

## Oregon's Economic Engines

# GREATER BEND REGION



For much of its history, Oregon has been a rural state, with an economy centered on the timber, agriculture and mineral industries. Today, Oregon's major urban areas have become the state's economic engines and are increasingly the focus of growth and investment. These vital economic centers are concentrated in three areas of the state:

- Willamette Valley
- Rogue Valley
- Central Oregon

The Central Oregon, or greater Bend region, includes the cities of Bend, Redmond, Sisters, Madras, La Pine and Prineville. The region covers three counties: Deschutes, Crook and Jefferson. The following is an overview of the greater Bend region and the issues that face this rapidly growing area.

### Unique geography

Deschutes County, located between the Cascade Mountain range to the west and the high desert to the east, contains 78 percent of the Central Oregon population and is the hub of the region's economic and cultural activities. The Bend region is the sixth fastest growing metropolitan statistical area in the United States, according to 2005 Census estimates. With its proximity to the Cascade Mountain range, Smith Rock State Park and the Deschutes, Metolius and Crooked rivers, Deschutes County offers residents an attractive combination of metropolitan amenities in a natural setting.

The features that visually define the Central Oregon region attract year-round recreation opportunities, including skiing, golfing, fishing, hiking, biking and kayaking. A large percentage of the region's recent growth as a retirement destination is due to its reputation as a recreational center. Accordingly, a large sector of Central Oregon and Bend's economy is built on serving, maintaining and growing the tourism and hospitality industry.



# Employment and economy

## Local history

The cities of Deschutes County were settled about 100 years ago. The first official European American settlement appeared around 1900 with the founding of the Pilot Butte Development Company. The development company facilitated the first organization and sale of town lots along one of the few fordable points on the river.

Bend officially became incorporated by a vote of the people in 1904, but it was the extension of the Columbia Southern Railroad to Bend in 1911 that opened new markets for the agriculture and lumber industries. By the mid-1920s, the combined capacity of the lumber mills in the Bend area qualified it as one of the largest white pine lumber producers in the world and brought a rapid expansion of the county's population.

The timber boom began to slow in the 1950s, resulting in high unemployment rates by the early 1980s. Bend began to cultivate tourism and the resort trade as an economic development strategy, which had been started by the establishment of Mount Bachelor ski area in the 1970s. As a result, Deschutes County has experienced the most rapid growth of any county in the state in recent years.

Deschutes County accounts for approximately 83 percent of Central Oregon's workforce. The current economic base is dominated by recreation-related industries such as leisure and hospitality, accommodations, and food services. The principal industries in the county have traditionally been lumber, ranching and agriculture. However, 2008 saw a decrease in persons employed in the natural resources, construction and traditional manufacturing industries, suggesting a declining role for these sectors in the future.

The new industries emerging in Central Oregon include high tech manufacturing of products such as aerospace materials, recreational equipment and medical devices, as well as information-based industries such as research and development, software development, and a variety of professional and financial services.

Employment in Central Oregon is projected to grow by 25 percent between 2006 and 2016, making it the fastest growing region in the state. The expansion of leisure and hospitality, professional and business services, and retail and trade industries is expected to drive nearly half of the region's projected growth.

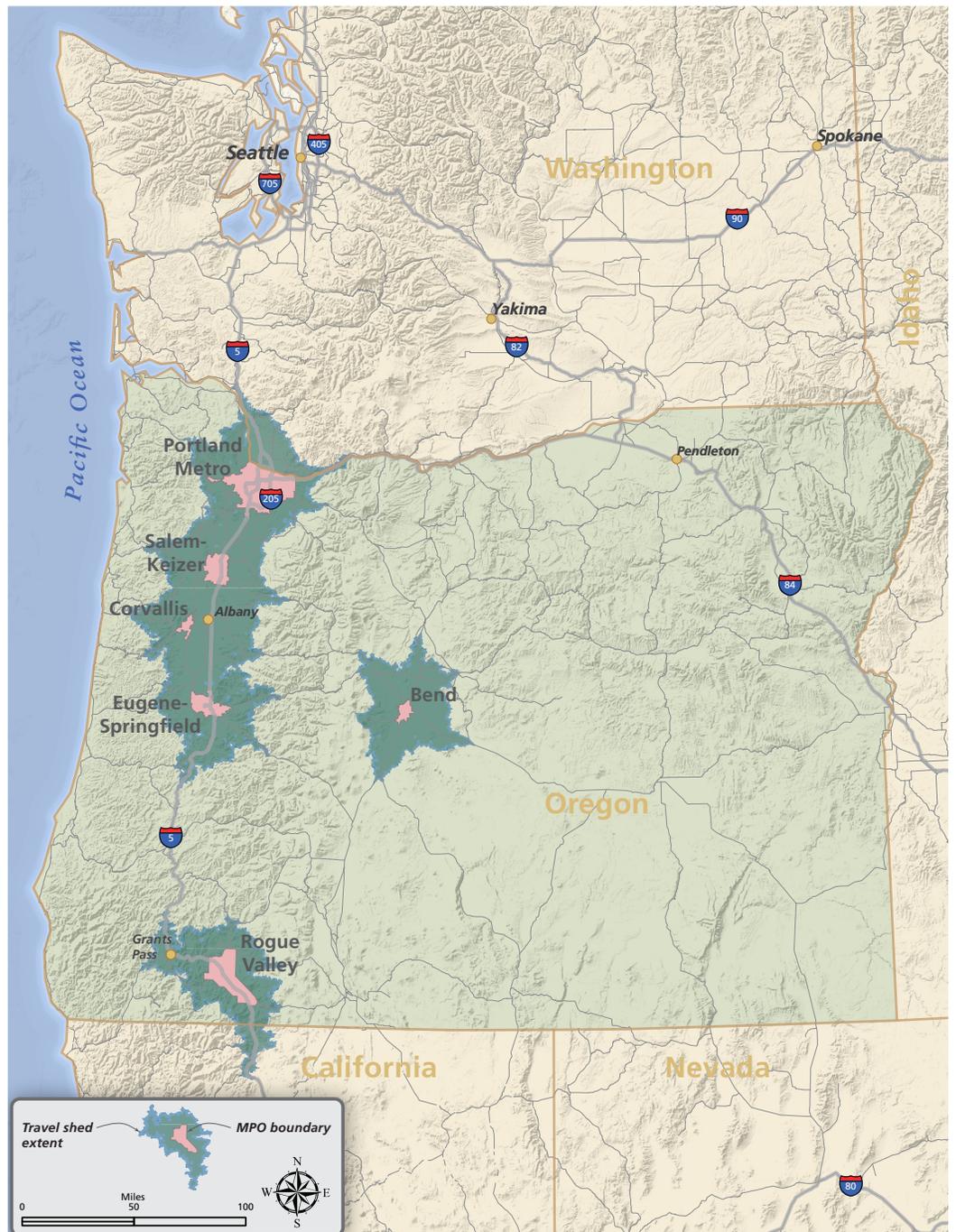
### Transportation facts

- From 1990 to 2000, the number of workers commuting into Deschutes County increased by two-thirds.
- Employment is projected to grow by 25 percent between 2006 and 2016.

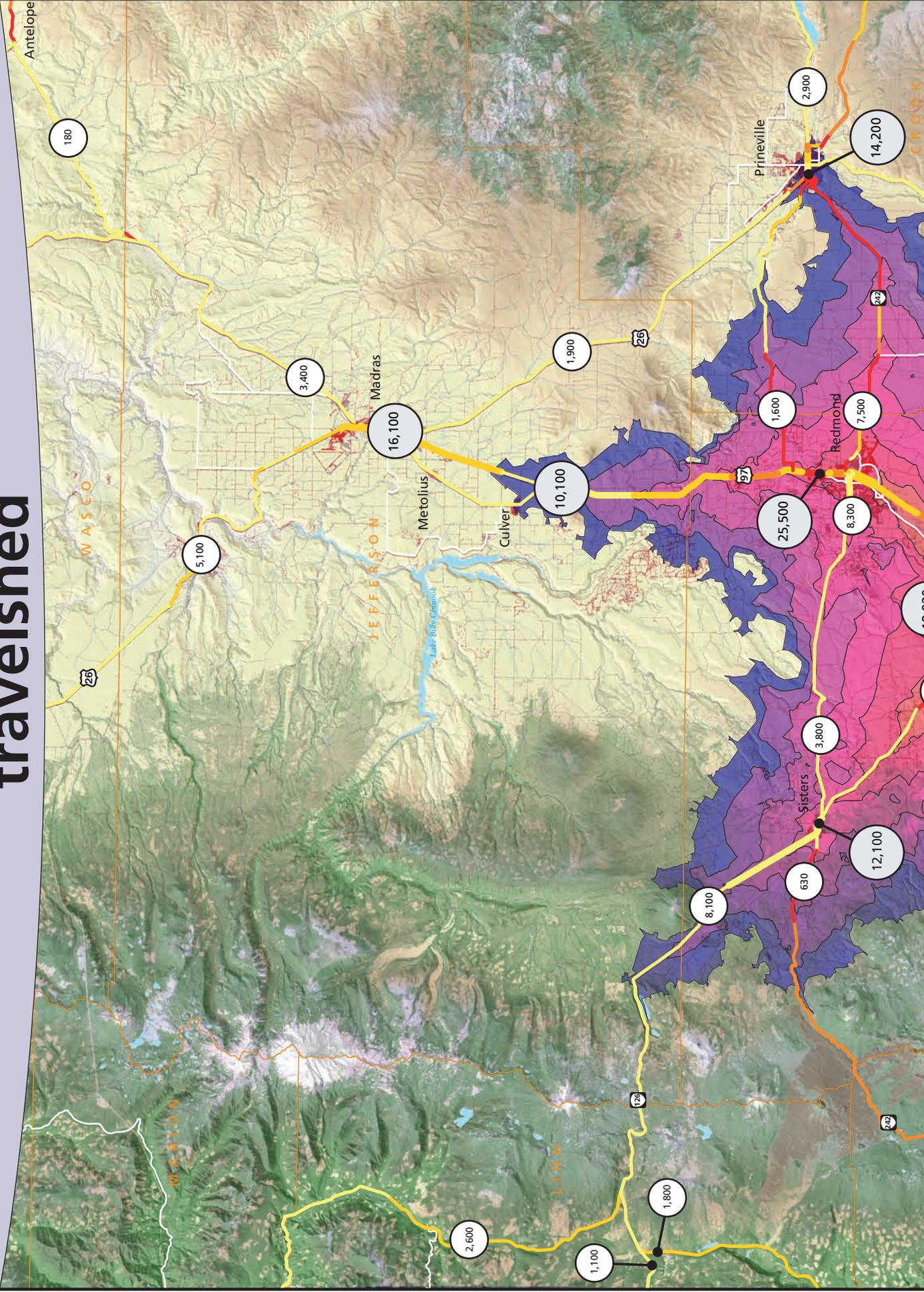


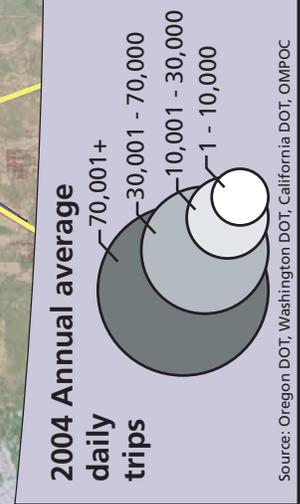
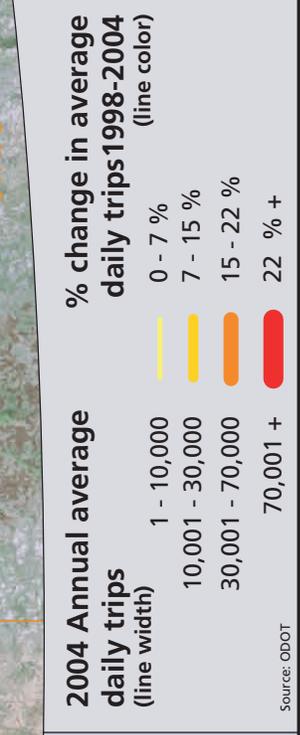
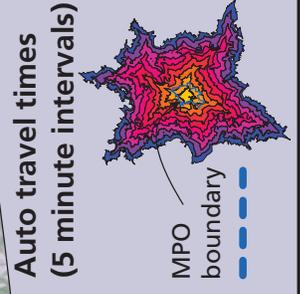
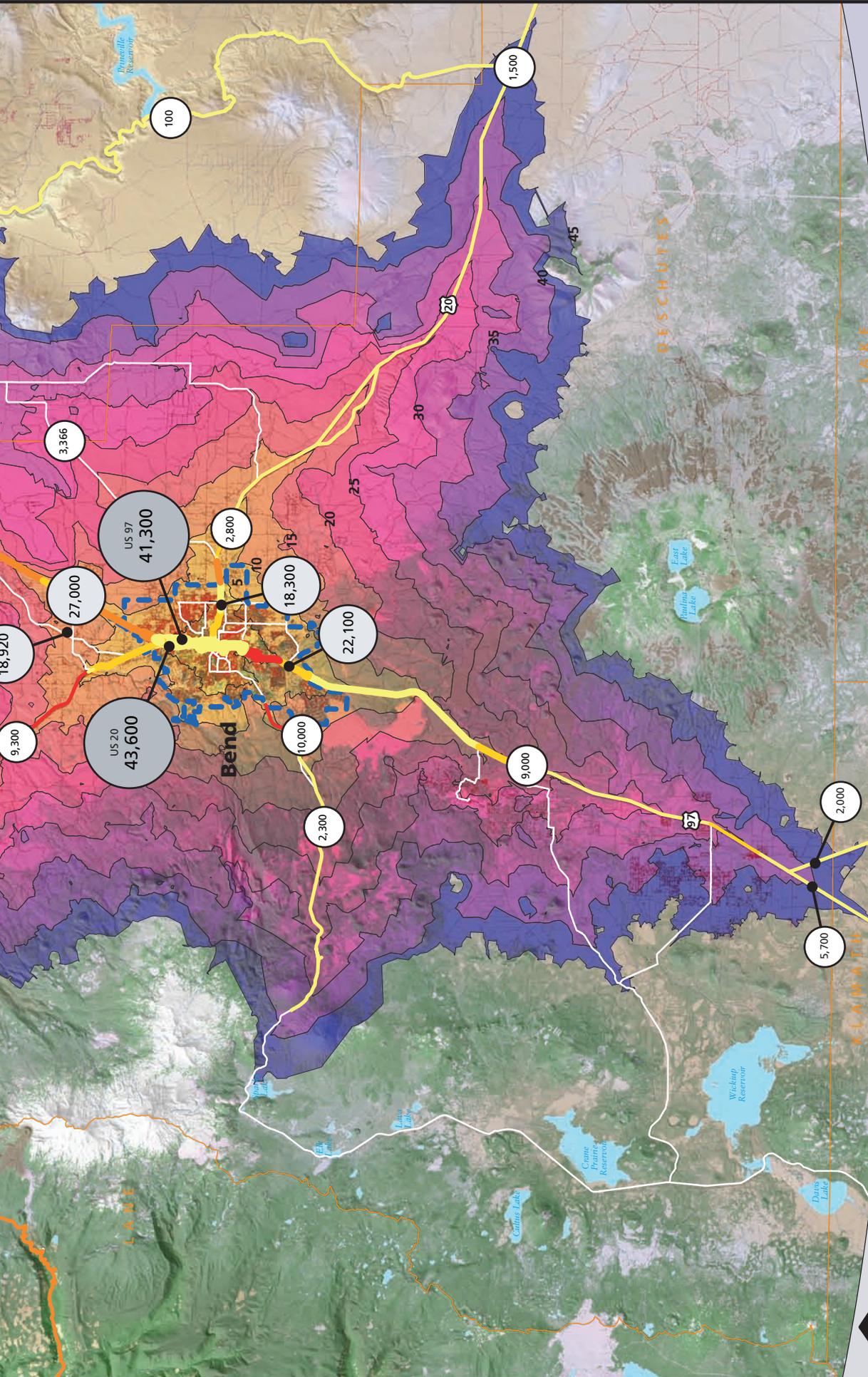
45-minute  
travelshed

# Overview of Oregon's MPOs and their travelsheds



# Traffic volume and the 45-minute travelshed





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0 2.5 5 Miles 10  
0 4 8 Kilometers 16

**Oregon MPO CONSORTIUM**

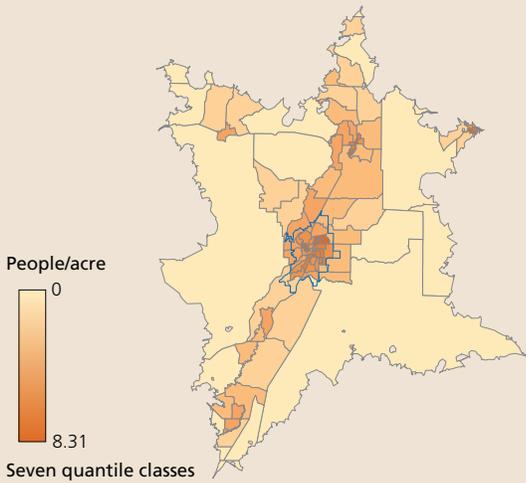
# A look inside the 45-minute travelshed

In 2007, the population of Deschutes County was approximately 161,000 with a median age of 38 which is higher than the state average of 36.8. The community in the Bend region is primarily white with very small African American, Asian, and American Indian populations; about five percent are Hispanic.

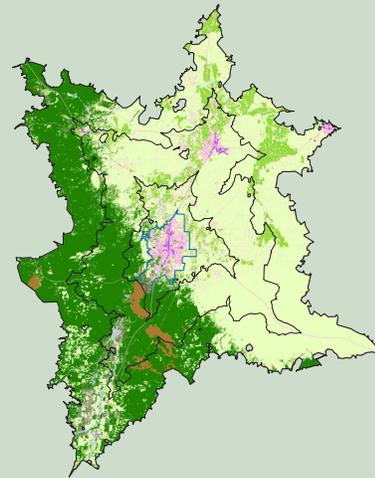
In-migration already accounts for over 70 percent of the county's recent growth. By 2020, the population in the Bend Urban Growth Boundary is projected to reach 100,646, and the total Deschutes County population is projected to reach 214,145.

- 43 percent of the population within the travelshed resides within the MPO boundary.
- 23.2 percent of the urbanized land within the travelshed lies within the MPO boundary.
- 1.5 percent of the farmland within the travelshed lies within the MPO boundary.
- Residents in the Bend region enjoy a higher median income than the state of Oregon, but pay higher housing costs.

## Population density



## Land cover

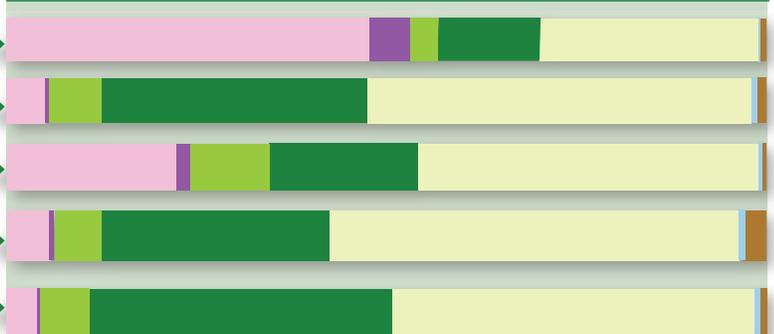


	Population	Density (pop/acre)	Total acres
Inside MPO	50,935	1.69	30,116
Outside MPO	67,492	0.07	1,000,348
Within 15 minutes of city	62,635	.62	101,701
15-30 minutes from city	33,014	0.16	348,490
30-45 minutes from city	22,778	0.04	580,272



### Land cover distribution

(bar graph represents the percentage of each land cover class within each section)



\*Population figures from 2000 US Census block groups

\* Land cover classifications are aggregations of 2001 USGS NLCD classifications

# Major issues and challenges

## Transportation needs

## Funding gaps

## Looking ahead

### Transportation needs

The Bend area faces the ongoing challenge of providing and maintaining transportation systems to meet increasing demands. Population and employment growth and an expected urban growth boundary expansion will intensify transportation challenges to this regional center. If land use patterns and travel behavior in the Bend area continue at current levels, roadway congestion will rise, increasing the cost of travel and reducing the efficiency of the region's roadway network. Without investing in transportation options in the region, the proportion of trips using alternative modes will not change.

Another challenge is the variance in the sizes of the Bend Metropolitan Planning Organization (MPO) boundary, the urban growth boundary and the area's travelshed. While the Bend MPO planning boundary is slightly larger than the Bend urban growth boundary, the travelshed for the area is larger than both, extending west to Sisters, north past Redmond, east to Prineville, and south to La Pine. Given the limited MPO boundary, coordinating regional transportation issues is challenging.

### Funding gaps

Further complicating the transportation planning in the region are the existing and future demands on the transportation system expansion, maintenance and management, all of which require substantial funding. Currently, the Bend Area Transit

system and a large portion of the local preservation and maintenance budget receive funding from the City of Bend General Fund. As pressure on that fund increases from other program needs, its ability to provide revenue for transit and road preservation will diminish. Already, funding exists for only half of the local system capacity projects, safety projects and bicycle, pedestrian and transit projects. In addition, roadway preservation needs will significantly increase in five to ten years as the large number of recently constructed roadways age.

### Looking ahead

Partnerships at the local and regional levels to address these transportation challenges include the Central Oregon Area Commission on Transportation, which provides a forum for discussing regional transportation issues, and the Central Oregon Intergovernmental Council, which is working to coordinate and expand public transportation service programs in Deschutes, Jefferson and Crook counties. Commute Options for Central Oregon, in conjunction with ODOT, Deschutes County and Crook County, provide ten park-and-ride lots in Deschutes and Crook counties. However, the potential for these collaborations and programs is limited by scarce funding.

# The Oregon MPO Consortium

A metropolitan planning organization (MPO) is a transportation policy-making organization made up of representatives from local government and transportation authorities. Congress created MPOs in 1962, establishing them in urban areas with a population of more than 50,000. Oregon has six MPOs located in the Portland, Salem-Keizer, Eugene-Springfield, Rogue Valley greater Bend and Corvallis areas.

## **Congress created MPOs to:**

- invest scarce transportation dollars appropriately
- create plans that reflect a shared regional vision
- examine investment alternatives
- facilitate collaboration of governments, interested parties and citizens.

To achieve these goals, the U.S. Department of Transportation helps fund the technical operation of MPOs, including the development of complex transportation models and gathering of travel data, and oversees consistency among MPOs through federal regulations. MPOs are required to demonstrate consistency annually.

MPOs also have a role in directly funding transportation projects through special grants from The United States Department of Transportation. Each MPO develops a program of transportation improvements using these funds, generally on a two- or four-year cycle. Because these funds are more flexible than Oregon's traditional gas tax, Oregon's MPOs have made creative use of these grants by targeting transportation dollars for urban revitalization, transit improvements, bicycle and pedestrian facilities and transportation-related environmental restoration projects.

Oregon's MPOs are also regulated by the state's Transportation Planning Rule, which looks to MPOs to create local planning consistency across cities and counties in urban areas.

In 2005, Oregon's six MPOs formed the Oregon MPO Consortium, a collaborative group that seeks to share knowledge and experiences on urban transportation and advance urban issues at the state and federal level.

**Oregon Metropolitan Planning Organization Consortium**  
[www.ompoc.org](http://www.ompoc.org)

