would draw attention to what it costs to live in home not just what house costs.

BEDAB wants more information. Suggests that BEDAB outline concerns about lack of data, also around affordability and time it might add. Ben said BEDAB could support with reservations on this strategy. Council worksession is on Wednesday. Might want to wait until after worksession for feedback.

Cassie said there will be additional public process about details.

Councilor Piper said need to get in front of data. No impact on length of transactions. \$150-300. Also question of compliance. Portland chose not to do penalty first year.

To summarize:. If we are recommending, be careful there a no unintended consequences to affordability or to business community.

Ben – Councilor Piper are you willing to bring forward concerns? Councilor Piper said yes. Bend suggested to wait until hear feedback from worksession.

Both ends of spectrum from business community have weighed in - some support sustainability efforts and other businesses not as much.

5. Urban Renewal in the Bend Central District | Allison Platt & Matt Stuart

Update on where we are in the process.

In 2016, City identified areas where there will be growth. In 2018, staff was directed to pursue urban renewal feasibility of Kor Pine, East Downtown, Bend Central District and Inner Highway 20/Greenwood. The Core Area Project was created.

Core Area Project Objectives:

- Urban design framework
- Identify programs and projects
- Location, phasing, costs of infrastructure
- Development Feasibility Analysis
- Identify any need code amendments or zoning changes
- Recommend funding strategies; incentives
- Determine feasibility and boundary of potential new urban renewal district and provide recommendation to BURA.

Timeline: are about half way through. Goal is to finish by summer of 2020. If before October, than would be able to collect taxes in 2021.

Guiding principles were established. Public's top three were:

- Live work and play
- Connect east and west bend.
- Walk and transportation system.

Development Feasibility –biggest challenges:

- Zoning standards
- Infrastructure deficiencies
- Lack of connectivity and pedestrian facilities
- Small parcels, most under 10,000 sf.

Kip said small lots seem incompatible with higher/denser. Response: will aggregate land.

Next steps Phase 1. Core Area Implementation Plan

Tools and recommendations:

- Form a Urban Renewal District
- Zone changes (evaluate code barriers to development/redevelopment)
- Development incentives
- Infrastructure and public realm investments and financing.
- Update street standards
- Continue involvement of policy and program development (Business programs, affordable housing, sustainability)

Core Area Businesses,

800 very diverse businesses within area. They want BEDAB's input on the following:

- What are some of the business and economic development goals that you have for the Core Area?
- Are there specific target industries that you imagine for the area?
- What are some of the concerns you have for future and existing businesses in the area?
- What types of business improvement programs do you think would be most beneficial to the Core Area? (Façade improvements, Energy efficiency, business expansion, etc)

Kevin – Mid Oregon owns business there. Would like to redevelop. Issue with parking and with transient population.

Zoning and development code recommendations - did a zoning audit of district to identify barriers.

- Strict mixed-use requirement
- Housing is a limited use
 - Only allowed as part of a mixed use development in most of the area.
 - Apartment are not an allowed use with the district.
- Development feasibility is particularly challenging on small lots
 - Over half of lots in BCD are under 12,000 square feet
 - Providing required off-street parking is extremely challenging on small lost
 - Setback requirement limits buildable space
- Recommends development code amendments based on best practices for zoning mixed use areas.

Next steps December 9th at Planning Commission. BEDAB/AHAC/NLA joint worksession- Keith Dodge will attend.

Discussion included question if there is a way to incentivize or include goal of Childcare. Establish list of existing businesses would be helpful. Concern with small lots. Concern that not a lot will happen due to high land costs unless there is a recession or other adjustment. Infrastructure including high capacity internet.

Matt Stuart - Urban Renewal Update.

Update on Juniper Ridge and Murphy Crossing

Problem with an inadequacy of infrastructure at Juniper Ridge and Murphy Crossing.

Tax increment financing:

3% annual increase maximum unless there are improvements/construction. During term of district, base freezes and increase goes to urban renewal dollars. Urban Renewal can only pay for physical assets.

Juniper Ridge and Murphy Crossing are existing districts.

Juniper Ridge: North interceptor is moving forward. Also some transportation improvements funded via INFRAgrant.

Murphy Crossing: 80 acres of undeveloped land. Big constraint is that there are only 2 ramps at interchange.

Core Area: transitioning into Phase II where plans will be written and adopted.

Goal:

- Set reasonable expectations for project funding
- Understand roughly how much growth it would take to fund projects
- Balance UR funding capacity against foregone revenue
- Inform first draft of funding plan
 - Growth rate: 5-5.5% used for funding plan
 - Duration: 30 year window
 - Funding capacity (2020 \$'s): \$110 million, ideal range of \$100-\$125 million

Business & Re/Development Assistance, Partnership, & Support (UR funding allocation recommendation 15%)

Re/Development Support

- LandAcquisition/Assembly
- Pre-development Activities:
 - Design professional/consultant support
 - Environmental Review, Mitigation & Remediation
 - Capital Improvements
- Infrastructure Improvements
- Other Support and/or Development Partnership

Existing Building/Business Support & Enhancement Design professional/consultant support

- Building Façade Improvement

- Pre-development Activities:
 - Design professional/consultant support
- Building Safety Improvements
- Energy Efficiency Improvements
- Streetscape/Landscape & Pedestrian Improvements

Today information only, no decisions. Looking for programs that can help existing businesses through programs.

Will come back to BEDAB.

6. Debrief: Quarterly Council Check In | Heather Ficht & Keith Dodge

Deferred to next meeting.

7. Adjourned 2:04 pm