



BOARD OF COMMISSIONERS

BOARD OF COUNTY COMMISSIONERS MEETING

9:00 AM, WEDNESDAY, APRIL 16, 2025

Barnes Sawyer Rooms - Deschutes Services Building - 1300 NW Wall Street – Bend
(541) 388-6570 | www.deschutes.org

AGENDA

MEETING FORMAT: In accordance with Oregon state law, this meeting is open to the public and can be accessed and attended in person or remotely, with the exception of any executive session.

Members of the public may view the meeting in real time via YouTube using this link: <http://bit.ly/3mmlnzy>. **To attend the meeting virtually via Zoom, see below.**

Citizen Input: The public may comment on any topic that is not on the current agenda. Alternatively, comments may be submitted on any topic at any time by emailing citizeninput@deschutes.org or leaving a voice message at 541-385-1734.

When in-person comment from the public is allowed at the meeting, public comment will also be allowed via computer, phone or other virtual means.

Zoom Meeting Information: This meeting may be accessed via Zoom using a phone or computer.

- To join the meeting via Zoom from a computer, use this link: <http://bit.ly/3h3oqgD>.
- To join by phone, call 253-215-8782 and enter webinar ID # 899 4635 9970 followed by the passcode 013510.
- If joining by a browser, use the raise hand icon to indicate you would like to provide public comment, if and when allowed. If using a phone, press *9 to indicate you would like to speak and *6 to unmute yourself when you are called on.
- When it is your turn to provide testimony, you will be promoted from an attendee to a panelist. You may experience a brief pause as your meeting status changes. Once you have joined as a panelist, you will be able to turn on your camera, if you would like to.



Deschutes County encourages persons with disabilities to participate in all programs and activities. This event/location is accessible to people with disabilities. If you need accommodations to make participation possible, call (541) 388-6572 or email brenda.fritsvold@deschutes.org.

Time estimates: The times listed on agenda items are estimates only. Generally, items will be heard in sequential order and items, including public hearings, may be heard before or after their listed times.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CITIZEN INPUT

The Board of Commissioners provides time during its public meetings for citizen input. This is an opportunity for citizens to communicate to the Commissioners on matters that are not otherwise on the agenda. Time is limited to 3 minutes.

The Citizen Input platform is not available for and may not be utilized to communicate obscene or defamatory material.

Note: In addition to the option of providing in-person comments at the meeting, citizen input comments may be emailed to citizeninput@deschutes.org or you may leave a brief voicemail at 541.385.1734.

CONSENT AGENDA

1. Approval of Generative Artificial Intelligence (AI) Policy Updates
2. Approval to accept a Certified Local Government grant from the State of Oregon for historic preservation
3. Approval to accept a NEHA-FDA 2025 Track 3 Maintenance and Advancement Base and Training add-on grant, Document No. 2025-360
4. Consideration of Board Signature on letters thanking Dan Daugherty and Kevin Stock for service on the Project Wildfire Steering Committee
5. Consideration of Board Signature on letters appointing Robert Newey, and reappointing Gary Marshall, Andy Meeuwesen and Dean Richardson for service on the Project Wildfire Steering Committee
6. Consideration of Board Signature on letters appointing Patrick Addabbo, Kim Reynolds, and Meghan Windschill for service on the Bicycle and Pedestrian Advisory Committee
7. Approval of the minutes of the BOCC February 19 and 24 and March 17, 2025 meetings
8. Approval of the minutes of the April 4, 2025 BOCC Legislative Update meeting

ACTION ITEMS

- [9.](#) **9:00 AM** Proclamations: Sexual Assault Awareness Month
Dark Sky Week
National Public Safety Telecommunications Week
National County Government Month
- [10.](#) **9:30 AM** Consideration of Board Order No. 2025-014 to reopen the record for the Thornburgh Destination Resort remand hearing proceedings
- [11.](#) **9:45 AM** City of Bend Tax Increment Finance (TIF) Plans
- [12.](#) **10:00 AM** Formation of Committee to Create Commissioner Districts

OTHER ITEMS

These can be any items not included on the agenda that the Commissioners wish to discuss as part of the meeting, pursuant to ORS 192.640.

EXECUTIVE SESSION

At any time during the meeting, an executive session could be called to address issues relating to ORS 192.660(2)(e), real property negotiations; ORS 192.660(2)(h), litigation; ORS 192.660(2)(d), labor negotiations; ORS 192.660(2)(b), personnel issues; or other executive session categories.

Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media.

ADJOURN



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Approval of Generative Artificial Intelligence (AI) Policy Updates

RECOMMENDED MOTION:

Move approval of County Administrator signature of revised Information Technology Policy No. IT-2, Use of Generative Artificial Intelligence.

BACKGROUND AND POLICY IMPLICATIONS:

The County instituted an AI Policy in August 2024, allowing employees to use approved third-party Generative AI tools.

Recently, the County acquired GovAI, a Generative AI tool with a user interface similar to ChatGPT, designed to enhance governance and security for government entities. In addition, Microsoft CoPilot became available for government use. Adjustments to the existing AI Policy are required to account for the deployment of GovAI and CoPilot and to establish these platforms as primary while phasing out the use of unmanaged third-party tools. This policy update is vital before a full-scale deployment of GovAI across County departments to ensure security, governance, and streamlined AI usage.

GovAI will play a pivotal role in fostering innovation and improving efficiency, while providing a structured environment for safe and regulated AI interactions with County data and operations. In the future, CoPilot will be introduced as an optional enhancement available at an additional cost due to its premium pricing and the significant work required for configuration.

The County's adoption of these AI tools demonstrates a commitment to innovation, balanced by accountability and public service mandates. Given the rapidly evolving nature of AI technologies, policy revisions may be necessary in the future to stay aligned with technological advancements and ensure responsible usage.

This policy was updated by IT leadership in close partnership with the Legal department and the Policy Advisory Committee, with department heads across the County reviewing the updates to ensure comprehensive input on the Generative AI policy.

BUDGET IMPACTS:

None for the Policy update. The cost of the GovAI tool will be covered by internal service fees.

ATTENDANCE:

Zachary Neemann, Information Security Manager



Deschutes County Information Technology Policy No. IT-2

Effective Date: August 21, 2024

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USE OF ARTIFICIAL INTELLIGENCE (AI)

STATEMENT OF POLICY

Generative Artificial Intelligence (AI) refers to technology that can generate human-like text, images, or other media content using AI algorithms. These tools are sophisticated models that predict the language, text, audio, or video that satisfies input.

Deschutes County recognizes the transformative potential of generative AI technologies in shaping the future of our business landscape. The County will regularly review and update this policy to keep it aligned with ethical and legal standards and technological advancements in AI as frequently as needed.

The purpose of this policy is to provide a set of guidelines and best practices for the responsible, ethical, legal, and secure use of AI within the business operations of Deschutes County. This policy details the requirements that employees, volunteers and others acting on behalf of the County must follow when using generative AI tools, including the security risks and the protection of confidential data.

This policy designates two approved real time request/response generative AI systems for Deschutes County. All other generative AI systems must receive approval from Deschutes County IT prior to use by filling out this form: <https://weblink.deschutes.org/Forms/airequests>

DEFINITIONS

GENERATIVE AI:

- Real time request/response (Online-based) - generative AI that users can interact with in real-time through the internet, providing immediate responses to their queries, requests or prompts using generative AI techniques. This type of AI could be used in various applications such as chatbots (ChatGPT, Microsoft Copilot, Claude, etc.), content generation platforms, customer support systems, image creation, and more.
- Software embedded generative AI¹ - Integration of generative AI algorithms directly into software or hardware systems, allowing them to autonomously create content, make decisions, or generate outputs based on certain inputs or parameters (virtual meeting notetakers, Slack AI, etc.). This type of AI is designed to operate within

¹ Embedded AI may be more difficult to recognize. If there are questions about AI types, please reach out to Deschutes County IT staff for assistance.

constrained environments, such as Internet of Things “IoT” devices, mobile apps, or embedded systems in various machines.

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DESCHUTES COUNTY IT:

Deschutes County IT is the central IT Department for the County.

APPLICABILITY

This policy applies to all officials, employees, volunteers, contractors, and others acting on behalf of the County who use generative AI tools or platforms. This policy includes both online-based generative AI, which functions in a real time request/response format, as well as embedded generative AI which comes built into many software platforms. Any questions about the applicability of this policy should be directed to Deschutes County IT.

Unless specifically directed by their supervisor, employees are not required to use AI systems and tools. Members of the public should be informed when they are interacting with an AI tool and have an alternative to using AI tools made available to them or the option to opt out of AI use.

POLICY AND PROCEDURE

Use of AI Systems and Training:

~~When creating accounts with approved AI providers for generative AI tools, County staff have the option to use either their official County email address or their personal email address.~~

All employees are required to complete the AI training in the Deschutes County eLearning portal before using AI for work-related purposes.

Approved AI Systems

There are two ~~approved enterprise-wide~~ AI real-time request/response ~~systems/solutions provided/permitted~~ for use at Deschutes County. ~~Other platforms are reviewed on a case-by-case basis as they are submitted to IT and are documented on the IT SharePoint site if subsequently authorized.~~

1. ChatGPT (OpenAI) GovAI – Licensed for all County users, this AI-powered tool allows users to upload data (e.g., documents, spreadsheets, etc.) while automatically detecting, and in some cases removing, certain recognized sensitive data.
2. Copilot (Microsoft) – Licensed on a per user, per year basis. It integrates AI-powered assistance across Microsoft 365 applications, such as Word, Excel, Outlook, Teams, and PowerPoint. It operates within the County’s governed environment, meaning data security and compliance policies are enforced.

*Please visit the IT SharePoint intranet website for ~~newly~~ additionally approved applications.

Any use of non-approved AI systems is strictly prohibited. Contact Deschutes County Information Technology to have their staff review and approve the use of additional AI systems.

~~Employees are responsible for staying updated on any changes to the platform's policies or terms of use regarding generative AI. They should also keep informed about developments in AI technology and how it may impact their usage.~~

Software-Embedded Generative AI

- Prior to utilizing or enabling generative AI embedded in any software platform on Deschutes County computing resources, IT shall be consulted to assist with security recommendations, configurations, and best practices.
- Employees must not give access to Deschutes County AI tools outside the organization or allow external AI tools to have access to County resources (E.g., AI Notetaker Bot, file attachment option in ChatGPT) without prior approval from Deschutes County IT.
- Employees must not share their access credentials or allow unauthorized individuals to use the generative AI tools on their behalf.
- Generative AI tools and platforms must be configured securely, following industry's best practices and vendor recommendations. This includes ensuring the latest updates, patches, and security fixes are applied in a timely manner.
- Any software containing embedded AI must follow Deschutes County password policy. The recommended authentication is through Single Sign On which can be set up by Deschutes County IT.

Data Privacy and Security:

~~Currently, the County has~~ does not have access to ~~any two~~ generative AI tools ~~or and~~ platforms in which the data input/output ~~where data input and output is~~ is governed by the County. ~~Therefore~~ However, care must be taken when utilizing generative AI tools or platforms, especially when that use involves Deschutes County data.

- ~~GovAI: While GovAI automatically removes certain recognized data (such as Social Security numbers and credit card numbers) before sharing externally, all efforts should~~ all be made to anonymize data before inputting into the system.
- ~~Efforts should be made to anonymize data eliminating any elements that could be traced back to Deschutes County.~~
- ~~Microsoft Copilot: Copilot functions within the secure Microsoft environment~~ ~~and~~ ensuring that sensitive data is managed appropriately when interacting with the AI tool.
- Other approved AI tools or platforms:
 - ~~Efforts should be made to anonymize data~~ Data shall be anonymized eliminating any elements that could be traced back to Deschutes County.
 - Employees must adhere to Deschutes County data privacy and security standards, State and Federal laws, Health Insurance Portability and Accountability Act (HIPAA), Criminal Justice Information System (CJIS), Personally

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Identifiable Information (PII), and Protected Health Information (PHI) when using AI systems.

- Using restricted or confidential organizational data with AI is prohibited. Employees must not upload or share any data that is confidential, proprietary, or protected by compliance / regulation. This includes data related to customers, employees, or partners.

All employees of generative AI must comply with Deschutes County acceptable use IT-1 policy, ethical guidelines governing intellectual property, privacy, data protection, and other relevant areas.

County-provided tools are intended solely for official business use. Employees must shall not use these tools for personal projects, non-work-related tasks, or any activities unrelated to their job responsibilities.

Employees must respect and protect intellectual property rights, both internally and externally. Unauthorized use of copyrighted material or creation of content that infringes on the intellectual property of others is strictly prohibited.

All employees must familiarize themselves and comply with all terms of use (e.g. licensing agreements, privacy policies, codes of conduct, etc.) of the generative AI tool that they utilize.

Employees must notify IT if/when they are in violation of terms and condition of use of the AI tool that they utilize or if they are notified of a violation of terms of use from an AI tool.

It is the sole responsibility of employees who use AI generated output in their work product to ensure its accuracy and compliance with County policies and all applicable laws. Employees will be held solely responsible for any AI generated output that results in such violations.

Responsible Use:

Employees are responsible for ensuring that the generated content produced using generative AI is accurate and aligns with the organization's values, ethics, and quality standards. Generated content must not be used if it is inaccurate, misleading, harmful, or offensive. Any AI generated product utilized by an employee will be deemed adopted by the employee and treated as the employee's individual work product.

For any tool or platform outside of the two authorized by Deschutes County IT, eEmployees are responsible for staying updated on any changes to the platform's policies or terms of use regarding generative AI. They should also keep informed about developments in AI technology and how it may impact their usage.

All interactions with AI tools or software, including but not limited to prompts, responses, outputs, and decision-making processes, are subject to public record requests in accordance with applicable public records laws. Employees must use AI tools in a manner consistent with public transparency requirements and should assume that any AI-generated content may be

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disclosed upon request. For any AI software or tool outside of the two approved AI tools, employees shall not retain any records of queries and must delete all chat history in the AI tool immediately.

Employees must actively work to identify and mitigate biases produced by AI systems. They should ensure that the output utilized from the AI systems is fair, inclusive, and does not discriminate against any individuals or groups. Employees will be held solely responsible for any AI output that is utilized in their work product that is biased or discriminatory.

AI tools can generate inaccurate and false information. Employees must fact check, and review content generated by AI. Employees are responsible for the outcomes generated by AI systems and should be prepared to explain and justify those outcomes. ~~Employees shall not retain any records of queries and are required to delete all chat history in the AI tool they utilize immediately.~~

Cybersecurity:

Any suspected or confirmed cybersecurity incidents related to generative AI usage ~~should~~ shall be reported promptly to the Deschutes County IT Department. Examples could include unsolicited links with responses, unknown or unverifiable scripts or code, suggested downloads from chat bots, and requests for restricted data.

Unlawful Activities:

Employees must report any suspected violations of this policy or any potential ethical, legal, or regulatory concerns related to AI use to their supervisor.

Departments/Offices may provide additional rules on departmental/office use of AI for their staff.

Non-compliance with this policy may result in disciplinary action, up to and including termination of employment, and legal consequences, if laws are violated.

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Deschutes County Information Technology Policy No. IT-2
Effective Date: August, 21, 2024
Original Adoption: August 21, 2024
Revised Adoption: XXX, 2025

USE OF ARTIFICIAL INTELLIGENCE (AI)

I. STATEMENT OF POLICY

Generative Artificial Intelligence (AI) refers to technology that can generate human-like text, images, or other media content using AI algorithms. These tools are sophisticated models that predict the language, text, audio, or video that satisfies input.

Deschutes County recognizes the transformative potential of generative AI technologies in shaping the future of our business landscape. The County will regularly review and update this policy to keep it aligned with ethical and legal standards and technological advancements in AI as frequently as needed.

The purpose of this policy is to provide a set of guidelines and best practices for the responsible, ethical, legal, and secure use of AI within the business operations of Deschutes County. This policy details the requirements that employees, volunteers and others acting on behalf of the County must follow when using generative AI tools, including the security risks and the protection of confidential data.

This policy designates two approved real time request/response generative AI systems for Deschutes County. All other generative AI systems must receive approval from Deschutes County IT prior to use by filling out this form: <https://weblink.deschutes.org/Forms/airequests>

II. APPLICABILITY

- A. This policy applies to all officials, employees, volunteers, contractors, third-party vendors, and others acting on behalf of the County.
- B. This policy includes both online-based generative AI, which functions in a real time request/response format, as well as embedded generative AI

which comes built into many software platforms. Any questions about the applicability of this policy should be directed to Deschutes County IT.

- C. Unless specifically directed by their supervisor, employees are not required to use AI systems and tools. Members of the public should be informed when they are interacting with an AI tool and have an alternative to using AI tools made available to them or the option to opt out of AI use.

III. DEFINITIONS

A. *GENERATIVE AI:*

- 1. Real time request/response (Online-based) - generative AI that users can interact with in real-time through the internet, providing immediate responses to their queries, requests or prompts using generative AI techniques. This type of AI could be used in various applications such as chatbots (ChatGPT, Microsoft Copilot, Claude, etc.), content generation platforms, customer support systems, image creation, and more.
- 2. Software embedded generative AI¹ - Integration of generative AI algorithms directly into software or hardware systems, allowing them to autonomously create content, make decisions, or generate outputs based on certain inputs or parameters (virtual meeting notetakers, Slack AI, etc.). This type of AI is designed to operate within constrained environments, such as Internet of Things “IoT” devices, mobile apps, or embedded systems in various machines.

B. *DESCHUTES COUNTY IT:*

- 1. Deschutes County IT is the central IT Department for the County.

IV. RELEVANT POLICIES

All employees must comply with Deschutes County acceptable use IT-1 policy, ethical guidelines governing intellectual property, privacy, data protection, and other relevant areas.

V. POLICY AND PROCEDURE

¹ Embedded AI may be more difficult to recognize. If there are questions about AI types, please reach out to Deschutes County IT staff for assistance.

A. Use of AI Systems and Training:

1. All employees are required to complete the AI training in the Deschutes County eLearning portal before using AI for work-related purposes.

B. Approved AI Systems:

1. There are two²enterprise-wide AI real-time request/response solutions permitted for use at Deschutes County. Other platforms are reviewed on a case-by-case basis as they are submitted to IT and are documented on the IT SharePoint site if subsequently authorized:
 - a. **GovAI** – Licensed for all County users, this AI-powered tool allows users to upload data (e.g., documents, spreadsheets, etc.) while automatically detecting, and in some cases removing, certain recognized sensitive data.
 - b. **Copilot (Microsoft)** – Licensed on a per user, per year basis. It integrates AI-powered assistance across Microsoft 365 applications, such as Word, Excel, Outlook, Teams, and PowerPoint. It operates within the County's governed environment, meaning data security and compliance policies are enforced.
2. Any use of non-approved AI systems is strictly prohibited. Contact Deschutes County Information Technology to have their staff review and approve the use of additional AI systems.

C. Software-Embedded Generative AI

1. Prior to utilizing or enabling generative AI embedded in any software platform on Deschutes County computing resources, IT shall be consulted to assist with security recommendations, configurations, and best practices.
2. Employees must not give access to Deschutes County AI tools outside the organization or allow external AI tools to have access to County resources (E.g., AI Notetaker Bot, file attachment option in ChatGPT) without prior approval from Deschutes County IT.

² Please visit the IT SharePoint intranet website for additionally approved applications.

3. Employees must not share their access credentials or allow unauthorized individuals to use the generative AI tools on their behalf.
 4. Generative AI tools and platforms must be configured securely, following industry's best practices and vendor recommendations. This includes ensuring the latest updates, patches, and security fixes are applied in a timely manner.
 5. Any software containing embedded AI must follow Deschutes County password policy. The recommended authentication is through Single Sign On which can be set up by Deschutes County IT.
- D. Data Privacy and Security
1. The County has access to two generative AI tools and platforms where data input and output is governed by the County. However, care must be taken when utilizing generative AI tools or platforms, especially when that use involves Deschutes County data.
 - a. GovAI: While GovAI automatically removes certain recognized data (such as Social Security numbers and credit card numbers) before sharing externally, all efforts shall be made to anonymize data before inputting into the system.
 - b. Microsoft Copilot: Copilot functions within the secure Microsoft environment ensuring that sensitive data is managed appropriately when interacting with the AI tool.
 - c. Other approved AI tools or platforms:
 - i. Data shall be anonymized eliminating any elements that could be traced back to Deschutes County.
 - ii. Employees must adhere to Deschutes County data privacy and security standards, State and Federal laws, Health Insurance Portability and Accountability Act (HIPAA), Criminal Justice Information System (CJIS), Personally Identifiable Information (PII), and Protected Health Information (PHI) when using AI systems.
 - iii. Using restricted or confidential organizational data with AI is prohibited. Employees must not upload or share any data that is confidential, proprietary, or protected by compliance / regulation. This includes data related to customers, employees, or partners.

- 2. County-provided tools are intended solely for official business use. Employees shall not use these tools for personal projects, non-work-related tasks, or any activities unrelated to their job responsibilities.
- 3. Employees must respect and protect intellectual property rights, both internally and externally. Unauthorized use of copyrighted material or creation of content that infringes on the intellectual property of others is strictly prohibited.
- 4. All employees must familiarize themselves and comply with all terms of use (e.g. licensing agreements, privacy policies, codes of conduct, etc.) of the generative AI tool that they utilize.
- 5. Employees must notify IT if/when they are in violation of terms and condition of use of the AI tool that they utilize or if they are notified of a violation of terms of use from an AI tool.
- 6. It is the sole responsibility of employees who use AI generated output in their work product to ensure its accuracy and compliance with County policies and all applicable laws. Employees will be held solely responsible for any AI generated output that results in such violations.
- 7. All interactions with AI tools or software, including but not limited to prompts, responses, outputs, and decision-making processes, are subject to public record requests in accordance with applicable public records laws.

VI. ROLES AND RESPONSIBILITIES

- A. Employees are responsible for ensuring that the generated content produced using generative AI is accurate and aligns with the organization's values, ethics, and quality standards. Generated content must not be used if it is inaccurate, misleading, harmful, or offensive. Any AI generated product utilized by an employee will be deemed adopted by the employee and treated as the employee's individual work product.
- B. For any AI tools or platform outside of the two authorized by Deschutes County IT, employees are responsible for staying updated on any changes to the platform's policies or terms of use regarding generative AI. They should also keep informed about developments in AI technology

and how it may impact their usage.

- C. Employees must use AI tools in a manner consistent with public transparency requirements and should assume that any AI-generated content may be disclosed upon request. For any AI software or tool outside of the two approved AI tools, employees shall not retain any records of queries and must delete all chat history in the AI tool immediately.
- D. Employees must actively work to identify and mitigate biases produced by AI systems. They should ensure that the output utilized from the AI systems is fair, inclusive, and does not discriminate against any individuals or groups. Employees will be held solely responsible for any AI output that is utilized in their work product that is biased or discriminatory.
- E. AI tools can generate inaccurate and false information. Employees must fact check, and review content generated by AI. Employees are responsible for the outcomes generated by AI systems and should be prepared to explain and justify those outcomes.
- F. Any suspected or confirmed cybersecurity incidents related to generative AI usage shall be reported promptly to the Deschutes County IT Department. Examples could include unsolicited links with responses, unknown or unverifiable scripts or code, suggested downloads from chat bots, and requests for restricted data.
- G. Employees must report any suspected violations of this policy or any potential ethical, legal, or regulatory concerns related to AI use to their supervisor.
- H. Departments/Offices may provide additional rules on departmental/office use of AI for their staff.
- I. Non-compliance with this policy may result in disciplinary action, up to and including termination of employment, and legal consequences, if laws are violated.

Approved by the Deschutes County Board of Commissioners on (INSERT DATE HERE)

Nick Lelack
County Administrator

Revision History:



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Approval to accept a Certified Local Government grant from the State of Oregon for historic preservation

RECOMMENDED MOTION:

Move to authorize staff to accept the 2025 CLG grant award of \$8,946.

BACKGROUND AND POLICY IMPLICATIONS:

Staff requests Board approval of a 2025-6 Certified Local Government (CLG) grant for historic preservation in the amount of \$8,946. These funds will be utilized by the Deschutes County Historic Landmarks Commission for education, training, and compliance. Staff provided an overview of the grant before the Board on February 12, 2025. Grant funds will be utilized by June 30, 2026. Please see attached Grant Agreement (Document #2025-352), to be signed by Peter Gutowsky, CDD Director, for more information.

BUDGET IMPACTS:

Funds totaling \$8,946 will be paid to the County upon completion of the grant tasks, which must be completed by June 30, 2026. This revenue has been budgeted. In addition, Planning staff will be providing a 1:1 match of in-kind staff time to complete the match requirements of the grant.

ATTENDANCE:

Tanya Saltzman, Senior Planner

Grant Agreement 2025 Certified Local Government (OR-25-19)

This Agreement is made and entered into, by and between, the State of Oregon, acting by and through Oregon Parks and Recreation Department (OPRD), Heritage Programs, hereinafter referred to as the "State" and:

**Deschutes County
PO Box 6005
Bend, OR 97708**

or designated representative, hereinafter referred to as the "Grantee."

1. **GENERAL PURPOSE:** The general purpose of this agreement is: to undertake the heritage-related project as detailed in Attachment A.
2. **AGREEMENT PERIOD:** The effective date of this Agreement is the date on which it is fully executed by both parties. Unless otherwise terminated or extended in writing, the Project shall be completed by 6/30/2026. If project is completed before the designated completion date, this Agreement shall expire on the date final reimbursement payment is made by OPRD to Grantee. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before the Project Completion Date. No Grant Funds are available for any expenditures after the Project Completion Date.
3. **GRANT FUNDS:** The State agrees to pay the Grantee a maximum amount of \$8,946 for costs authorized under this agreement.
4. **AGREEMENT DOCUMENTS: Included as Part of this Agreement are:**
 Attachment A: Scope of Work
 Attachment B: Information required by 2 CFR § 200.331(a)(1)
 Attachment C: Standard Terms and Conditions
 Attachment D: Reporting and Payment – Historic Preservation Fund Grants
 Attachment E: Insurance Requirements

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents is as follows, listed from highest precedence to lowest precedence: this Agreement without Attachments; Attachment A; Attachment C; Attachment D; Attachment B; Attachment E.

Contact Information: A change in the contact information for either party is effective upon providing written notice to the other party:

Grantee	Grantee Billing Contact	OPRD Contact
Peter Gutowsky	Peter Gutowsky	Kuri Gill
Deschutes County	Deschutes County	Grant and Outreach Coordinator
117 NW Lafayette Ave	117 NW Lafayette Ave	Oregon Heritage
Bend, OR 97708	Bend, OR 97708	Oregon Parks & Recreation Dept
541-385-1709	541-385-1709	725 Summer St NE, Suite C
peter.gutowsky@deschutes.org	peter.gutowsky@deschutes.org	Salem, OR 97301

Contractor or Sub-Recipient Determination: In accordance with the State Controller’s Oregon Accounting Manual, policy 30.40.00.102, OPRD’s determination is that:

Recipient is a sub-recipient; OR Recipient is a contractor.

5. SIGNATURES:

In witness thereof: the parties hereto have caused this Agreement to be properly executed by their authorized representatives as of the last date hereinafter written.

GRANTEE:

Signature, Authorized Representative

Date

Name and Title of Signer (Type or Print)

STATE:

Christine Curran, Deputy State Historic Preservation Officer
OPRD Heritage Programs

Date

Attachment A -- Scope of Work

2025 Certified Local Government Deschutes County 2025 CLG Grant Projects (OR-25-19)

Grantee: Deschutes County

Grant Amount: \$8,946 **Match Amount:** \$8,946

Project Summary: Complete commissioner training, offer public education including update/reprinting of Sisters walking tour brochure and updates to HLC website and historic resource StoryMap and review and compliance in Deschutes County.

The grant funds and matching local contributions will be used to accomplish the work items detailed in the Budget and Work Description sections that follow. OPRD Heritage Programs staff must approve any changes to this Scope of Work.

PROPOSED BUDGET

1. Administration		
Staff/Personnel		\$1,342
	Total:	\$1,342
2. Other Preservation Activities		
Other		\$7,696
	Total:	\$7,696
3. Public Education		
Staff/Personnel		\$1,750
Publishing, Printing, etc.		\$1,000
Materials and Equipment		\$250
	Total:	\$3,000
4. Review and Compliance		
Staff/Personnel		\$5,854
	Total:	\$5,854
	Total Project Budget	\$17,892

WORK DESCRIPTION

1. Administration **\$1,342**

Products:

Complete grant administration.

Standards and Provisions:

- Allowable costs and services must be related to the administration of this grant: application/contract processing, project oversight, reimbursement requests, etc.

- Any purchases or contracts for services over \$25,000 should follow appropriate procurement procedures, including obtaining at least three estimates.

Attachment A -- Scope of Work

2025 Certified Local Government Deschutes County 2025 CLG Grant Projects (OR-25-19)

Grantee: Deschutes County

Grant Amount: \$8,946 **Match Amount:** \$8,946

2. Other Preservation Activities **\$7,696**

Products:

Provide training resources. - Pay approved organizational memberships. - Attendance at approved conferences and trainings.

Standards and Provisions:

Activities in this program area include any activity that is eligible for Historic Preservation Fund (HPF) assistance but that does not readily fall within one of the Program Areas described in the Historic Preservation Fund manual, or involves Multiple Program Areas and the activity cannot reasonably be divided among the specific Program Areas. One example is HABS/HAER documentation projects.

- Completed work must be consistent with The Secretary of the Interior's "Standards for Archeology and Historic Preservation," which include the "Standards for Preservation Planning."
- Any purchases or contracts for services over \$25,000 should follow appropriate procurement procedures, including obtaining at least three estimates.
- All reports and publications related to this project must give credit to the State Historic Preservation and National Park Service.

"This publication has been funded with the assistance of a matching grant-in-aid from the Oregon State Historic Preservation Office and the Historic Preservation Fund, National Park Service, Department of the Interior. Any opinion, findings, and conclusions or recommendations expressed in this material do not necessarily reflect the views of the Department of the Interior. Regulations of the U.S. Department of the Interior strictly prohibit unlawful discrimination on the basis of race, color, national origin, age or handicap. Any person who believes he or she has been discriminated against in any program, activity, or facility operated by a recipient of Federal assistance should write to: Office of Equal Opportunity, National Park Service, 1201 Eye Street, NW (2740) Washington, DC 20005"

- Pictures of exhibits, programs and events are required for reimbursement. Digital images of 300dpi or higher are required.

Attachment A -- Scope of Work

2025 Certified Local Government Deschutes County 2025 CLG Grant Projects (OR-25-19)

Grantee: Deschutes County

Grant Amount: \$8,946 **Match Amount:** \$8,946

3. Public Education \$3,000

Products:

Offer public education. - Sisters walking tour brochure. - Preservation month activities.

Standards and Provisions:

- Prior to starting the public education project, the grant recipient must receive written approval from Oregon Heritage on the final work plan and final draft of publications prior to printing and distribution.
- Any purchases or contracts for services over \$25,000 should follow appropriate procurement procedures, including obtaining at least three estimates.
- Prior to publication, a draft of all products, newsletters, brochures, etc. must be submitted to and approved by Oregon Heritage.
- Information in all interpretive materials (programs, videos, podcasts, etc.) must be authentic and documented.
- All reports and publications related to this project must give credit to the State Historic Preservation and National Park Service.

"This publication has been funded with the assistance of a matching grant-in-aid from the Oregon State Historic Preservation Office and the Historic Preservation Fund, National Park Service, Department of the Interior. Any opinion, findings, and conclusions or recommendations expressed in this material do not necessarily reflect the views of the Department of the Interior. Regulations of the U.S. Department of the Interior strictly prohibit unlawful discrimination on the basis of race, color, national origin, age or handicap. Any person who believes he or she has been discriminated against in any program, activity, or facility operated by a recipient of Federal assistance should write to: Office of Equal Opportunity, National Park Service, 1201 Eye Street, NW (2740) Washington, DC 20005"

"The activity that is the subject of this [type of publication] has been financed [in part/entirely] with Federal funds from the National Park Service, U.S. Department of the Interior. However, the contents and opinions do not necessarily reflect the views or policies of the Department of the Interior, nor does the mention of trade names or commercial products constitute endorsement or recommendation by the Department of the Interior."

- Pictures of exhibits, programs and events are required for reimbursement. Digital images of 300dpi or higher are preferred.
- Copies of flyers, articles, programs, publications, etc. are required for reimbursement.

Attachment A -- Scope of Work

2025 Certified Local Government Deschutes County 2025 CLG Grant Projects (OR-25-19)

Grantee: Deschutes County

Grant Amount: \$8,946 **Match Amount:** \$8,946

4. Review and Compliance **\$5,854**

Products:

Complete review and compliance activities.

Standards and Provisions:

- Eligible costs and activities include those related to local “design review” as well as to participation with the SHPO in state or federal compliance activities for properties within the local government’s boundaries.
- Activities and products must be consistent with local, state, and federal preservation standards and guidelines, including the National Register bulletin “How to Apply the National Register Criteria for Evaluation” and the Secretary of the Interior’s "Standards for Rehabilitation".
- The grantee must maintain records of cases it reviews and the decisions it make.
- Any purchases or contracts for services over \$25,000 should follow appropriate procurement procedures, including obtaining at least three estimates.
- All reports and publications related to this project must give credit to the State Historic Preservation and National Park Service.

"This publication has been funded with the assistance of a matching grant-in-aid from the Oregon State Historic Preservation Office and the Historic Preservation Fund, National Park Service, Department of the Interior. Any opinion, findings, and conclusions or recommendations expressed in this material do not necessarily reflect the views of the Department of the Interior. Regulations of the U.S. Department of the Interior strictly prohibit unlawful discrimination on the basis of race, color, national origin, age or handicap. Any person who believes he or she has been discriminated against in any program, activity, or facility operated by a recipient of Federal assistance should write to: Office of Equal Opportunity, National Park Service, 1201 Eye Street, NW (2740) Washington, DC 20005"

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ATTACHMENT B
Information required by 2 CFR § 200.331(a)(1)*

Federal Award Identification:

1. Subrecipient name (which must match registered name in SAM): Deschutes County
2. Subrecipient's Unique Entity Identifier (SAM): SVJRCF7JN519
3. Federal Award: P24AF01267
4. Federal Award Date: 7/11/2024
5. Sub-award Period of Performance Start and End Date: From 4/1/2025 to 6/30/2026
6. Total Amount of Federal Funds Obligated by the Agreement: \$8,946
7. Total Amount of Federal Funds Obligated to the Subrecipient by the pass-through entity including this Agreement: \$8,946
8. Total Amount of Federal Award committed to the Subrecipient by the pass-through entity: \$8,946
9. Federal Award Project Description:
Complete commissioner training, offer public education including update/reprinting of Sisters walking tour brochure and updates to HLC website and historic resource StoryMap and review and compliance in Deschutes County.
10. Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity:
 - (a) Name of Federal awarding agency: National Park Service
 - (b) Name of pass-through entity: State Parks and Recreation, Oregon
 - (c) Contact information for awarding official of pass-through entity:
*Christine Curran, Deputy State Historic Preservation Officer
State Historic Preservation Office
Oregon Parks and Recreation Department
725 Summer Street NE, Suite C
Salem, Oregon 97301*
11. CFDA Number and Name: 15-904 Historic Preservation Fund Grants in Aid
Amount: \$8,946
12. Is Award Research and Development? No
13. Indirect cost rate for the Federal award: 0%

*For the purposes of this Exhibit, the term "Subrecipient" refers to the Grantee, and the term "pass-through entity" refers to State Parks and Recreation, Oregon.

Attachment C
Standard Terms and Conditions – Historic Preservation Fund Grants

1. **Authority:** ORS 358.590 (3) authorizes the Oregon Parks and Recreation Department to award grants for heritage projects throughout Oregon.
2. **Compliance with Law:** Grantee shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to implementation of the Project, including without limitation, 36 CFR 61.6 and Chapter 9 of the Historic Preservation Fund Grant Manual.
3. **Work Plan Approval:** Prior to commencing the project described in Attachment A, Grantee shall receive approval on a final work plan from the State.
4. **Amendments:** This Agreement may be amended only by a written amendment to the Agreement, executed by the parties. Notwithstanding any other provision to the contrary, if Grantee seeks any changes in either the Project Scope or the Project Budget (a “Project Change”) Grantee must obtain prior approval of State as specified below. The Grantee shall be fully responsible for all costs that occur outside the established Project Scope, schedule or budget and prior to State’s approval of a Project Change. State may in its sole discretion, approve or disapprove of any proposed Project Change in Project Scope or Project Budget. In the event State approves Project Change, such Change must be reduced to writing and implemented as an amendment to this Agreement. The following Project Changes must be approved by State to be eligible for funding under this Agreement:
 - a. Any significant change or reduction in the Scope of Work described in the Project Description.
 - b. Any deviation from the original Project Budget. Any budget change request must explain in detail what change is requested, the reason for the requested change, and any efforts that Grantor has made or will make to mitigate the effect of the proposed budget change.
5. **Employment Practices Clause:** In carrying out its responsibilities under this agreement, the Grantee shall not deny benefits to or discriminate against any person on the basis of race, religion, sex, color, national origin, family status, marital status, sexual orientation, age, creed, and source of income or mental or physical disability, and shall comply with all requirements of federal and state civil rights statutes, rules and regulations including:
 - Title VI of the Civil Rights Act of 1964 (42 USC 200d et. seq.).
 - Section 504 of the Rehabilitation Act of 1973 (20 USC 794).
 - Title IX of the Education Amendments of 1972 (20 USC 1681 et. seq.).
 - Americans with Disabilities Act of 1990 (42 USC sections 12101 to 12213).
 - ORS 659.400 to 659.460 relating to civil rights of persons with disabilities.
6. **Records Maintenance and Access; Audit:** Grantee shall document, maintain and submit records to OPRD for all Project expenses in accordance with generally accepted accounting principles, and in sufficient detail to permit OPRD to verify how Grant Funds were expended. Grantee shall ensure that each of its subgrantees and subcontractors complies with these requirements.
 - a. **Access to Records and Facilities.** OPRD, the Secretary of State of the State of Oregon (Secretary), the United States Department of the Interior, or their duly authorized representatives shall have access to the books, documents, papers and records of Grantee that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, OPRD, the Secretary, the United States Department of the Interior and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Grantee shall permit authorized representatives of OPRD, the Secretary, or their designees to perform site reviews of the Project, and to inspect all vehicles, real

property, facilities and equipment purchased by Grantee as part of the Project, and any transportation services rendered by Grantee.

b. **Retention of Records.** Grantee shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following expiration or termination of this Agreement. If there are unresolved audit questions at the end of the six-year period, Grantee shall retain the records until the questions are resolved.

c. **Audit Requirements.**

- i. Grantees receiving federal funds in excess of \$750,000 in a fiscal year are subject to audit conducted in accordance with 2 CFR Part 200, Subpart F. If subject to this requirement, Grantee shall, at Grantee’s own expense, submit to State, a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement.
- ii. Grantee shall save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. Grantee acknowledges and agrees that any audit costs incurred by Grantee as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Grantee and either State or State of Oregon.

7. **Matching Funds:** The Grantee shall contribute matching funds or the equivalent in labor, materials, or services, which are shown as eligible match in the rules, policies and guidelines for the CLG Grant Program. Volunteer labor used as a match requires a log with the name of volunteer, date volunteered, hours worked, location worked at and rate used for match to be eligible.

8. **Duplicate Payment.** Grantee is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.

9. **Inspection of Equipment and Project Property:** Grantee shall permit authorized representatives of State, the Secretary, or their designees to perform site reviews of the Project, and to inspect all Equipment, real property, facilities, and other property purchased and any property on which development work was completed by Grantee as part of the Project services rendered by Grantee.

10. **Preservation Agreements and Covenants:** Development projects on historic properties are subject to a preservation agreement between Grantee and the State Historic Preservation Office.

11. **Tax Obligations:** Grantee will be responsible for any federal or state taxes applicable to payments under this Agreement.

12. **Contribution:** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against a party (the "Notified Party") with respect to which the other party ("Other Party") may have liability, the Notified Party must promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Either party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this paragraph and meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party’s liability with respect to the Third Party Claim.

With respect to a Third Party Claim for which the State is jointly liable with the Grantee (or would be if joined in the Third Party Claim), the State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the Grantee in such proportion as is appropriate to reflect the relative fault of the State on the one hand and of the Grantee on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the State on the one hand and of the Grantee on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The State’s contribution

amount in any instance is capped to the same extent it would have been capped under Oregon law if the State had sole liability in the proceeding.

With respect to a Third Party Claim for which the Grantee is jointly liable with the State (or would be if joined in the Third Party Claim), the Grantee shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by the State in such proportion as is appropriate to reflect the relative fault of the Grantee on the one hand and of the State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the Grantee on the one hand and of the State on the other hand shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. The Grantee's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

Grantee shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Grantee's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the contractor from and against any and all Claims.

- 13. **Governing Law:** The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Agreement, including, without limitation, its validity, interpretation, construction, performance, and enforcement. Any party bringing a legal action or proceeding against any other party arising out of or relating to this Agreement shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.
- 14. **Condition for Disbursement:** Disbursement of grant funds by OPRD is contingent upon the following:
 - a. OPRD having received sufficient funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow OPRD, in the exercise of its reasonable administrative discretion, to make the disbursement;
 - b. Grantee's compliance with the terms of this Agreement, including all Attachments; and
 - c. Grantee's representations and warranties set forth in Section 15 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
- 15. **Repayment:** In the event that the Grantee spends Grant Funds in any way prohibited by state or federal law, or for any purpose other than the completion of the Project, the Grantee shall reimburse the State for all such unlawfully or improperly expended funds. Such payment shall be made within 15 days of demand by the State. Any funds disbursed to Grantee under this Agreement that remain unexpended on the earlier of termination or expiration of this Agreement must be returned to State. Grantee shall return all such unexpended funds to State within 14 days after the earlier of expiration or termination of this agreement.
- 16. **Independent Contractor.** Grantee shall perform the Project as an independent contractor and not as an agent or employee of OPRD. Grantee has no right or authority to incur or create any obligation for or legally bind OPRD in any way. OPRD cannot and will not control the means or manner by which Grantee performs the Project, except as specifically set forth in this Agreement. Grantee is responsible for determining the appropriate means and manner of performing the Project. Grantee acknowledges and agrees that Grantee is not an "officer", "employee", or "agent" of OPRD, as those terms are used in ORS 30.265, and shall not make

representations to third parties to the contrary.

- 17. **Representations and Warranties of Grantee.** Grantee represents and warrants to State as follows:
 - a. **Organization and Authority.** Grantee is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Grantee has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Grantee of this Agreement (1) have been duly authorized by all necessary action of Grantee and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Grantee’s Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Grantee is a party or by which Grantee or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Grantee of this Agreement.
 - b. **Binding Obligation.** This Agreement has been duly executed and delivered by Grantee and constitutes a legal, valid and binding obligation of Grantee, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors’ rights generally.
 - c. **No Solicitation.** Grantee’s officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.
 - d. **No Debarment.** Neither Grantee nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Grantee agrees to notify State immediately if it is debarred, suspended or otherwise excluded from this federally-assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement, including all Attachments, or implied by law.

- 18. **Responsibility for Grant Funds:** Any Grantee of Grant Funds, pursuant to this Agreement with State, shall assume sole liability for that Grantee’s breach of the conditions of this Agreement, and shall, upon Grantee’s breach of conditions that requires State to return funds to the federal government, hold harmless and indemnify State for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the Grantee of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.
- 19. **Termination:** This contract may be terminated by mutual consent of both parties, or by either party upon a 30-day notice in writing, delivered by certified mail or in person to the other party’s contact identified in the Agreement. On termination of this contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination. Full credit shall be allowed for reimbursable expenses and the non-cancelable obligations properly incurred up to the effective date of the termination.
- 20. **Entire Agreement:** This Agreement, including all Attachments, constitutes the entire Agreement between the parties. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, Agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other

provision. The Grantee, by signature of its authorized representative on the Agreement, acknowledges that the Grantee has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

- 21. **Notices:** Except as otherwise expressly provided in this Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Grantee contact or State contact at the address or number set forth in this Agreement, or to such other addresses or numbers as either party may hereinafter indicate. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received, or five days after mailing.
- 22. **Counterparts:** This agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.
- 23. **Severability:** If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- 24. **Super Circular Requirements.** Grantee will comply with 2 CFR Part 200, or the equivalent applicable provision adopted by the awarding federal agency in 2 CFR Subtitle B, including but not limited to the following:
 - a. Property Standards. 2 CFR 200.313, or the equivalent applicable provision adopted by the awarding federal agency in 2 CFR Subtitle B, which generally describes the required maintenance, documentation, and allowed disposition of equipment purchased with federal funds.
 - b. Procurement Standards. When procuring goods or services (including professional consulting services), applicable state procurement regulations found in the Oregon Public Contracting Code, ORS chapters 279A, 279B and 279C or 2 CFR §§ 200.318 through 200.326, or the equivalent applicable provision adopted by the awarding federal agency in 2 CFR Subtitle B, as applicable.
 - c. Contract Provisions. The contract provisions listed in 2 CFR Part 200, Appendix II, or the equivalent applicable provision adopted by the awarding federal agency in 2 CFR Subtitle B, that are hereby incorporated into this Exhibit. These are, to the extent applicable, obligations of Contractor, and Contractor shall also include these contract provisions in its contracts with non-Federal entities.

**Attachment D
Reporting and Payment – Historic Preservation Fund Grants**

- 1. **Grant Payments / Reimbursements:** Grant funds are awarded by the State and paid on a reimbursement basis, and only for the Project described in this Agreement; Attachment A, Scope of Work; and the original Application. The source of the Grant funds is the United States Department of the Interior, National Park Service. To request reimbursement, Grantee shall use OPRD’s online grant management system accessible at oprdgrants.org. The request for reimbursement shall include documentation of all project expenses plus documentation confirming project invoices have been paid by Grantee. Grantee may request reimbursement as often as quarterly for costs accrued to date. A progress report submitted to OPRD’s online grant management system is required with each reimbursement request. The Grant Funds shall be used solely for the Project described in Attachment A and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by State by amendment pursuant to the terms of this Agreement.
- 2. **State Fiscal Year-End Request for Reimbursement:** Grantee must submit a Progress Report and a Reimbursement Request to OPRD for all Project expenses including matching expenses, if any, accrued up to June 30, of each state fiscal year. The State Fiscal Year-End Reimbursement Request must be submitted to OPRD by July 15th of each year.
- 3. **Reimbursement Terms:** The total estimated project cost is included in the grant agreement. Subject to and in accordance with the terms and conditions of this Agreement, OPRD shall provide Grant Funds to Grantee for the project in an amount not to exceed the amount awarded in the grant agreement, whichever is less, for eligible costs of work completed. Grantee shall accept the Grant Funds and provide Match Funds for the Project as required by the grant.
- 4. **Progress Reports:** The Grantee shall report to OPRD regarding the status and progress of the project as follows:
 - For the year one period beginning April 1, ending June 30, 2025: report is due July 15, 2025
 - For the year one period beginning July 1, ending November 20, 2025: report is due December 31, 2025
 - For the year one/two period beginning July 1, ending June 30, 2026: report is due July 15, 2026

Progress Reports shall be submitted using OPRD’s online grant management system accessible at oprdgrants.org.

- 5. **Retention:** OPRD shall disburse up to 90 percent of the Grant Funds to Grantee on a cost reimbursement basis upon approval of invoices submitted to OPRD. OPRD will disburse the final 10 percent of the Grant Funds upon approval by OPRD of the completed Project and Final Report.
- 6. **Final Report:** Grantee must submit a Final Progress Report, a Final Reimbursement Request and digital pictures of the completed project to OPRD within 45 days of the Project Completion Date or the required deadlines, whichever is first. OPRD may, at its sole discretion, conduct appropriate inspections of the Project within a reasonable time following submission of the Final Report. Grantee shall assist OPRD and cooperate fully to the satisfaction of OPRD with all inspections that OPRD conducts.

ATTACHMENT E
Insurance Requirements

GENERAL.

Grantee shall require in its first tier contracts (for the performance of work on the Project) with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, “TAIL” COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the contract commencing 3/31/2023, and ii) maintain the insurance in full force throughout the duration of the contract. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to the Oregon Parks and Recreation Department (“OPRD”). Grantee shall not authorize work to begin under contracts until the insurance is in full force. Thereafter, Grantee shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Grantee shall incorporate appropriate provisions in the contracts permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Grantee permit work under a contract when Grantee is aware that the contractor is not in compliance with the insurance requirements. As used in this section, “first tier” means a contract in which the Grantee is a party.

TYPES AND AMOUNTS.

i. **WORKERS COMPENSATION.** Insurance in compliance with ORS 656.017, which requires all employers that employ subject workers, as defined in ORS 656.027, to provide workers’ compensation coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Employers liability insurance with coverage limits of not less than \$500,000 must be included.

ii. **COMMERCIAL GENERAL LIABILITY.**

Commercial General Liability Insurance covering bodily injury, death, and property damage in a form and with coverages that are satisfactory to OPRD. This insurance shall include personal injury liability, products and completed operations. Coverage shall be written on an occurrence form basis, with not less than the following coverage amounts:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

iii. **AUTOMOBILE Liability Insurance:** Automobile Liability.

Automobile Liability Insurance covering all owned, non-owned and hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for “Commercial General Liability” and “Automobile Liability”). Automobile Liability Insurance must be in not less than the following amounts:

Bodily Injury, Death and Property Damage:

\$1,000,000 per occurrence (for all claimants for claims arising out of a single accident or occurrence).

ADDITIONAL INSURED. The Commercial General Liability Insurance and Automobile Liability insurance must include the State of Oregon, OPRD, its officers, employees and agents as Additional Insureds but only with respect to the activities to be performed under the contract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

“TAIL” COVERAGE. If any of the required insurance policies is on a “claims made” basis, such as professional liability insurance, either “tail” coverage or continuous “claims made” liability coverage must be maintained, provided the effective date of the continuous “claims made” coverage is on or before the effective date of the contract, for a minimum of 24 months following the later of : (i) the contractor’s completion and Grantee’s acceptance of all services required under the subagreement or, (ii) the expiration of all warranty periods provided

under the contract. Notwithstanding the foregoing 24-month requirement, if the contractor elects to maintain “tail” coverage and if the maximum time period “tail” coverage reasonably available in the marketplace is less than the 24-month period described above, then the contractor may request and OPRD may grant approval of the maximum “tail “ coverage period reasonably available in the marketplace. If OPRD approval is granted, the contractor shall maintain “tail” coverage for the maximum time period that “tail” coverage is reasonably available in the marketplace.

NOTICE OF CANCELLATION OR CHANGE. The contractor or its insurer must provide 30 days’ written notice to Grantee before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

CERTIFICATE(S) OF INSURANCE. Grantee shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the contract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a “claims made” basis, the extended reporting period applicable to “tail” or continuous “claims made” coverage.



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Approval to accept a NEHA-FDA 2025 Track 3 Maintenance and Advancement Base and Training add-on grant, Document No. 2025-360

RECOMMENDED MOTION:

Move approval to accept a NEHA-FDA 2025 Track 3 Maintenance and Advancement Base and Training add-on grant, Document No. 2025-360.

BACKGROUND AND POLICY IMPLICATIONS:

On November 6, 2024, Deschutes County Health Services (DCHS) received approval from the Board of County Commissioners (BOCC) to apply for the National Environmental Health Association (NEHA) – U.S. Food and Drug Administration (FDA) grants to advance conformance with the Voluntary National Retail Food Regulatory Program Standards (Retail Program Standards) DCHS is seeking approval to accept the \$51,500 awarded.

DCHS was awarded \$51,500 in funding for the years 2023 and 2024. For the 2025 grant cycle, the application process changed, requiring only two applications and the opportunity to apply for three years of funding for certain grant options. In total DCHS applied for \$385,500 but was awarded \$51,500 as follows:

- Year 1 (April 1, 2025 – March 31, 2026) \$21,500
- Year 2 (April 1, 2026 – March 31, 2027) \$15,000
- Year 3 (April 1, 2027 – March 31, 2028) \$15,000

Track 3 Development Base Grant: Awarded \$48,000; applied for \$48,000, \$15,000/year and \$3,000 for an updated self-assessment in year 1. This funding will allow DCHS Environmental Health (EH) to continue work on incrementally meeting the Retail Program Standards which define what constitutes a highly effective and responsive program for the regulation of foodservice and retail food establishments.

Capacity Building Grant: Awarded \$0, applied for \$300,000 for a three-year term to support approximately 50% of personnel costs for a current 1.0 full-time equivalent Public Health position. According to the award document the Capacity Building component of this grant was not funded due to limited funds.

Mentorship Grant: Awarded \$0; applied for \$10,000. Due to an overall funding reduction, NEHA-FDA Mentee awards are limited to Track 1 applicants only. As a Track 3 applicant, DCHS was not awarded funding in this category.

Training Grant: Awarded \$3,500; applied for \$7,500. The reduced grant award will allow for only one staff member to travel to the NEHA Annual Education Conference in Phoenix, Arizona in July 2025.

Special Projects Grant: Awarded \$0; applied for \$20,000 to establish a Voluntary Recognition Program for Food Recovery partners to promote waste reduction techniques. According to an email from NEHA-FDA, the project was not funded due to unexpected and significant funding cuts to the program for 2025.

BUDGET IMPACTS:

\$51,500 revenue; \$21,500 for calendar year 2025 and \$15,000 each for calendar years 2026 and 2027.

ATTENDANCE:

Emily Horton, Public Health Program Manager
Adrea Albin, Environmental Health Supervisor



NEHA-FDA Retail Flexible Funding Model Grant Program Official Notice of Award for Three-Year Grants

April 1, 2025

Grant Number: G-202411-06271

Application Type: 2025 Track 3 Maintenance & Advancement Base

Project Title: Continual Improvement Through Conformance with The Standards

Project Summary: 1. Standards 1-8: Progress toward Standard 2, Maintenance of Standard 3, Progress towards Standard 4, Progress towards Standard 5, Meet and Audit Standard 6, Maintenance of Standard 7. 2. Maintain Standard 9 by continuing to implement Intervention Strategies identified during the 2024 Initial Risk Factor Study 3. Mentee Optional Add-On (Request to be paired with Southern Nevada Health District) 4. Training Optional Add-On (Attendance at SAVA Workshop, NEHA AEC, NACCHO Preparedness Summit, and CFP Meeting) 5. Capacity Building Optional Add-On for a blended RPS / Network Coordinator, who will also support coordination of a second annual Food Safety and Sustainability Summit

Amount Requested: \$365,500.00

Three-Year Award Amount: \$51,500.00

Project Period: 4/1/2025 to 3/31/2028

Unique Federal Award Identification Number (FAIN): 1U19FD008288

CFDA Number: 93.103

Awarded to NEHA on 09/10/2024

Adrea Albin
Deschutes County
2100 NE Wyatt Ct
Bend, OR 97701

Dear Adrea:

Your application has been approved for Continual Improvement Through Conformance with The Standards as part of the National Environmental Health Association (NEHA)-U.S. Food and Drug Administration (FDA) Retail Flexible Funding Model (RFFM) Grant Program, with funding provided by the FDA. Approval is based on review of the project plan and budget details in your submitted application.

As part of your application, your agency has made an assurance that it will comply with all applicable federal statutes and regulations in effect during the grant period, including applicable parts of 45 CFR Parts 75. Acceptance of this award and/or any funds provided by the NEHA-FDA Retail Flexible Funding Model Grant Program acknowledges agreement with all the terms and conditions in this award letter.

The amount of \$51,500.00 represents the full amount of funds to which you are entitled. Grant awards are made with the understanding that NEHA-FDA Retail Flexible Funding Model Grant Program staff may require clarification of information within your application, as necessary, during the application, project, or reporting periods. These inquiries may be necessary to allow us to appropriately carry out our administrative responsibilities.

Specific Conditions of Your Award

In addition to the general Terms and Conditions of your award as listed below, following are additional conditions specific to your award:

The following component(s) of your project have been fully funded: \$30,000 (\$10,000 per year) on Standards 1-8; \$15,000 (\$5,000 per year) for work toward Meeting or Maintaining Standard 9 Level 1 Risk Factor Study approach; \$3,000 during CY 2025 for an updated Self-Assessment of All 9 Standards.

The following component(s) of your project have been partially funded: \$3,500 for the Training Optional Add-On for CY 2025.

The following component of your project is NOT funded: Mentee Optional Add-On.

Unfortunately, due to limited funds, the Capacity Building component of your application is NOT funded. Please reach out to the Grant Program Support Team if a modification to the scope or details of your grant is necessary due to this funding reduction.

Reduced funding amounts are not due to the quality of your Track 3 Maintenance and Advancement Base application but are a result of an overall funding reduction to the NEHA-FDA RFFM Grant Program. For CY 2025, Mentee awards are limited to Track 1 applicants only. Track 3 training requests are being reduced to a maximum of \$3,500, but unless otherwise noted, any of the travel requested in your application is allowable for reimbursement up to the reduced award amount.

Please reach out to the Grant Program Support Team with any questions regarding CY 2025 funding.

Budget

Your approved three-year award budget is broken down below. To review specific details of the approved budget in your grant award please log into the NEHA-FDA RFFM Grant Portal, where you can view and print your grant (including your budget justifications) and your budget worksheets.

Year 1 (Apr 1, 2025 - March 31, 2026): \$21,500.00

Year 2 (Apr 1, 2026 - March 31, 2027): \$15,000.00

Year 3 (Apr 1, 2027 - March 31, 2028): \$15,000.00

Total Award Amount: \$51,500.00

Future year cost support is subject to the availability of funds, including approval of funds by Congress and continued funding of the NEHA Cooperative Agreement by FDA, and satisfactory progress of the project. Budget changes are allowable but must be justified and approved in advance and in writing by the NEHA-FDA RFFM Grant Program Support Team. None of the funds in this award shall be used to pay the salary of an individual at a rate in excess of the current Executive Level II of the Federal Executive Pay Scale for any specific funding year.

Terms and Conditions

Your award is based on the project application referenced in this Notice of Award, submitted to and approved by NEHA. Payment for each year of the three-year project period is contingent on continued Federal Funding from the United States Food and Drug Administration, and is subject to the following terms and conditions:

The grantee must complete the full scope of work and all tasks outlined in the approved grant application by the Project End Date, unless NEHA grants a written exception. The recipient agrees to comply with the current FDA general terms and conditions (HHS Grant Policy Statement).

Restrictions on the expenditure of funds in federal appropriations acts apply to this award, to the extent those restrictions are applicable to subawards made under federal grants. Please refer to 2 CFR 200.400 for

guidance on relevant cost principles.

For the complete Terms and Conditions of this award, including links to all relevant federal guidance, please see the **Reporting and Payments** link on the NEHA-FDA RFFM Grant Program webpage (<https://www.neha.org/retailgrants>).

Reporting

Reports with due dates will be accessible by logging into the Grant Portal, found on the NEHA-FDA RFFM webpage. Reminders will be sent to the email address of your organization’s Point of Contact regarding upcoming and past due reports.

Interim Progress Reports will be required each year for awards made through this program to assure that each funded project remains on track for timely completion. For three-year awards, Annual Progress Reports will be required at the end of Year 1 and Year 2.

When all project objectives have been completed, a Final Project Report must be submitted through the online grant portal no later than 45 days after your Project End Date. As part of the final report, the grantee must provide a full accounting of all expenditures made with funds from this grant award, accompanied by the required documentation.

For complete information on required reporting, please see the **Reporting and Payments** link on the NEHA-FDA RFFM webpage.

Advance Payment and Reimbursement Requests

For three-year awards made through this grant program, the default reimbursement process will begin with an Advance Payment Request for the first full year of funding. If an alternative payment plan is required by your agency, please contact the NEHA-FDA RFFM Grant Program Support Team.

For project Years 2 and 3, additional funding will be provided either as advance or reimbursement payments contingent on project performance and the needs of your jurisdiction.

To initiate your Year 1 Advance Payment, you can access, complete, and submit the Advance Payment Request through the **Reports** section of your grantee portal. For additional details, please see the **Reporting and Payments** link on the NEHA-FDA RFFM webpage.

Recipient FDA Notice

As a reminder, recipients of funding through this program are required to assure that project activities achieve greater conformance with the FDA Voluntary National Retail Food Regulatory Program Standards (Retail Program Standards). For additional information regarding the Retail Program Standards, please visit the FDA’s official webpage at: <https://www.fda.gov/food/retail-food-protection/voluntary-national-retail-food-regulatory-program-standards>.

Allowable and Non-allowable Costs

For information on allowable and non-allowable costs, please refer to the **NEHA-FDA RFFM Grant Guidance** link on the NEHA-FDA RFFM webpage.

Base Grant Requirement

Once awards under the NEHA-FDA RFFM Grant Program have been made, all grantees must complete their Base activities (specified either in their Development Base Grant or Maintenance and Advancement Base Grant) to remain eligible for Optional Add-Ons and Grants (Training funds, Mentee funds, Mentor grants). During the performance period of open awards, if Base activities are not substantially completed, Add-On funding may also be in jeopardy of cancellation.

Travel Costs

Travel costs should adhere to the general guidelines found in the **NEHA-FDA RFFM Grant Guidance**. Contact the NEHA-FDA RFFM Grant Program Support Team with specific travel-related questions not covered in the guidance.

Financial Conflict of Interest

This award is subject to the Financial Conflict of Interest (FCOI) regulation at 42 CFR Part 50 Subpart F.

Contact us for Support

If you have questions about this award, please contact the NEHA-FDA RFFM Grant Program Support Team. Additionally, the FDA Retail Food Safety Specialist assigned to your geographic area is an integral part of your jurisdiction's successful completion of Retail Program Standards activities and is available to assist with your funded project.

04/16/2025 Item #3.

NEHA-FDA RFFM Grant Program Support Team

retailgrants@neha.org

1-833-575-2404

FDA Retail Food Safety Specialist Contact Information

<https://www.fda.gov/food/voluntary-national-retail-food-regulatory-program-standards/directory-fda-retail-food-specialists>

We appreciate your ongoing commitment to achieving greater conformance with the Voluntary National Retail Food Regulatory Program Standards.

Sincerely,



David T. Dyjack, DrPH, CIH
NEHA Executive Director



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Proclamation: Sexual Assault Awareness Month

RECOMMENDED MOTION:
Move approval of the proclamation.

BACKGROUND AND POLICY IMPLICATIONS:
The proclamation declares the month of April to be Sexual Assault Awareness Month in Deschutes County to call attention to the fact that sexual violence is a pervasive issue which affects persons of all ages and backgrounds and to recognize that raising awareness is a critical step towards preventing assaults and supporting victims of sexual assault.

BUDGET IMPACTS:
None

ATTENDANCE:
Stephanie Miller, Development Director for Saving Grace
Taryn Amens Ramos, Program Services Director for Saving Grace

DESCHUTES COUNTY

PROCLAMATION

FROM THE BOARD OF COUNTY COMMISSIONERS

WHEREAS: Sexual violence affects every person in Deschutes County, whether as a victim or survivor, or as a family member, friend, partner, neighbor, educator, employer, or co-worker; and

WHEREAS: Now, more than ever, we are being reminded that we are capable of change, and each person makes choices every day that either support or challenge a culture of violence; and

WHEREAS: Every individual in Deschutes County has a role to play in promoting health and safety for all people, by not tolerating violence, by promoting accountability, and by participating in efforts to end violence; and

WHEREAS: New efforts build on foundations laid by dedicated advocates, preventionists, activists, and other partners who have been doing this work for decades; and

WHEREAS: By taking action where you work, play, learn, worship, or live, change is possible and sexual violence is preventable when we are all working together to end sexual violence.

NOW THEREFORE: The Board of Commissioners of Deschutes County hereby proclaims April 2025 to be

SEXUAL ASSAULT AWARENESS MONTH

in Deschutes County and encourages all citizens to join in this observance.

Anthony DeBone, Chair

Patti Adair, Vice Chair

Phil Chang, Commissioner

ATTEST:

Recording Secretary



BOARD OF
COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Proclamation: Dark Sky Week

RECOMMENDED MOTION:

Move approval of the proclamation.

BACKGROUND AND POLICY IMPLICATIONS:

The proclamation declares the week of April 21-28, 2025 to be "Dark Sky Week" in Deschutes County.

BUDGET IMPACTS:

None

ATTENDANCE:

Cathie Flanigan, Board Member/Treasurer for DarkSky Oregon

For Recording Stamp Only

BEFORE THE BOARD OF COMMISSIONERS OF DESCHUTES COUNTY, OREGON

PROCLAMATION

WHEREAS: International DarkSky Week is observed in April on the week of the new moon, and

WHEREAS: The experience of standing beneath a starry night sky inspires feelings of wonder and awe, and encourages stewardship of our shared environment and our magnificent dark skies; and

WHEREAS: Dark skies are an integral aspect of the sustainability of Oregon’s wild ecosystems as a key environmental factor in bird migration, insect pollination, and human sleep patterns; and

WHEREAS: Oregon’s dark skies are a significant natural resource, with seven accredited International Dark Sky Places to date—Sunriver, Prineville Reservoir State Park, Oregon Caves National Monument, City of Antelope, Oregon Outback Sanctuary, Cottonwood Canyon State Park, and City of Sisters; and

WHEREAS: Eastern Oregon holds the world’s largest dark sky sanctuary, and an area of the largest pristine night skies in the contiguous 48 states; and

WHEREAS: Astro-tourism, including star gazing, astronomy star parties, and dark sky photography, is an evolving facet of outdoor recreation with real economic benefits for communities across Oregon, and which promotes the mitigation of light pollution; and

NOW, THEREFORE: The Deschutes County Board of Commissioners hereby proclaims **April 21-28, 2025** to be

“International Dark Sky Week”

in Deschutes County, and encourages all Oregonians to join in this observance.

Dated this ____ day of _____ 2025 by the Deschutes County Board of Commissioners.

Anthony DeBone, Chair

Patti Adair, Vice Chair

ATTEST:

Recording Secretary

Phil Chang, Commissioner

For Recording Stamp Only

BEFORE THE BOARD OF COMMISSIONERS OF DESCHUTES COUNTY, OREGON

PROCLAMATION

WHEREAS: Several hundreds of dedicated telecommunication professionals answer nearly two million emergency calls every year and serve Oregon residents and visitors 24 hours a day, seven days a week, 365 days a year; and

WHEREAS: Everyone in Oregon relies on the dedication and professionalism of the telecommunicators who answer 9-1-1 emergency calls for law enforcement, fire, and emergency medical services, then dispatch the appropriate assistance as quickly as possible; and

WHEREAS: These professionals are often the sole lifeline to our first responders in the field; and

WHEREAS: Skillful and experienced public safety communicators serve as a vital link between those who need help and the public safety providers who save lives, protect property and apprehend criminals; and

WHEREAS: The critical functions performed by professional telecommunicators also include those related to operations performed by federal, state, local and Tribal government agencies to include Emergency Management, highway safety, and search and rescue; and

WHEREAS: Public safety associations have set aside a week in April to recognize telecommunicators and their crucial role in the protection of life and property;

NOW, THEREFORE: The Deschutes County Board of Commissioners hereby proclaims **April 13 - 19, 2025** to be

National Public Safety Telecommunications Week

in Deschutes County, and encourages our community to join in this observance.

Dated this ____ day of _____ 2025 by the Deschutes County Board of Commissioners.

Anthony DeBone, Chair

Patti Adair, Vice Chair

ATTEST:

Recording Secretary

Phil Chang, Commissioner

For Recording Stamp Only

BEFORE THE BOARD OF COMMISSIONERS OF DESCHUTES COUNTY, OREGON

PROCLAMATION

Whereas, our nation’s 3,069 counties provide more than 330 million Americans with essential services that create healthy, safe and vibrant communities; and

Whereas, counties fulfill a vast range of responsibilities and deliver services that touch nearly every aspect of their residents’ lives; and

Whereas, counties as intergovernmental partners enact local, state and federal programs to address the needs of all residents; and

Whereas, Deschutes County is responsible for protecting and enhancing the health, wellbeing and safety of our residents in efficient and cost-effective ways; and

Whereas, each year since 1991 the National Association of Counties has encouraged counties across the country to elevate awareness of county responsibilities, programs and services; and

Whereas, Deschutes County strives to promote safe communities, the health and wellbeing of our residents, housing stability and supply, and policies that sustain and stimulate economic resilience and a strong regional workforce;

Now, therefore, the Deschutes County Board of Commissioners hereby proclaims the month of April, 2025 to be

National County Government Month

In Deschutes County, and encourage all county officials, employees, schools and residents to learn about the many ways that county government impacts their day-to-day lives.

Dated this ____ day of _____ 2025 by the Deschutes County Board of Commissioners.

Anthony DeBone, Chair

Patti Adair, Vice Chair

ATTEST:

Recording Secretary

Phil Chang, Commissioner



**BOARD OF
COMMISSIONERS**

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Consideration of Board Order No. 2025-014 to reopen the record for the Thornburgh Destination Resort remand hearing proceedings

RECOMMENDED MOTION:

Either:

- A) Move to approve Order No. 2025-014 to reopen the record on remand for file no. 247-25-000229-A, for each issue on remand by LUBA; or
- B) Move to approve Order No. 2025-014 to reopen the record on remand for file no. 247-25-000229-A, only addressing the economic analysis required pursuant to DCC 18.113(C)(3) and (4), as remanded by LUBA.

BACKGROUND AND POLICY IMPLICATIONS:

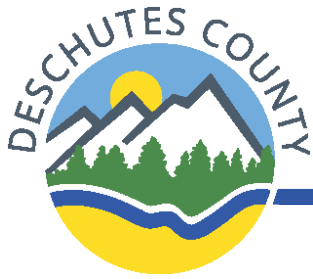
On April 7, 2025, the Thornburgh Resort initiated a Land Use Board of Appeals (LUBA) remand, file no. 247-25-000229-A. Staff respectfully requests that the Board of County Commissioners approve Order No. 2025-014 to allow the Board to receive additional testimony and evidence related to the LUBA remand.

BUDGET IMPACTS:

None

ATTENDANCE:

Will Groves, Planning Manager
Stephanie Marshall, Senior Assistant Legal Counsel



MEMORANDUM

DATE: April 16, 2025

TO: Board of County Commissioners

FROM: Jacob Ripper, AICP, Senior Planner
Will Groves, Planning Manager

RE: Thornburgh Destination Resort Remand Hearing Proceedings

On April 7, 2025, the Thornburgh Resort initiated a Land Use Board of Appeals (LUBA) remand, file no. 247-25-000229-A. Staff respectfully requests the Board of County Commissioners (Board) to issue Order 2025-014 to allow the Board to receive additional testimony and evidence related to the LUBA remand. There are three remand issues to be resolved and are noted below.

The subject application is a request for modification of the destination resort Final Master Plan (FMP). The requested modification involves a request to apply Thornburgh’s 2022 Fish and Wildlife Management Plan (2022 FWMP).

Deschutes County Code (DCC) 22.34.040, Proceedings on Remand, grants the Board discretion to:

- Reopen the record in instances in which it deems to be appropriate;
- Enable a remanded application for a land use permit to be modified to address issues involved in the remand to the extent that such modifications would not substantially alter the proposal and would not have a significantly greater impact on surrounding neighbors; and,
- Allow parties to raise new, unresolved issues that relate to new evidence directed toward the issue on remand.

I. BACKGROUND

The Thornburgh Destination Resort has a long and complex history. The Conceptual Master Plan (CMP) was applied for in 2005. The Final Master Plan (FMP) was originally applied for in 2007. Years of litigation resulted in the FMP being affirmed by LUBA in 2018.

The subject application was received by the Planning Division on August 17, 2022. A public hearing was conducted by a Deschutes County Hearings Officer on October 24, 2022. On December 19, 2022, the Hearings Officer denied the Applicant's request. Two appeals of the Hearings Officer's decision were received. The Board conducted a hearing and voted 2-1 to approve the Applicant's request. That final County decision was appealed to LUBA.

On January 12, 2024, the Land Use Board of Appeals (LUBA) issued their Final Opinion and Order remanding the County's decision back to the County for further review (ref. LUBA Nos. 2023-038, 2023-039, 2023-041). The remand decisions was then appealed to the Court of Appeals. On May 1, 2024, the Oregon Court of Appeals reversed and remanded to LUBA for further review on petition of The Confederated Tribes of the Warm Springs Reservation of Oregon. On February 25, 2025, LUBA remanded to the County again, adding an additional remand topic for the County to address at the local level. On April 7, 2025, the Applicant requested that the County initiate remand proceedings.

II. REMAND

Together with the decision of the Court of Appeals, the remand from LUBA includes three issue areas to be addressed:

1. Additional findings to explain why the submittal of the 2022 Fish and Wildlife Management Plan (FWMP) to the Oregon Water Resources Department is sufficient to satisfy the "no net loss" standard with respect to groundwater sources for fish habitat mitigation.
2. That the FWMP was a substantial change with respect to the required economic analysis and LUBA required further findings addressing DCC 18.113.070(C)(3) and (4) and that the County will either need to consider those changes or explain why that consideration is not required.
3. Whether the 2022 Fish and Wildlife Management Plan violates the Treaty with the Tribes of Middle Oregon, dated June 25, 1855.

The appellants' other assignments of error were denied.

III. APPLICANT REQUEST

The procedures related to the remand process of DCC 22.34.040 instruct that on remand, the Board needs to review those issues that LUBA and the Court of Appeals required to be addressed and not any settled issues. New testimony and evidence needs to be directed toward the remand issues.

Staff received a request from the applicant to reopen the record, but limit that reopening only to the topic of the economic analysis requirement and addressing DCC 18.113.070(C)(3) and (4). The applicant believes the other two remand topics do not require new evidence in order to be addressed.

Limiting the record to a single issue may pose challenges to the Board and staff in terms of ensuring that new evidence and testimony is directed towards only one of the remand issues. It may also be a challenge to identify and separate what evidence may and may not be considered during the review process, including during deliberations, in addition to possibly leading to record challenges.

Regarding a record being reopened, typically remand proceedings, when containing more than one remand topic, are not limited to less than the full number of remand topics. However, this request was respectfully submitted to the County by the applicant at the time of initiation and therefore staff brings this request to the Board for consideration.

Two versions of the Order are attached. Staff respectfully requests that the Board select which version of the Order to move forward with.

Attachments:

- 1) Board Order 2025-014 (three remand topics)
- 2) Board Order 2025-014 (one remand topic)

REVIEWED

LEGAL COUNSEL

04/16/2025 Item #13.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Allowing the Board of County Commissioners to Consider New Evidence Relevant to LUBA Nos. 2023-038, -039, -041 and File No. 247-25-000229-A * * * ORDER NO. 2025-014

WHEREAS, the Oregon Land Use Board of Appeals (“LUBA”) issued a final opinion and order in LUBA Nos. 2025-038, -039, -041 remanding the County’s approval of a Thornburgh Destination Resort modification of approval to amend the Final Master Plan (FMP) by amending the Fish and Wildlife Management Plan (FWMP); and

WHEREAS, Central Land & Cattle Co., LLC, the applicant, initiated the LUBA remand in File No. 247-25-000229-A; and

WHEREAS, Section 22.34.040(A) of the Deschutes County Code (“DCC”) allows the Board of County Commissioners (“Board”) discretion to reopen the record in instances in which it deems to be appropriate to do so; and

WHEREAS, during previous proceedings concerning land use applications for the Thornburgh Destination Resort it was acknowledged that a Board order is required to accept new evidence relating to issues remanded by LUBA unless LUBA expressly allows the consideration of new evidence on remand;

WHEREAS, the Applicant has requested that the reopened record be limited to only one remand issue, addressing the economic analysis required pursuant to DCC 18.113(C)(3) and (4) for the FWMP.

WHEREAS, the Board wishes to clarify that parties may present new evidence regarding the issue remanded to the County by LUBA in this matter and described above; and

WHEREAS, the Board does not wish to reopen the record to allow parties to raise new issues; any additional testimony and evidence submitted by the parties will need to comply with DCC 22.34.040(C); now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. The Board hereby reopens the record of the Thornburgh Destination Resort modification of approval application numbered 247-22-000678-MC to consider new testimony and evidence related to the economic analysis required pursuant to DCC 18.113(C)(3) and (4) for the FWMP, as remanded by LUBA.

Section 2. The County on remand shall not accept new testimony and evidence on any other issues unless allowed by DCC 22.34.040(C).

Dated this 16 of April, 2025

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PATTI ADAIR, Vice Chair

ATTEST:

Recording Secretary

PHIL CHANG, Commissioner

REVIEWED

LEGAL COUNSEL

04/16/2025 Item #13.

For Recording Stamp Only

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

An Order Allowing the Board of County Commissioners to Consider New Evidence Relevant to LUBA Nos. 2023-038, -039, -041 and File No. 247-25-000229-A * * * ORDER NO. 2025-014

WHEREAS, the Oregon Land Use Board of Appeals (“LUBA”) issued a final opinion and order in LUBA Nos. 2025-038, -039, -041 remanding the County’s approval of a Thornburgh Destination Resort modification of approval to amend the Final Master Plan (FMP) by amending the Fish and Wildlife Management Plan (FWMP); and

WHEREAS, Central Land & Cattle Co., LLC, the applicant, initiated the LUBA remand in File No. 247-25-000229-A; and

WHEREAS, Section 22.34.040(A) of the Deschutes County Code (“DCC”) allows the Board of County Commissioners (“Board”) discretion to reopen the record in instances in which it deems to be appropriate to do so; and

WHEREAS, during previous proceedings concerning land use applications for the Thornburgh Destination Resort it was acknowledged that a Board order is required to accept new evidence relating to issues remanded by LUBA unless LUBA expressly allows the consideration of new evidence on remand;

WHEREAS, the Board wishes to clarify that the parties may present new evidence regarding the issues remanded to the County by LUBA in this matter; and

WHEREAS, the Board does not wish to reopen the record to allow parties to raise new issues; any additional testimony and evidence submitted by the parties will need to comply with DCC 22.34.040(C); now, therefore,

THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, HEREBY ORDERS as follows:

Section 1. The Board hereby reopens the record of the Thornburgh Destination Resort modification of approval application numbered 247-22-000678-MC to consider new testimony and evidence related to the issues remanded to the County by LUBA.

Section 2. The County on remand shall not accept new testimony and evidence on any other issues unless allowed by DCC 22.34.040(C).

Dated this 16 of April, 2025

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

ANTHONY DEBONE, Chair

PATTI ADAIR, Vice Chair

ATTEST:

Recording Secretary

PHIL CHANG, Commissioner



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: City of Bend Tax Increment Finance (TIF) Plans

BACKGROUND AND POLICY IMPLICATIONS:

The purpose of this agenda item is for Bend Urban Renewal Area Manager Jonathon Taylor to provide an overview of the Bend Urban Renewal Agency's (BURA) authorization of three new TIF areas in Bend, and to determine if the Board of Commissioners wants to submit written comments to the City of Bend City Council regarding these authorizations. Written comments are due by 5 p.m. on May 6, 2025.

The attached letter and proposed TIF Plans and TIF Reports provide a comprehensive package of information, including impacts to all taxing districts for the proposed Britta Ridge TIF District, Century TIF District, and Veridian TIF District.

The County received separate submittals for Deschutes County, Countywide Law Enforcement, County Extension, and 9-1-1. Each submittal provided detailed impacts for each taxing district as well as impacts to all taxing districts. Although the attached letter only provides the impacts to Deschutes County, impacts to all taxing districts are included in the TIF Plans and TIF Report.

According to the letter from BURA, "These applicants [for the three TIF districts] have proposed to build four multi-unit development projects on four historically vacant and undeveloped properties. These projects will deliver 695 residential units and restrict 18% of those to rents affordable to and restricted for households earning at or below 90% area median income, with annual rent increases at less than the statutory maximums for those restricted units."

The Bend City Council will consider all written comments and public testimony provided at the Council public hearing on May 21, 2025.

BUDGET IMPACTS:

The estimated impacts to the permanent rate collections of the County's taxing districts over the life of the TIF Plans (32 years) are projected as follows:

Deschutes County:	(\$7,142,620)
Countywide Law Enforcement:	(\$6,984,490)
Extension:	(\$125,162)
9-1-1:	(\$2,021,591)

ATTENDANCE:

Nick Lelack, County Administrator
Jonathon Taylor, Bend Urban Renewal Area Manager



BEND URBAN RENEWAL AGENCY

March 20, 2025

Nick Lelack
Director
Deschutes County
PO Box 6005
Bend, Oregon 97708-6005

Salutation,

On March 19, 2025, the Bend Urban Renewal Agency (BURA) adopted resolutions authorizing three tax increment finance plans (TIF Plans) and the accompanying reports (TIF Reports) that would create three new TIF areas in Bend, if adopted by the Bend City Council: the Britta Ridge TIF District, Century TIF District, and Veridian TIF District.¹

To adopt a tax increment finance plan, the City of Bend must send the proposed TIF Plans and TIF Report affected taxing districts for their review and comment. The Bend City Council (Council) will accept, reject, or amend the proposed TIF Plans in response to any written comments received from the affected taxing districts.

On May 7, 2025, Council is scheduled to hold a public hearing and consider adoption of ordinances adopting each proposed TIF Plans. The Council meeting will begin at 7:00 P.M at City Hall, 710 NW Wall Street, Bend, Oregon.

This letter officially transmits the proposed TIF Plans and TIF Reports for all three TIF areas to the **Deschutes County** for review and comment. Should your district wish to convey any comments or a recommendation regarding the enclosed TIF Plans and TIF Reports for Council’s consideration, please provide in writing by **5 p.m. on May 6, 2025**, to: jtaylor@bendoregon.gov. All comments received by that date will be provided for City Council consideration. You may appear at the public hearing and provide testimony in person as well. Council will respond to written comments received by that deadline from the affected taxing districts during the Council meeting on May 7, 2025.

¹ Tax increment finance or TIF is synonymous with “urban renewal”, and is used in place of the term “urban renewal,” to more accurately describe the funding mechanism implemented by these documents.

TIF PLANS AND TIF REPORTS BACKGROUND:

On October 18, 2024, BURA adopted Resolution 158 establishing the Tax Increment Assistance for Housing Affordability and Employment Growth Policy (Policy). This Policy authorized the use of tax increment financing for development assistance for single or small number of parcels for multi-unit residential developments, with at least 15% of new units rented at rates affordable to and restricted for households earning 90% area median income or less, and rent increases at less than the statutory maximums for the restricted units. This policy was crafted with over twenty-five public involvement opportunities between March and September 2024.

In Quarter 1, 2025, four applicants applied for the Policy Assistance. These applicants have proposed to build four multi-unit development projects on four historically vacant and undeveloped properties. These projects will deliver 695 residential units and restrict 18% of those to rents affordable to and restricted for households earning at or below 90% area median income, with annual rent increases at less than the statutory maximums for those restricted units. Three new TIF areas are proposed to provide assistance as contemplated in the Policy to these developments.

On February 19, 2025, BURA held a work session to consider if each of the applications met the intent of the Policy, if the sites were eligible for TIF assistance under state law, and the total economic impact of assistance for the projects. BURA directed staff to draft the necessary documents to establish tax increment finance areas for each of these projects.

On March 19, 2025, BURA adopted a resolution authorizing the release of the TIF Plans and TIF Reports for formal public review and consideration for adoption by City Council.

BRITTA RIDGE:

The Britta Ridge TIF Area, shown in Figure 1 of the attached Britta Ridge TIF Plan, consists of approximately 6.16 acres of land including rights-of-way.

The proposed maximum indebtedness, the maximum amount of funds that may be spent on projects in the TIF Area, is \$14,666,437. The projects allowed under the Plan are development assistance for the multi-unit residential project and administrative expenses. The maximum indebtedness is set by forecasting the annual increased tax revenue for BURA from the proposed housing project and is financially feasible for BURA. The Britta Ridge TIF Plan is 32-years.

CENTURY:

The Century TIF Area, shown in Figure 1 of the attached Century TIF Plan, consists of approximately 9.2 acres of land including rights-of-way. This TIF Area would include assistance for two housing developments.

The proposed maximum indebtedness, the maximum amount of funds that may be spent on projects in the TIF Area, is \$49,613,485. The projects allowed under the Plan are development assistance for the multi-unit residential projects and administrative expenses. The maximum indebtedness is set by

forecasting the annual increased tax revenue for BURA from the proposed housing project, and is financially feasible for BURA. The Century TIF Plan is 32-years.

VERIDIAN:

The Veridian TIF Area, shown in Figure 1 of the attached Veridian TIF Plan, consists of approximately 2.81 acres of land including rights-of-way.

The proposed maximum indebtedness, the maximum amount of funds that may be spent on projects in the TIF Area, is \$8,782,431. The projects allowed under the Plan are development assistance for the multi-unit residential project and administrative expenses. The maximum indebtedness is set by forecasting the annual increased tax revenue for BURA from the proposed housing project, and is financially feasible for BURA. The Veridian TIF Plan is 30-years.

IMPACT ON TAXING JURISDICTIONS:

The impact of tax increment financing on affected taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value within the TIF area. The projections for impacts on the affected taxing districts are estimated through fiscal year end.

IMPACT ON PERMANENT RATE LEVY:

The proposed TIF plans would result in a decrease in the permanent rate property tax collections for each taxing district, for the life of each TIF plan. BURA only collects tax increment revenue for the length of time necessary to pay off the TIF plan’s stated maximum indebtedness. For the three proposed plans, no bonds will be issued. The only debt for each plan will be the development assistance, primarily in the form of an annual rebate, for each housing development.

Table 1 shows the estimated impact to the Deschutes County permanent rate collections over the life of the TIF Plans. The total estimated impact over the projected 32 years for all plan areas is \$7,142,620. This represents the amount that would be collected and provided over 32 years, if the developments were to occur without the tax increment finance development assistance under the plans.

TABLE 1 - IMPACT TO DESCHUTES COUNTY

FYE	Britta Ridge Area²	Century Area³	Veridian Area⁴
2026	\$10	\$137	\$0
2027	\$21	\$277	\$0
2028	\$30,010	\$88,062	\$19,999
2029	\$30,920	\$103,673	\$20,599
2030	\$31,858	\$106,920	\$21,217
2031	\$32,824	\$110,264	\$21,853
2032	\$33,819	\$113,708	\$22,509
2033	\$34,844	\$117,256	\$23,184
2034	\$35,900	\$120,910	\$23,880
2035	\$36,987	\$124,674	\$24,596
2036	\$38,107	\$128,551	\$25,334
2037	\$39,261	\$132,544	\$26,094
2038	\$40,449	\$136,656	\$26,877
2039	\$41,673	\$140,893	\$27,683
2040	\$42,933	\$145,256	\$28,514
2041	\$44,231	\$149,750	\$29,369
2042	\$45,569	\$154,379	\$30,250
2043	\$46,946	\$159,147	\$31,158
2044	\$48,365	\$164,058	\$32,093
2045	\$49,826	\$169,116	\$33,055
2046	\$51,331	\$174,326	\$34,047
2047	\$52,881	\$179,692	\$35,068
2048	\$54,478	\$185,220	\$36,120
2049	\$56,123	\$190,913	\$37,204
2050	\$57,817	\$196,777	\$38,320
2051	\$59,562	\$202,816	\$39,470
2052	\$61,359	\$209,037	\$40,654
2053	\$63,210	\$215,445	\$41,873
2054	\$65,116	\$222,045	\$43,130
2055	\$67,080	\$228,843	\$44,424
2056	\$69,103	\$235,845	
2057	\$71,186	\$243,056	
Total	\$1,433,800	\$4,850,244	\$858,576

Source: City of Bend

2 Table 5 – Project Impact, Report on Britta Ridge TIF District

3 Table 5 – Project Impact, Report on Century TIF District

4 Table 5 – Project Impact, Report on Veridian TIF District

REVENUE SHARING:

Revenue sharing was a feature of 2009 legislative changes in TIF law. Revenue sharing thresholds are not expected to be met in the period of the TIF Plan. If actual assessed value growth in the tax increment area exceeds the projections made in TIF Plan and TIF Report, revenue sharing could occur.

GENERAL OBLIGATION BONDS AND LOCAL OPTION LEVIES:

The TIF Plan will not impact general obligation (GO) bonds and/or local option levies. Developments within each plan area will be assessed for any applicable GO bonds and levies.

TAX REVENUES AFTER TERMINATION OF TIF AREA:

Upon termination of a TIF area, all future tax revenue will be distributed to the affected taxing districts. The TIF reports identify the projected tax revenues for affected taxing districts in the year after the termination of each TIF area. Tables 2 through 4 show the projected tax revenues for the Deschutes County for the year after the termination of each TIF area. These are estimates only; changes in the economy may impact the projections.

Revenue from Frozen Base	Revenue from Excess Value	Total Revenue
\$344	\$73,322	\$84,195

Source: City of Bend; Table 6– Report Accompanying Britta Ridge Area TIF Plan

Revenue from Frozen Base	Revenue from Excess Value	Total Revenue
\$4,550	\$250,348	\$254,899

Source: City of Bend; Table 6 – Report Accompanying Century Area TIF Plan

Revenue from Frozen Base	Revenue from Excess Value	Total Revenue
\$0	\$45,756	\$45,756

Source: City of Bend; Table 6 – Report Accompanying Veridian Area TIF Plan

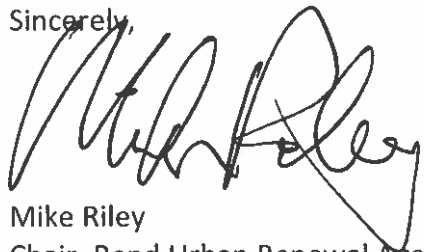
PROCESS FOR REVIEW:

The process for review and adoption of the TIF plans by the Bend City Council include the following steps:

March 19, 2025	Bend Urban Renewal Agency Review
March 20, 2025	Send Formal Notice to Taxing Jurisdictions
April 14, 2025	Planning Commission Review
April 24, 2025 (tentative)	Presentation to Deschutes County Commission
May 6, 2025	Written Comment Deadline
May 7, 2025	City Council Public Hearing and First Reading
May 21, 2025	City Council Second Reading and Vote

For more information, please contact Jonathan Taylor, Urban Renewal Manager, at 541.322.6332 or jtaylor@bendoregon.gov.

Sincerely,



Mike Riley
Chair, Bend Urban Renewal Agency

Attachments:

- A) Britta Ridge Tax Increment Finance Plan
- B) Report on the Britta Ridge Tax Increment Finance Plan
- C) Century Tax Increment Finance Plan
- D) Report on the Century Tax Increment Finance Plan
- E) Veridian Tax Increment Finance Plan
- F) Report on the Veridian Tax Increment Finance Plan



Language Assistance Services & Accommodation Information for People with Disabilities

You can obtain this information in alternate formats such as Braille, electronic format, etc. Free language assistance services are also available. Please Jonathan Taylor, Urban Renewal Manager at jtaylor@bendoregon.gov or 541-322-6332 Relay Users Dial 7-1-1.



Servicios de asistencia lingüística e información sobre alojamiento para personas con discapacidad

Puede obtener esta información en formatos alternativos como Braille, formato electrónico, etc. También disponemos de servicios gratuitos de asistencia lingüística. Póngase en contacto con Jonathan Taylor, Urban Renewal Manager en jtaylor@bendoregon.gov o 541-322-6332 Los usuarios del servicio de retransmisión deben marcar el 7-1-1.

Britta Ridge Tax Increment Finance Plan

DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED



CITY OF BEND

BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

Erin Ludden

Nathan Nelson

City Manager

Eric King

City Finance Director

Samantha Nelson

City Attorney

Ian Leitheiser

Senior Assistant City Attorney

Elizabeth Oshel

Real Estate Director

Matt Stuart

Urban Renewal Manager

Jonathan Taylor

Planning Manager

Renée Brooke

Housing Manager

Racheal Baker

Bend Urban Renewal Agency

Mike, Riley, Chair

Gina Franzosa, Vice-Chair

Ariel Méndez

Megan Noris

Steve Platt

Melanie Kebler

Megan Perkins

Core Area Advisory Board

Corie Harlan, Chair

Dale VanValkenburg, Vice-Chair

Dawn Cofer

Hank Kamakaala

James Teeter

Jeff Baker

John Fischer

John Heylin

Katherine Austin

Bend Economic Development Advisory Board

Gary North, Chair

DaWayne Judd, Vice-Chair

Briana Manfrass

Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Oroslanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

Alison Hohengarten

Ian Karasz

Tony Levison

Isabel Mikovich

Richard Reese

Helen Silfven

Heather Simmons

Geoff Wall

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$14,666,437.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Britta Ridge TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Britta Ridge TIF Plan” or “Report” means the official report that accompanies the Britta Ridge TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to clear the way for

redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

This Britta Ridge TIF Plan was developed for the Bend City Council based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024, to support the development of new multi-unit housing with minimum numbers of more affordable units by providing development assistance in existing or through the creation of new TIF areas. The Policy was developed with input from BURA and the City advisory bodies – Core Area Advisory Board, Bend Economic Development Advisory Board, and the Affordable Housing Advisory Committee. This Plan was developed with public input at BURA meetings, a Planning Commission meeting, and meetings of the Bend City Council. This Plan will go into effect following adoption by the City Council.

A. Background

The Bend Urban Renewal Agency’s Policy Justification for the Policy noted:

Bend has a very low residential vacancy rate and many households are spending more than 30% of their household income on housing costs. An average individual/household would need to make \$72,000 to not be cost burdened to afford current market rent. Currently, 81% of occupations in the Bend Redmond MSA cannot adequately support market rate rent on a single income. Those making \$43,000 or less account for nearly 50% of total employment. The number of Bend households that cannot adequately afford market rate rent is 45%.¹

Providing incentives for housing affordability starting at 90% area median income for multi-unit rental units, with additional incentives for developments meeting certain energy efficiency and supplier diversity criteria, will assist in meeting the City of Bend's affordable housing and other Council goals.

The City of Bend currently incentivizes housing affordable to households making 60% and 80% AMI or less through its Non-Profit and Qualifying Rental Property Tax Exemptions. This Plan and Projects incentivize creation of additional units of market rate housing integrated with units that are affordable to households making 90% AMI or less.

ORS chapter 457 allows for the use of tax increment revenues, a financing source that is unique to TIF areas, to fund projects within a specific boundary. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established - are used to repay borrowed funds or meet contractual obligations. The borrowed funds and contractual obligations fund projects within an area that meet the goals of the plan and cannot exceed the maximum indebtedness amount set by a TIF plan.

The purpose of a TIF area is to improve specific areas of a municipality that are poorly developed or underdeveloped, called blighted areas in ORS chapter 457. These areas can

¹ Bend Urban Renewal Policy Justification for the Tax Increment Assistance for Housing Affordability and Employment Growth, presented on August 7, 2024

have property that is undeveloped or underdeveloped, old or deteriorated buildings, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, TIF area projects funded with tax increment can include construction or improvement of streets, utilities, and other public facilities, assistance for development, rehabilitation or redevelopment of property, and improvements to public spaces.

The Bend Urban Renewal Agency’s Policy allows the creation of TIF areas consisting of a single or small number of tax lots in the City currently not included in an existing tax increment area to support construction of new housing that includes More Affordable Housing, for households earning 90% AMI or less. The development assistance for the project in the new TIF area may consist of a rebate of a portion of the tax increment to the property owner in exchange for making a minimum percentage of units available to households earning 90% AMI or less at rents affordable to those households, and agreeing to limit annual rent increases to lower than the maximum rental increases allowed under ORS 90.323 for those rent restricted units. The actual rebate amount and number of affordable units in the development will be set in an agreement between BURA and the property owner and based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth, consistent with the provisions of this Plan.

This Plan will support the development of housing that includes More Affordable Units and the other requirements of the Policy, in an area known as Britta Ridge, shown in Figure 1.

The Plan reflects input from the community received at public meetings at the Agency and hearings before the Planning Commission and the City Council.

The Plan is anticipated to last 32 years, resulting in 30 years of tax increment collection.

The Plan is to be administered by the Agency. Substantial amendments to the Plan must be approved by City Council as outlined in Section VII of this Plan. All amendments to the Plan are to be listed numerically on the inside cover of the front page of the Plan and then incorporated into the Plan, document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the noted statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XIII

ORS 457.085(2)(d)	XII
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII

B. TIF Area Overview

The Britta Ridge TIF Plan Area shown in Figure 1, consists of approximately 6.16 total acres. This TIF Area meets the definition of a blighted area due to its infrastructure deficiencies, including inadequate streets and rights-of-way, undeveloped status resulting in the unproductive land that is potentially useful and valuable for contributing to the public health, safety, and welfare as the location of new housing units, and impaired investments. These blight conditions are specifically cited in the ordinance adopting the Plan and described in detail in the Report.

The Report contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area;
- The expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Area;
- The relationship between each Project to be undertaken and the existing conditions;
- The estimated total cost of each Project and the source(s) of funds to pay such costs;
- The estimated completion date of each Project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the Area; and
- A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is a legal term for the total amount of money that can be spent on projects, programs, and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith

estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$14,666,437 (Fourteen Million Six Hundred and Sixty Six Thousand, Four Hundred and Thirty Seven Dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness, or interest earned on bond proceeds. The projects under this plan are not anticipated to be financed through bonds, but primarily through rebate of property taxes paid.

IV. PLAN GOALS

The goals of the Plan represent its basic intent and purpose. The TIF Projects identified in Sections V and VI of the Plan are specific means of meeting the goals. The goals will be pursued as economically as is feasible and at the discretion of the Agency.

A. Housing Development

To increase the supply of housing by providing financial incentives for the development of housing in the City of Bend.

B. Encourage More Affordable Housing

To increase the supply of more affordable housing options by providing financial incentives for the development of more affordable housing in the City of Bend.

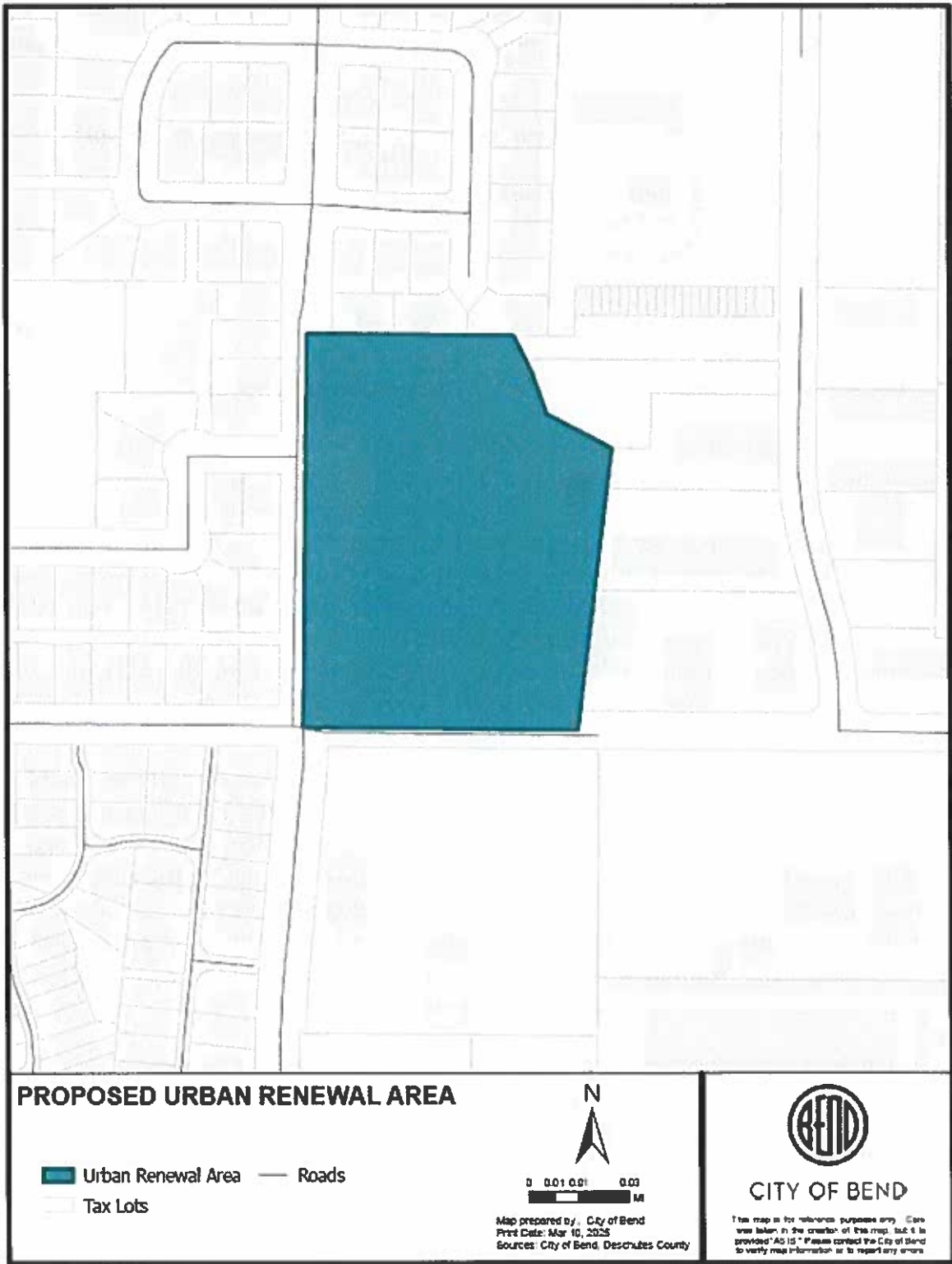
C. Encourage Energy Efficiency Housing

To increase the number of energy-efficient certified housing projects by providing financial incentives for the utilization of energy efficiency standards in the construction of housing projects that lower overall housing costs for households and reduce carbon emissions.

D. Administration.

To provide administrative support for the implementation of the Plan.

Figure 1 – Britta Ridge TIF Area



Source: City of Bend

V. TIF AREA PROJECT CATEGORIES

To support the Plan Goals described in the previous section, the Projects within the Area fall into the following categories:

- A. Housing Development and Development Incentives, Partnership, and Support***
- B. Plan Administration, Implementation, Reporting, and Support***

VI. TIF AREA PROJECTS

The Projects authorized by the Plan are:

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a multi-unit residential complex in the Area approved by the City of Bend under application number PLSR20211127, as such approval may be modified, consistent with the goals of this Plan. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units. A guideline for the amount of Assistance is provided in the Report accompanying the Plan.

B. Plan Administration, Implementation, Reporting, and Support

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation, and annual reports pursuant to ORS 457.460.

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to BURA, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City, as required by ORS 457.120.

Substantial Amendments shall be processed in accordance with ORS 457.095 and 457.220.

Substantial Amendments are amendments that:

1. Add land to the Area, representing more than 1% of the existing area of the Area;² or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS chapter 457. Minor Amendments require approval by BURA by resolution.

The projects proposed in the Plan and Report are organized by project categories. If BURA determines that the allocation of funds within a project category should be adjusted based on needs within the Area, they may do so through a Minor Amendment.³

VIII. PROPERTY ACQUISITION AND DISPOSITION

Property acquisition and disposition are not eligible activities under the Plan.

IX. RELOCATION METHODS

There are no persons living in or business situated in the Plan Area, therefore relocation is not part of this Plan.

² Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law, with increases beyond that amount requiring concurrence as stated in ORS 457.

³ Project costs may be impacted by grants, timing, cost savings, inflation, or other external forces unanticipated at this time but which may occur over the 32-year life of this Area.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds, or contractual obligations for TIF projects under a TIF plan.

Tax increment revenues are the revenue received from increases in property taxes based on the *increase* in assessed value within a TIF area over the total assessed value from the time a plan is adopted. Increment does not include property taxes levied to pay for General Obligation (GO) bonds and local option levies.

A. General description of the proposed financing method

The Plan will be financed using tax increment revenues. Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning and undertaking project activities, and otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this Plan, including preparation of the Plan. No bonds will be issued to finance the activities in the Plan.

B. Tax increment financing

The Plan may be financed, in whole or in part, by tax increment revenues allocated to BURA, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to BURA based upon the distribution schedule established under ORS 311.390.

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

XI. ANNUAL REPORT

BURA shall file an Annual Report in compliance with ORS 457.460.

XII. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan describe the relationship of the plan to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements. This section provides that analysis. Relevant local planning and development objectives are set out in the Bend Comprehensive Plan, Bend Economic Development Advisory Board Strategic Plan, and the Bend Development Code. This section describes the purpose and

intent of these plans, the main applicable goals and policies within each plan, and an explanation of how this Plan conforms to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. The language from the original document is in *italics*.

All of the land in the Area is designated Mixed Employment (ME) in the Comprehensive Plan, and zoned Mixed Employment in the Bend Development Code. Allowed land uses, maximum densities, and building requirements for all land in the Area are governed by the Bend Development Code, as described in subsection C of this Section XIII.

A. Bend Comprehensive Plan

The analysis of how the Plan conforms to the Comprehensive Plan covers the most relevant sections, but may not cover every section of the Comprehensive Plan that relates to the Plan.

If the Comprehensive Plan policies identified in the Plan are updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment is completed in the future, this section of the Plan should be updated at that point.

Below are applicable Comprehensive Plan policies and statements of how the Plan conforms to these Comprehensive Plan policies.

Chapter 1 Citizen Involvement

Policies

- 1-4 *The City and special districts shall work toward the most efficient and economical method for providing their services within the UGB.*
- 1-7 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 1-8 *The City and county will encourage infill and redevelopment of appropriate areas within the Bend Central Core, Opportunity Areas and Transit Corridors.*
- 1-15 *The City shall continue to use advisory committees in their planning process, members of which are selected by an open process, and who are widely representative of the community.*
- 1-16 *The City will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.*

Finding: The Plan conforms to Chapter 1 Citizen Involvement as there has been extensive citizen involvement in the preparation of the Plan and all related BURA policies. The Plan and

Project support compact development within the Urban Growth Boundary by supporting residential development in the Mixed Employment (ME) zone, near residential and commercial uses. The Area is in a Transit Corridor as identified in Figure 11-1 of the Comprehensive Plan, and the identified Project supports infill development on currently undeveloped lots.

Over twenty-five opportunities for public involvement were provided in the course of development of the Policy supporting this Plan. In this process, the Bend Economic Development Advisory Board, the Affordable Housing Advisory Committee, Core Area Advisory Board, the Bend Chamber of Commerce, Economic Development of Central Oregon, and a round table of housing developers provided input on development of the Policy supported by the this Plan. Specific to public improvement in this Plan, BURA, the Planning Commission, and the City Council all held public meetings regarding this Plan, at which public comment was accepted prior to the adoption of this TIF Plan and Report.

Chapter 5 Housing

Policies

- 5-7 *The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City's obligation under the State Housing Goal to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density".*
- 5-18 *The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate percentages of Area Median Family income in the Housing Needs Assessment.*
- 5-31 *Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.*
- 5-38 *Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.*

Policy 5-20 defines affordable, in the case of dwelling units offered for rent, as housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA. Policy 5-20 provides that other programs or policies can specify other levels of affordability.

Finding: The Plan conforms to Chapter 5 Housing as the Housing Development and Development Assistance, Partnership, and Support Project will encourage the development of housing for households earning 90% AMI or less, along with market rate units, meeting housing needs identified in the Oregon Housing Needs 2025 Methodology for the Bend UGB, supporting

the goals of the Comprehensive Plan and Policy 5-20 to provide affordability at additional income levels. The Area is within a Transit Corridor identified in the Comprehensive Plan, and has access to transit, K-12 public schools, commercial services, employment, and public open space. The Area is within 1.2 miles of two K-5 public schools, within 0.1 miles from a developed public park, and is in a Mixed Employment (ME) zone surrounded by properties developed with commercial and a mix of housing types and densities. Surrounding properties are zoned Residential Standard Density (RS) to the north and west, which are developed with single-unit detached dwellings. A 116-unit apartment complex is located on the property located directly to the south of the Area, on a parcel zoned Residential Medium Density (RM). The properties to the east are zoned Mixed Employment (ME) and developed with a variety of commercial, service, and industrial uses.

Chapter 11: Growth Management

Employment Districts

- 11-1 The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 11-2: The City will encourage infill and redevelopment of appropriate areas within Bend’s Central Core, Opportunity Areas and transit corridors.*
- 11-3 The City will ensure that development of large blocks of vacant land makes efficient use of land, meets the city’s housing and employment needs, and enhances the community.*
- 11-4 Streets in the Centers and Corridors, Employment Districts, Neighborhoods, and Opportunity Sites will have the appropriate types of pedestrian, biking, and transit scale amenities to ensure safety, access, and mobility.*
- 11-12 The City shall explore incentives for re-development of existing commercial strips in order to help reduce the need to expand the Urban Growth Boundary.*
- 11-23 The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.*

Finding: The Plan conforms to Chapter 11 Growth Management as for the Project encourages infill and redevelopment in a Transit Corridor, makes efficient use of large blocks of vacant land that meets the City’s housing needs, and supports development and redevelopment in commercial corridors that is transit-supportive, and offers safe and convenient access and connections for all modes in the Area. The housing development supported by the Plan will be required to improve its frontage streets with appropriate pedestrian and biking amenities supporting the housing units developed in the Area.

B. Bend Economic Development Advisory Board Strategic Plan

The Bend Municipal Code requires the Bend Economic Development Advisory Board (BEDAB) to create a three-year strategic plan, identifying projects and guiding the work of the city’s nine-member board as it seeks to:

- Advocate: Provide input into City policy and procedures from a private sector perspective.
- Facilitate: Broker entrepreneurial support among existing community resources.
- Market: Brand and guide marketing efforts of Bend as “Open for Business.”
- Coordinate: Organize and oversee City resources applied to economic development.

The following goal and strategy from the 2022-2024 BEDAB Strategic Plan is directly related to the Plan.

Goal 2: Monitor and provide input on other relevant City policies relating to economic development

- Support policies that provide for a spectrum of workforce housing opportunities

Finding: The Plan conforms to the Bend Economic Development Advisory Board Strategic Plan as for the Project will create additional market rate and 90% AMI housing units in the Area, supporting the Bend workforce.

C. Bend Development Code

The Projects in the Area supported by the Plan conform to the zoning in the Bend Development Code, including maximum densities and building requirements, and those provisions of the Bend Development Code are incorporated by reference herein. The entirety of the area is zoned Mixed Employment (ME). Multi-unit residential developments are permitted in the ME as part of a mixed-use development or if approved as an Urban Dwelling Site.

As the *Bend Development Code* is updated, the references to the Bend Development Code in this document will be deemed to incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment to this Plan is completed in the future, this section will be updated to match the current zoning designations. The provisions of the Bend Development Code in effect at the time of development approval will apply for any development assisted by this Plan.

B.2 – MIXED-USE ZONING DISTRICTS

Bend Development Code Section 2.3.100 Purpose and Applicability

Mixed Employment District (ME) - The Mixed Employment Zone is intended to provide a broad mix of uses that offer a variety of employment opportunities. Where Mixed Employment Districts occur on the edge of the City, their function is more transitional in nature providing service commercial businesses and supporting residential uses in an aesthetic mixed environment. In this instance, when residential units are provided, the units shall be within easy walking distance to the commercial and employment uses.

Multi-unit residential development is an allowed use within the ME zone, as part of a mixed-use development or as an Urban Dwelling Site under BDC 3.8.800. The Area is within the area shown in BDC Figure 3.8.800.D. as eligible for development as an Urban Dwelling Site.

Maximum residential density in the ME zone is controlled by the applicable lot coverage and building height standards. There is no maximum density for Urban Dwelling Sites.

Finding: The Plan conforms to the Bend Development Code as the Projects and expenditures proposed in the Plan conform to the requirements in the Bend Development Code and support the types of uses allowed in the zoning present in the Area. The Project will support development of a multi-unit residential project that the City has approved as a Urban Dwelling Site in the Mixed Employment (ME) zone under application number PLSPR20211127. This development has been required to comply with the provisions of BDC Chapter 3.4, Public Improvement Standards, and other provisions of the Bend Development Code to provide sufficient public infrastructure to serve the development. The proposal includes the build-out of an undeveloped site, in a generally developed area.

XIII. PLAN AREA LEGAL DESCRIPTION

A PORTION OF SECTION 17, TOWNSHIP 17 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN,

DESCHUTES COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT SOUTH 89°55'44" EAST, 30 FEET FROM THE SOUTHWEST CORNER OF THE

SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER (SE1/4 SE1/4); THENCE NORTH, 620 FEET;

THENCE SOUTH 89°55'44" EAST, 325.16 FEET; THENCE SOUTH 26°58'58" EAST, 66.85 FEET; THENCE

SOUTH 20°00'54" EAST, 69.33 FEET; THENCE SOUTH 63°09'04" EAST, 73.36 FEET; THENCE SOUTH

62°06'37" EAST, 41.96 FEET; THENCE SOUTH 06°26'40" WEST, 445.46 FEET; THENCE NORTH 89°55'44"

WEST TO THE POINT OF BEGINNING.

EXHIBIT A

Britta Ridge Tax Increment Finance Plan - Report

**DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED**



CITY OF BEND

**BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE**

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

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Nathan Nelson

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City Finance Director

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Elizabeth Oshel

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Jonathan Taylor

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Mike, Riley, Chair

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Megan Perkins

Core Area Advisory Board

Corie Harlan, Chair

Dale VanValkenburg, Vice-Chair

Dawn Cofer

Hank Kamakaala

James Teeter

Jeff Baker

John Fischer

John Heylin

Katherine Austin

Bend Economic Development Advisory Board

Gary North, Chair

DaWayne Judd, Vice-Chair

Briana Manfrass

Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Oroslanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

Alison Hohengarten

Ian Karasz

Tony Levison

Isabel Mikovich

Richard Reese

Helen Silfven

Heather Simmons

Geoff Wall

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$14,666,437.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Britta Ridge Area TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Britta Ridge Area TIF Plan” or “Report” means the official report that accompanies the Britta Ridge TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies

throughout the country wherein minorities and vulnerable populations were displaced to clear the way for redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

The Report contains background information and project details that pertain to the Britta Ridge TIF District Plan. The Report is not a legal part of the Plan but provides public information and supports the findings made by the Bend City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area, ORS 457.087(1)
- Expected impact of the Plan, including fiscal impact in light of increased services, ORS 457.087(1)
- Reasons for selection of the area, ORS 457.087(2)
- The relationship between each project to be undertaken and the existing conditions, ORS 457.087(3)
- The estimated total cost of each project and the source of funds to pay such costs, ORS 457.087(4)
- The estimated completion date of each project, ORS 457.087(5)
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired, ORS 457.087(6)
- A financial analysis of the Plan, ORS 457.087(7)
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area, ORS 457.087(8)
- A relocation report, ORS 457.087(9)

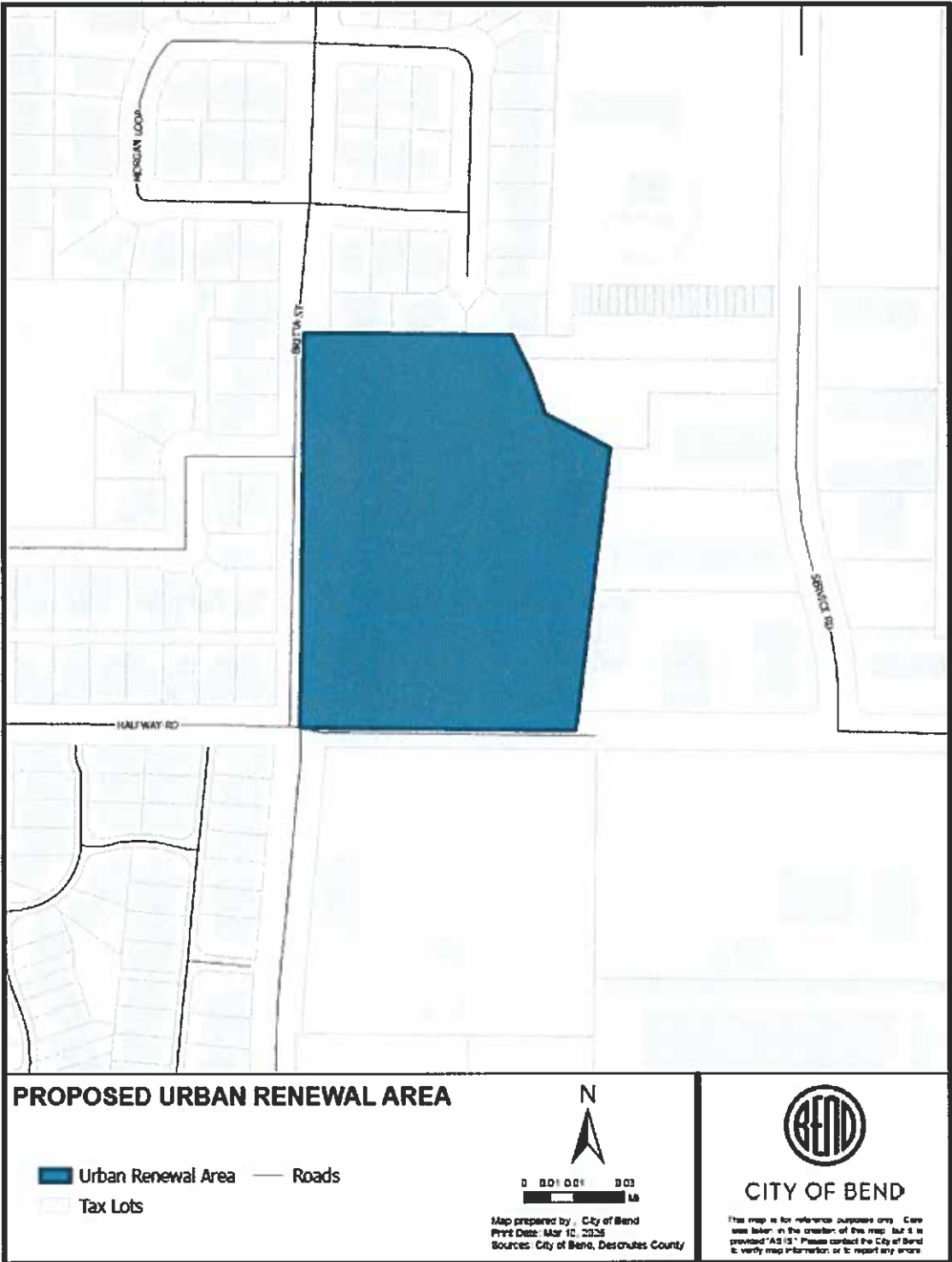
The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087(1)	X, VIII
ORS 457.087(2)	XI
ORS 457.087(3)	II
ORS 457.087(4)	III
ORS 457.087(5)	VI
ORS 457.087(6)	IV,V
ORS 457.087(7)	IV,V
ORS 457.087(8)	VIII
ORS 457.087(9)	XII

The Report provides guidance on how the Plan might be implemented. The Agency has the authority to adjust the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the overall maximum indebtedness of the Plan.

Figure 1 – Britta Ridge TIF Area Boundary



Source: City of Bend

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TIF DISTRICT PROJECTS AND THE EXISTING CONDITIONS IN THE TIF DISTRICT

The projects identified for the Britta Ridge TIF Plan Area are described below, including how they relate to the existing conditions in the Plan Area.

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a 178-unit apartment complex in the Area approved by the City of Bend under application number PLSPR20211127. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period of time and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units.

A guideline for the amount of Assistance is shown in the Table 2 of this Report. This is a guideline only, and actual assistance provided will be set through development agreements with BURA, balancing the needs for administration and incentives.

Existing Conditions: The property is currently undeveloped. There are transportation deficiencies, topography challenges, and impaired investments as identified in Section X of this Report. As described in the Plan and the adopting documents, there is a lack of residential housing units and affordable housing units in Bend.¹ The Plan will support development of housing in the Area, including improvements to presently deficient rights-of-way and public infrastructure, increase the supply of housing units, and provide housing units affordable for

¹ City of Bend Comprehensive Plan

households in income ranges for whom there is presently a lack of affordable units in Bend.²

B. Administration

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation and annual reports pursuant to ORS 457.460.

Existing Conditions: There is presently not a TIF area in this location. Therefore, there is no existing funding or need for administration in the Area by BURA. This project would provide that administrative support.

A table showing the projects and total estimated costs is shown in Table 2. The total costs are estimated based on the projected future assessed value of the project.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for the Projects are shown in Table 2 below. These are all estimates acknowledging that these project activities must fit within the maximum indebtedness. These costs are shown in nominal, year of expenditure (YOE) dollars, and are equal to the maximum indebtedness of \$14,666,437. The estimated project costs assume development assistance of 97% of the tax increment from the Plan to the developer incentive project and 3% to the Agency for administration of the Plan.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

Table 2 - Estimated Cost of Each Project, (\$2025)

Project	Estimated Cost	Percentage of Total
Development Assistance	\$ 14,226,444	97%
Administration	\$ 439,993	3%
TOTAL	\$ 14,666,437	100%

Source: City of Bend

² Oregon Housing Needs Assessment 2025 Methodology

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through fiscal year ending 2057 are calculated based on projections of the growth in assessed value of new development within the TIF Area and the consolidated tax rate that will apply in the TIF Area.

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, truncation loss, and receipt of delinquent taxes from prior years.³

The incremental assessed value is the estimated assessed value based on real market value of the proposed project as determined by the Deschutes County Property Tax Estimator as provided by the applicant.

The first year of tax increment collections is anticipated to be FYE 2026. Gross tax increment financing revenue (the column titled Gross TIF, in Table 3) is calculated by multiplying the tax rate times the excess value used. Excess value is the increased in assessed value over the frozen base. The tax rate is expressed per thousand dollars of assessed value, so the calculation is “tax rate times excess value used divided by one thousand.” The column titled Net TIF Revenue in Table 3 also indicates the total Maximum Indebtedness proposed in this plan as referenced in Table 2, and represents the gross TIF, less expected discounts, to show the total amount of increment expected to be received by BURA in each year of the Plan.

³ In Oregon, when the full amount of the property tax bill is paid by November 15, the taxpayer gets a 3 percent discount. If the taxpayer pays two thirds of the tax by November 15, they get a 2 percent discount. To get a discount on the current year’s tax bill, all delinquent taxes, penalty, and interest must first be paid in full (See <http://www.oregon.gov/dor>, Property Tax Payment Procedure).

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Incremental Revenues

FYE	Total AV	Increment			Tax Rate	Gross TIF	Truncation / Loss Discount	Net TIF Revenue ⁴	Admin Cost	Rebate
		Frozen Base	Increment	Not Used						
2026	\$277,183	\$269,110	\$8,073	-	\$13.2079	\$107	\$106	\$3	\$102	
2027	\$285,498	\$269,110	\$16,388	-	\$13.2079	\$216	\$214	\$6	\$208	
2028	\$23,745,340	\$269,110	\$23,476,230	-	\$13.2079	\$310,072	\$306,971	\$9,209	\$297,762	
2029	\$24,457,701	\$269,110	\$24,188,591	-	\$13.2079	\$319,480	\$316,286	\$9,489	\$306,797	
2030	\$25,191,432	\$269,110	\$24,922,322	-	\$13.2079	\$329,172	\$325,880	\$9,776	\$316,103	
2031	\$25,947,175	\$269,110	\$25,678,065	-	\$13.2079	\$339,153	\$335,762	\$10,073	\$325,689	
2032	\$26,725,590	\$269,110	\$26,456,480	-	\$13.2079	\$349,435	\$345,940	\$10,378	\$335,562	
2033	\$27,527,358	\$269,110	\$27,258,248	-	\$13.2079	\$360,024	\$356,424	\$10,693	\$345,731	
2034	\$28,353,178	\$269,110	\$28,084,068	-	\$13.2079	\$370,932	\$367,222	\$11,017	\$356,206	
2035	\$29,203,774	\$269,110	\$28,934,664	-	\$13.2079	\$382,166	\$378,344	\$11,350	\$366,994	
2036	\$30,079,887	\$269,110	\$29,810,777	-	\$13.2079	\$393,738	\$389,800	\$11,694	\$378,106	
2037	\$30,982,283	\$269,110	\$30,713,173	-	\$13.2079	\$405,657	\$401,600	\$12,048	\$389,552	
2038	\$31,911,752	\$269,110	\$31,642,642	-	\$13.2079	\$417,933	\$413,754	\$12,413	\$401,341	
2039	\$32,869,105	\$269,110	\$32,599,995	-	\$13.2079	\$430,577	\$426,272	\$12,788	\$413,484	
2040	\$33,853,178	\$269,110	\$33,586,068	-	\$13.2079	\$443,601	\$439,165	\$13,175	\$425,990	
2041	\$34,870,833	\$269,110	\$34,601,723	-	\$13.2079	\$457,016	\$452,446	\$13,573	\$438,873	
2042	\$35,916,958	\$269,110	\$35,647,848	-	\$13.2079	\$470,833	\$466,125	\$13,984	\$452,141	
2043	\$36,994,467	\$269,110	\$36,725,357	-	\$13.2079	\$485,065	\$480,214	\$14,406	\$465,808	
2044	\$38,104,301	\$269,110	\$37,835,191	-	\$13.2079	\$499,723	\$494,726	\$14,842	\$479,884	
2045	\$39,247,430	\$269,110	\$38,978,320	-	\$13.2079	\$514,822	\$509,674	\$15,290	\$494,383	
2046	\$40,424,853	\$269,110	\$40,155,743	-	\$13.2079	\$530,373	\$525,069	\$15,752	\$509,317	
2047	\$41,637,598	\$269,110	\$41,368,488	-	\$13.2079	\$546,391	\$540,927	\$16,228	\$524,699	
2048	\$42,886,726	\$269,110	\$42,617,616	-	\$13.2079	\$562,889	\$557,260	\$16,718	\$540,543	
2049	\$44,173,328	\$269,110	\$43,904,218	-	\$13.2079	\$579,883	\$574,084	\$17,223	\$556,861	
2050	\$45,498,528	\$269,110	\$45,229,418	-	\$13.2079	\$597,386	\$591,412	\$17,742	\$573,669	
2051	\$46,863,484	\$269,110	\$46,594,374	-	\$13.2079	\$615,414	\$609,260	\$18,278	\$590,982	
2052	\$48,269,388	\$269,110	\$48,000,278	-	\$13.2079	\$633,983	\$627,643	\$18,829	\$608,814	
2053	\$49,717,470	\$269,110	\$49,448,360	-	\$13.2079	\$653,109	\$646,578	\$19,397	\$627,181	
2054	\$51,208,994	\$269,110	\$50,939,884	-	\$13.2079	\$672,809	\$666,081	\$19,982	\$646,098	
2055	\$52,745,264	\$269,110	\$52,476,154	-	\$13.2079	\$693,100	\$686,169	\$20,585	\$665,584	
2056	\$54,327,622	\$269,110	\$54,058,512	-	\$13.2079	\$713,999	\$706,859	\$21,206	\$685,654	
2057	\$55,957,450	\$269,110	\$55,688,340	-	\$13.2079	\$735,526	\$728,171	\$21,845	\$706,326	
Total							\$14,666,437	\$439,993	\$14,226,444	

Source: City of Bend

⁴ Net TIF Revenue is used to establish the total Maximum Indebtedness of the Century TIF Plan.

VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The maximum indebtedness is \$14,666,437 (Forteen Million Six Hundred and Sixty Six Thousand, Four Hundred and Thirty Seven Dollars). This is also the estimated total amount of tax increment revenues required to service the maximum indebtedness as no formal borrowings or interest payments are anticipated in the Plan.

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Anticipated annual expenditures for program administration are shown in Table 2.

The Agency is anticipated to complete the projects and to terminate the Plan in FYE 2057, allowing two years for construction of the housing assisted by the Plan and 30 years of increment rebate and housing affordability, for a 32 year Plan duration.

VIII. REVENUE SHARING

Revenue sharing thresholds are not projected to be reached during the life of the Plan.

Revenue sharing is defined in ORS 457.470 and requires that the impacted taxing jurisdictions receive a share of the incremental growth in the Plan Area when annual tax increment finance revenues exceed 10% and 12.5% of the original maximum indebtedness of the Plan. For this Plan, 10% equals \$1,466,64. As shown in the column labeled Gross TIF in Table 3, neither threshold is projected to be reached during the life of the Plan.

If either threshold is met, the Agency will comply with statutory requirements for revenue sharing.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the TIF Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the TIF Area. These projections show the estimated tax revenues that would be received by the taxing districts if the development assisted by the Plan were to occur without the Plan. Table 4 and Table 5 shows impacts estimated through FYE 2057.

The Bend-La Pine School District is not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. If new school aged students move into these units and attend the local schools, the funding through the State School Fund would increase.

Table 4 and Table 5 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 4 shows the general government levies, and Table 5 shows the education levies.

Table 4 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	City of Bend	Deschutes County	County Library	Countywide Law Enforcement	County Extension	9-1-1	Bend Parks and Recreation District	Total
2026	\$23	\$10	\$4	\$10	\$0	\$3	\$12	\$62
2027	\$46	\$21	\$9	\$20	\$0	\$6	\$24	\$127
2028	\$65,816	\$30,010	\$12,912	\$29,345	\$526	\$8,494	\$34,299	\$181,401
2029	\$67,813	\$30,920	\$13,304	\$30,236	\$542	\$8,751	\$35,340	\$186,905
2030	\$69,870	\$31,858	\$13,707	\$31,153	\$558	\$9,017	\$36,412	\$192,575
2031	\$71,988	\$32,824	\$14,123	\$32,098	\$575	\$9,290	\$37,516	\$198,414
2032	\$74,171	\$33,819	\$14,551	\$33,071	\$593	\$9,572	\$38,653	\$204,429
2033	\$76,418	\$34,844	\$14,992	\$34,073	\$611	\$9,862	\$39,824	\$210,624
2034	\$78,734	\$35,900	\$15,446	\$35,105	\$629	\$10,161	\$41,031	\$217,006
2035	\$81,118	\$36,987	\$15,914	\$36,168	\$648	\$10,469	\$42,274	\$223,578
2036	\$83,575	\$38,107	\$16,396	\$37,263	\$668	\$10,786	\$43,554	\$230,348
2037	\$86,104	\$39,261	\$16,892	\$38,391	\$688	\$11,112	\$44,872	\$237,321
2038	\$88,710	\$40,449	\$17,403	\$39,553	\$709	\$11,448	\$46,230	\$244,503
2039	\$91,394	\$41,673	\$17,930	\$40,750	\$730	\$11,795	\$47,629	\$251,900
2040	\$94,159	\$42,933	\$18,472	\$41,983	\$752	\$12,151	\$49,069	\$259,520
2041	\$97,006	\$44,231	\$19,031	\$43,252	\$775	\$12,519	\$50,553	\$267,368
2042	\$99,939	\$45,569	\$19,606	\$44,560	\$799	\$12,897	\$52,082	\$275,451
2043	\$102,960	\$46,946	\$20,199	\$45,907	\$823	\$13,287	\$53,656	\$283,777
2044	\$106,071	\$48,365	\$20,809	\$47,294	\$848	\$13,689	\$55,277	\$292,353
2045	\$109,276	\$49,826	\$21,438	\$48,723	\$873	\$14,102	\$56,947	\$301,185
2046	\$112,577	\$51,331	\$22,086	\$50,195	\$899	\$14,528	\$58,668	\$310,283
2047	\$115,977	\$52,881	\$22,753	\$51,711	\$927	\$14,967	\$60,439	\$319,654
2048	\$119,478	\$54,478	\$23,440	\$53,272	\$955	\$15,419	\$62,264	\$329,306
2049	\$123,085	\$56,123	\$24,147	\$54,880	\$983	\$15,885	\$64,144	\$339,248
2050	\$126,801	\$57,817	\$24,876	\$56,537	\$1,013	\$16,364	\$66,080	\$349,488
2051	\$130,627	\$59,562	\$25,627	\$58,243	\$1,044	\$16,858	\$68,074	\$360,035
2052	\$134,569	\$61,359	\$26,400	\$60,000	\$1,075	\$17,367	\$70,128	\$370,898
2053	\$138,628	\$63,210	\$27,197	\$61,810	\$1,108	\$17,890	\$72,244	\$382,087
2054	\$142,810	\$65,116	\$28,017	\$63,675	\$1,141	\$18,430	\$74,423	\$393,612
2055	\$147,117	\$67,080	\$28,862	\$65,595	\$1,175	\$18,986	\$76,668	\$405,483
2056	\$151,553	\$69,103	\$29,732	\$67,573	\$1,211	\$19,558	\$78,979	\$417,710
2057	\$156,122	\$71,186	\$30,629	\$69,610	\$1,247	\$20,148	\$81,361	\$430,304
Total	\$3,144,533	\$1,433,800	\$616,905	\$1,402,057	\$25,125	\$405,811	\$1,638,724	\$8,666,956

Source: City of Bend

Table 5 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Bend La-Pine School District	Central Oregon CC	High Desert ESD	Total
2026	\$38	\$5	\$1	\$44
2027	\$78	\$10	\$2	\$90
2028	\$111,843	\$14,565	\$2,263	\$128,671
2029	\$115,237	\$15,007	\$2,332	\$132,575
2030	\$118,732	\$15,462	\$2,403	\$136,597
2031	\$122,333	\$15,931	\$2,475	\$140,739
2032	\$126,041	\$16,414	\$2,550	\$145,005
2033	\$129,861	\$16,911	\$2,628	\$149,400
2034	\$133,795	\$17,423	\$2,707	\$153,926
2035	\$137,848	\$17,951	\$2,789	\$158,588
2036	\$142,022	\$18,495	\$2,874	\$163,390
2037	\$146,321	\$19,054	\$2,961	\$168,336
2038	\$150,749	\$19,631	\$3,050	\$173,430
2039	\$155,310	\$20,225	\$3,143	\$178,677
2040	\$160,007	\$20,837	\$3,238	\$184,082
2041	\$164,846	\$21,467	\$3,336	\$189,649
2042	\$169,830	\$22,116	\$3,436	\$195,382
2043	\$174,963	\$22,784	\$3,540	\$201,288
2044	\$180,251	\$23,473	\$3,647	\$207,371
2045	\$185,697	\$24,182	\$3,758	\$213,636
2046	\$191,306	\$24,913	\$3,871	\$220,090
2047	\$197,084	\$25,665	\$3,988	\$226,737
2048	\$203,035	\$26,440	\$4,108	\$233,583
2049	\$209,164	\$27,238	\$4,232	\$240,635
2050	\$215,477	\$28,060	\$4,360	\$247,898
2051	\$221,980	\$28,907	\$4,492	\$255,379
2052	\$228,678	\$29,779	\$4,627	\$263,085
2053	\$235,577	\$30,678	\$4,767	\$271,022
2054	\$242,683	\$31,603	\$4,911	\$279,196
2055	\$250,002	\$32,556	\$5,059	\$287,617
2056	\$257,540	\$33,538	\$5,211	\$296,289
2057	\$265,305	\$34,549	\$5,368	\$305,222
Total	\$5,343,632	\$695,869	\$108,127	\$6,147,627

Source: City of Bend

Please refer to the explanation of the schools funding in the preceding section

Table 6 shows the projected increased revenue to the taxing jurisdictions after termination of the Plan and tax increment collection by BURA is terminated. These projections are for FYE 2058.

The frozen base is the assessed value of the Plan Area established by the County Assessor at the time the Plan is established. Excess value is the increased assessed value in the Plan Area above the frozen base.

Table 6 - Additional Revenues Obtained after Termination of Tax Increment Financing in FYE 2058 (Year after Termination)

Taxing District	From Increment Value	From Frozen Base Value	Total
General Government			
City of Bend	\$160,806	\$754.45	\$161,560
Deschutes County	\$73,322	\$344.00	\$73,666
County Library	\$31,547	\$148.01	\$31,695
Countywide Law Enforcement	\$71,699	\$336.39	\$72,035
County Extension	\$1,285	\$6.03	\$1,291
9-1-1	\$20,752	\$97.36	\$20,850
BPRD	\$83,801	\$393.17	\$84,195
Subtotal	\$443,213	\$2,079	\$445,292
Education			
Bend La-Pine School District	\$273,264	\$1,282.07	\$274,546
COCC	\$35,586	\$166.96	\$35,752
High Desert ESD	\$5,529	\$25.94	\$5,555
Subtotal	\$314,379	\$1,474.96	\$315,854
Total	\$757,592	\$3,554	\$761,146

Source: City of Bend

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TIF/URBAN RENEWAL AREAS

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base of the Britta Ridge TIF Area (using assumed FYE 2025 values) is projected to be \$269,110. The total assessed value of properties in the City is \$16,125,929,179. The increment of the City’s existing TIF areas is \$833,743,768. To get the total percentage of assessed value in TIF areas, divide the total assessed value of the City minus the increment of the TIF areas by the frozen base values of the urban renewal areas. Table 7 shows that in Bend, 3.35% of the City’s assessed value is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 7a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 7- Assessed Value Statutory Limit Verification

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Britta Ridge	\$269,110	\$ -
TOTAL:	\$530,563,971	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$530,563,971
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.35%

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value

Frozen base – assessed value the urban renewal area at the time it is established

Increment – increased assessed value over the frozen bas

URA – urban renewal area

Table 7a – Assessed Value Statutory Limit Verification –Proposed Districts (May 2025)

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594

Core Area	\$443,857,101	\$80,495,350
Veridian*	\$0	
Britta Ridge*	\$269,110	
Century*	\$3,559,680	
TOTAL:	\$534,123,651	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$534,123,651
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.38%
* Other recommended Plan Areas		

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value

Frozen base – assessed value the urban renewal area at the time it is established

Increment – increased assessed value over the frozen base

URA – urban renewal area

The Britta Ridge TIF Area contains 6.16 acres. There are 1,640.12 acres in other TIF areas in the City. The City contains 21,315.8 acres. 7.70% of the City’s acreage is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 8a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 8- Acreage Statutory Limit Verification

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Britta Ridge	6.16
Total	1,640.42
City of Bend	21,315.80
URA as % of City of Bend	7.70%

Source: City of Bend

Table 8a – Acreage Statutory Limit Verification – Proposed Districts (May 2025)

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Veridian	2.81
<i>Britta Ridge*</i>	<i>6.16</i>
<i>Century*</i>	<i>9.20</i>
Total	1,652.43
City of Bend	21,315.80
URA as % of City of Bend	7.75%

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Plan Area Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Plan Area measures 6.16 total acres in size. The Area consists of vacant, undeveloped, privately owned land and adjacent rights-of-way.

2. Zoning and Comprehensive Plan Designations

The Areas is zoned Mixed Employment (ME) and designated Mixed Employment (ME) in the Comprehensive Plan.

3. Topography

The Plan Area is in irregular shape and has varying topography with elevation changes up to 25 feet. Steeper slopes exist on the north side of the area, the east side of the area, and the mound on the central/south portion of the area. The area will require strategic placement of developed structures and the use of retaining walls so the site can be developed in accordance with the Bend Development Code to provide accessible connections to required site elements, along with abutting streets and rights-of-way.

B. Infrastructure

This section identifies the existing conditions in the Plan Area to assist in establishing blight in the ordinance adopting the Plan. This does not mean that all of these projects are included as projects to be undertaken in the Plan. The specific projects that are included in the Plan are listed in Section II of this Report.

1. Transportation

The Plan Area abuts Halfway Road and Britta Street. Britta Street is the proposed frontage. This street is designated as collector in the Bend Transportation System Plan (“TSP”). A residential development has been approved by the City in land use permit PLSPR20211127. This approved development is anticipated to be assisted by the Project in the Plan. This development will dedicate adequate right-of-way, and the improve the street to meet the City transportations standards. The proposed development will construct the boundary street improvements of Britta Street and Halfway Road in accordance with land-use permit PLSPR20211127.

There is presently no public pedestrian pathway on the site. There is presently no interior transportation system that provides multimodal access from Britta Street and Halfway Road to the eastern and southern boundaries of the site.

2. Other Utilities

The water, sewer, and storm infrastructure are available within surrounding streets/areas and are adequate to serve the site. As stated in permits PLLD20211128 / PLVAR20211129 / PLMISC20220384, approved by the City, the developer is proposing to connect to a 8-inch gravity sewer main from manhole CMH012251 north to the intersection of Halfway Road and Britta Street, and then east in Halfway Road so that area can be served by a lateral that meets City of Bend standards. The development is also proposing to install an 8-inch water main within Halfway Road to service the plan area or provide a future opportunity to loop the water system in conformance with the City of Bend Standards. Public utility improvements are required for the development of this site. All proposed improvements are conceptual at this time. These improvements must conform to the City of Bend Standard and Specifications and will be reviewed by the City.

C. Social Conditions

The Plan Area has no existing residents. The City of Bend needs an additional 8,500 residential units across all income ranges by 2030⁵ to accommodate the underproduction for existing need and 15,000 new residents.⁶ Building more housing units with emphasis on encouraging more affordable housing options are high priorities within the City according to both community statements and City Council 2023-2025 Goals.

The Plan Area is in Block Group 2 in Census Tract 11.02 in the City of Bend. Tables 9 through 13 show the social conditions for this block group.

Table 9 - Race in Block Group 2

⁵ Oregon Housing Needs Analysis, 2025

⁶ Portland State University, Population Projects 2030

Race	Number	Percent
White alone	1,691	81%
Black or African American alone	26	1%
American Indian and Alaska Native alone	16	1%
Asian alone	0	0%
Native Hawaiian and Other Pacific Islander alone	0	0%
Some other race alone	59	3%
Two or more races	300	14%
TOTAL	2,092	100%

Source: American Community Survey 2023 5-year Estimates

Table 10 - Age in the Block Group 2

Age	Number	Percent
Under 5 years	75	4%
5 to 9 years	7	0%
10 to 14 years	9	0%
15 to 17 years	34	2%
18 to 24 years	324	15%
25 to 34 years	554	26%
35 to 44 years	244	12%
45 to 54 years	285	14%
55 to 64 years	361	17%
65 to 74 years	90	4%
75 to 84 years	57	3%
85 years and over	52	2%
TOTAL	2,092	100%

Source: American Community Survey 2023 5-year Estimates

Table 11 - Educational Attainment for Population 25 years and Over in the Block Group 2

Educational Attainment	Number	Percent
Less than high school	95	6%
High school graduate (includes equivalency)	210	13%
Some college	557	34%
Associate's degree	90	5%
Bachelor's degree	460	28%
Master's degree	114	7%
Professional school degree	82	5%
Doctorate degree	35	2%
TOTAL	1,643	100%

Source: American Community Survey 2023 5-year Estimates

Table 12 - Travel Time to Work in Block Group 2

Travel Time	Number	Percent
Less than 10 minutes	179	22%
10 to 19 minutes	546	68%
20 to 29 minutes	16	2%
30 to 34 minutes	45	6%
35 to 59 minutes	6	1%
60 or more minutes	6	1%
TOTAL	798	100%

Source: American Community Survey 2023 5-year Estimates

Table 13 – Means of Transportation to Work in Block Group 2

Means of Transportation	Number	Percent
Drove alone	710	89%
Carpooling	41	5%
Using Public Transportation	12	2%
Bicycling	0	0%
Walking	5	1%
Working at home	30	4%
TOTAL	798	100%

Source: American Community Survey 2023 5-year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Plan Area

The estimated total assessed value from the Deschutes County Department of Assessment and Taxation for FYE 2025 is \$269,110. The Area is zoned Mixed Employment (ME) and is presently vacant. The Area previously included a single-unit home, a use that is not permitted in the ME zone. The home has since been demolished. With a consistent lack of development, the Area has diminished taxable value reducing overall tax receipts in comparison to adjacent areas thereby not contributing its fair share to the overall tax base of the City. The result is stagnant and unproductive use of land resulting in taxable value \$2.9 million less per acre than adjacent parcels.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Plan Area (affected taxing districts) is described in Section VII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects in the Plan are for development assistance to assist in the development of housing units in the Area and administration of this Plan.

The development to be supported by the Projects in this Plan is new residential units in the Plan Area, approved by the City under planning application number PLSPR20211127. The Area is within the City limits, and the approved development is consistent with the Comprehensive Plan and zoning designations, and the City has anticipated the need to provide services to the Area. As the development will be new construction, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by housing production and, in the future, adding future increased increases in assessed value to the tax bases for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH PLAN AREA IN THE PLAN

The reason for selecting the Plan Area is to fund development assistance necessary to cure blight within the Plan Area. The development assistance will support providing more market rate and workforce affordable housing units as identified in Bend’s Housing Needs Analysis and the Oregon Housing Needs Assessment 2025 Methodology, contributing to the health, safety and welfare of Bend residents. The Plan Area is vacant, does not have adequate development of streets and other rights of way or utilities, and has not been developed commensurate with surrounding lands.

XIII. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified. However, if property is acquired that requires relocation, the Agency will comply with applicable relocation requirements.

Century Tax Increment Finance Plan

DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED



CITY OF BEND

BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Mendez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Century TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$49,613,485.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Century TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Century TIF Plan.

“Report Accompanying Century TIF Plan” or “Report” means the official report that accompanies the Century TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to clear the way for

redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

This Century TIF Plan was developed for the Bend City Council based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024, to support the development of new multi-unit housing with minimum numbers of more affordable units by providing development assistance in existing or through the creation of new TIF areas. The Policy was developed with input from BURA and the City advisory bodies – Core Area Advisory Board, Bend Economic Development Advisory Board, and the Affordable Housing Advisory Committee. This Plan was developed with public input at BURA meetings, a Planning Commission meeting, and meetings of the Bend City Council. This Plan will go into effect following adoption by the City Council.

The Bend Urban Renewal Agency’s Policy Justification for the Policy noted:

Bend has a very low residential vacancy rate and many households are spending more than 30% of their household income on housing costs. An average individual/household would need to make \$72,000 to not be cost burdened to afford current market rent. Currently, 81% of occupations in the Bend Redmond MSA cannot adequately support market rate rent on a single income. Those making \$43,000 or less account for nearly 50% of total employment. The number of Bend households that cannot adequately afford market rate rent is 45%.¹

Providing incentives for housing affordability starting at 90% area median income for multi-unit rental units, with additional incentives for developments meeting certain energy efficiency and supplier diversity criteria, will assist in meeting the City of Bend’s affordable housing and other Council goals.

The City of Bend currently incentivizes housing affordable to households making 60% and 80% AMI or less through its Non-Profit and Qualifying Rental Property Tax Exemptions. This Plan and Projects incentivize creation of additional units of market rate housing integrated with units that are affordable to households making 90% AMI or less.

ORS chapter 457 allows for the use of tax increment revenues, a financing source that is unique to TIF areas, to fund projects within a specific boundary. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established - are used to repay borrowed funds or meet contractual obligations. The borrowed funds and contractual obligations fund projects within an area that meet the goals of the plan and cannot exceed the maximum indebtedness amount set by a TIF plan.

¹Bend Urban Renewal Policy Justification for the Tax Increment Assistance for Housing Affordability and Employment Growth, presented on August 7, 2024

The purpose of a TIF area is to improve specific areas of a municipality that are poorly developed or underdeveloped, called blighted areas in ORS chapter 457. These areas can have property that is undeveloped or underdeveloped, old or deteriorated buildings, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, TIF area projects funded with tax increment can include construction or improvement of streets, utilities, and other public facilities, assistance for development, rehabilitation or redevelopment of property, and improvements to public spaces.

The Bend Urban Renewal Agency’s Policy provides for the creation of TIF areas consisting of a single or small number of tax lots in the City currently not included in an existing tax increment area to support construction of new housing that includes More Affordable Housing, for households earning 90% AMI or less. The development assistance for the project in the new TIF area may consist of a rebate of a portion of the tax increment to the property owner in exchange for restricting a minimum percentage of units available to households earning 90% AMI or less at rents affordable to those households, and agreeing to limit annual rent increases to lower than the maximum rental increases allowed under ORS 90.323 for those rent-restricted units. The actual rebate amount and number of affordable units in the development will be set in an agreement between BUR and the property owner and based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth, consistent with the provisions of this Plan.

This Plan will support the development of housing that includes More Affordable Units and the other requirements of the Policy, in an area known as Century, shown in Figure 1.

The Plan reflects input from the community received at public meetings at the Agency and hearings before the Planning Commission and the City Council.

The Plan is anticipated to last 32 years, resulting in 30 years of tax increment collection.

The Plan is to be administered by the Agency. Substantial amendments to the Plan must be approved by City Council as outlined in Section VII of this Plan. All amendments to the Plan are to be listed numerically on the inside over of the front page of the Plan and then incorporated into the Plan, document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the noted statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI

ORS 457.085(2)(c)	XIII
ORS 457.085(2)(d)	XII
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII

A. TIF Area Overview

The Century TIF Plan Area, shown in Figure 1, consists of approximately 9.2 total acres.

This TIF Area meets the definition of a blighted area due to its infrastructure deficiencies, including inadequate streets and rights-of-way, undeveloped status resulting in unproductive land that is potentially useful and valuable for contributing to the public health, safety, and welfare as the location of new housing units, and impaired investments. These blight conditions are specifically cited in the ordinance adopting the Plan and described in detail in the Report accompanying the Plan.

The Report contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area;
- The expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Area;
- The relationship between each Project to be undertaken and the existing conditions;
- The estimated total cost of each Project and the source(s) of funds to pay such costs;
- The estimated completion date of each Project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the Area; and
- A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is a legal term for the total amount of money that can be spent on projects, programs, and administration throughout the life of the Plan. The maximum amount

of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$49,613,485 (Forty Nine Million, Six Hundred and Thirteen Thousand, Four Hundred and Eighty Five Dollars.) This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness, or interest earned on bond proceeds, if any. The projects under this plan are not anticipated to be financed through bonds, but primarily through rebate of property taxes paid.

IV. PLAN GOALS

The goals of the Plan represent its basic intent and purpose. The TIF Projects identified in Sections V and VI of the Plan are specific means of meeting the goals. The goals will be pursued as economically as is feasible and at the discretion of the Agency.

A. Housing Development

To increase the supply of housing by providing financial incentives for the development of housing in the City of Bend.

B. Encourage More Affordable Housing

To increase the supply of more affordable housing options by providing financial incentives for the development of more affordable housing in the City of Bend.

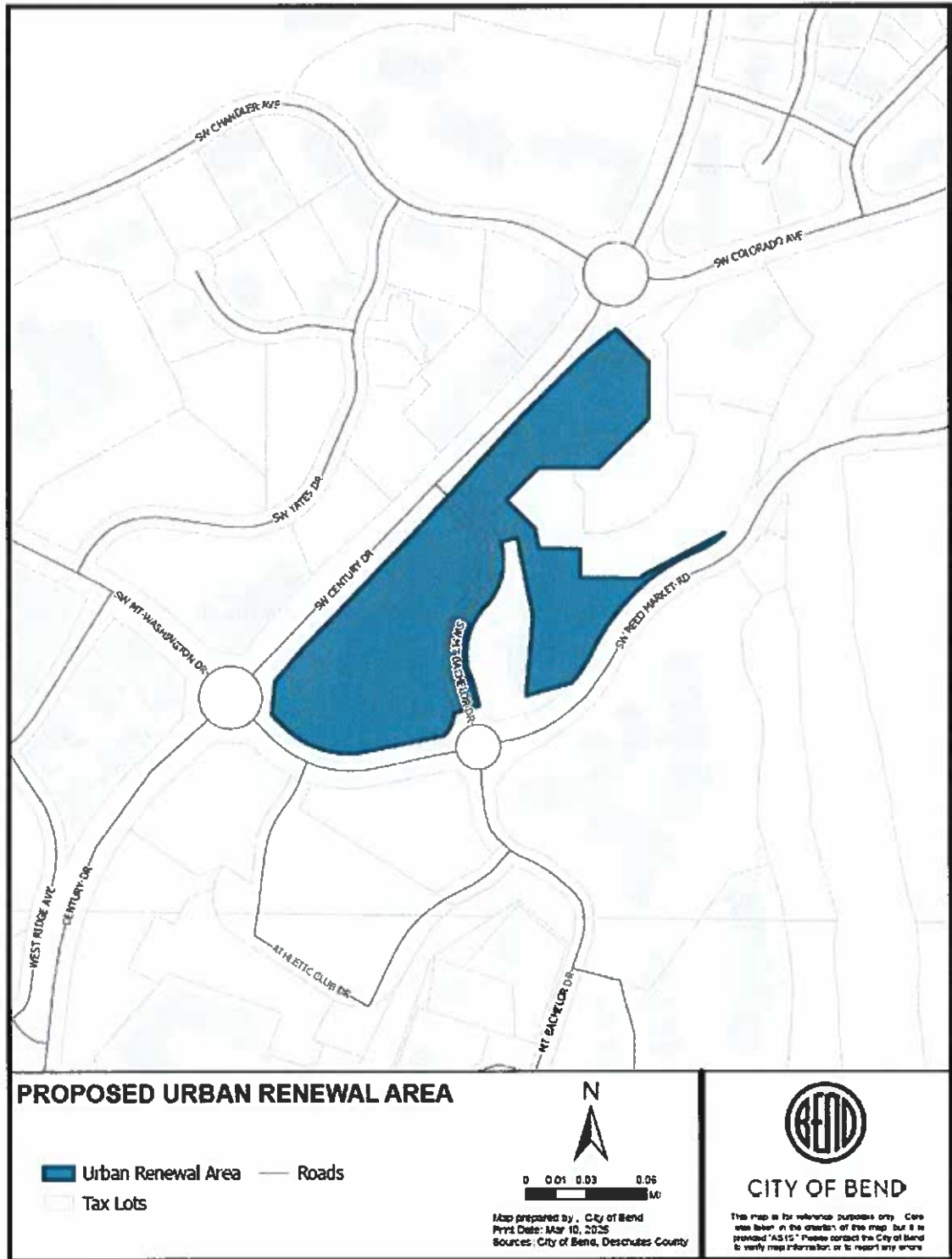
C. Encourage Energy Efficiency Housing

To increase the number of energy-efficient certified housing projects by providing financial incentives for the utilization of energy efficiency standards in the construction of housing projects that lower overall housing costs for households and reduce carbon emissions.

D. Administration.

To provide administrative support for the implementation of the Plan.

Figure 1 – Century TIF Area



Source: City of Bend

V. TIF AREA PROJECT CATEGORIES

To support the Plan Goals described in the previous section, the Projects within the Area fall into the following categories:

- A. Housing Development and Development Incentives, Partnership, and Support***
- B. Plan Administration, Implementation, Reporting, and Support***

VI. TIF AREA PROJECTS

The Projects authorized by the Plan are:

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project are for a multi-unit housing development and associated site improvements at 1081 SW Mt Bachelor Drive, approved by the City of Bend under application number PLSPR20211160, and a project consisting of two buildings for residential / mixed-use development on two tax lots and associated site improvements, approved by the City of Bend under application number PLSPR20230367, as such applications may be modified, consistent with the goals of this Plan. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for any Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units. A guideline for the amount of Assistance is provided in the Report accompanying the Plan.

B. Plan Administration, Implementation, Reporting, and Support

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation, and annual reports pursuant to ORS 457.460.

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to BURA, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City, as required by ORS 457.120.

Substantial Amendments shall be processed in accordance with ORS 457.095 and 457.220.

Substantial Amendments are amendments that:

- 1. Add land to the Area, representing more than 1% of the existing area of the Area;²
or
- 2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS chapter 457. Minor Amendments require approval by BURA by resolution.

The projects proposed in the Plan and Report are organized by project categories. If BURA determines that the allocation of funds within a project category should be adjusted based on needs within the Area, it may do so through a Minor Amendment.³

VIII. PROPERTY ACQUISITION AND DISPOSITION

Property acquisition and disposition are not eligible activities under the Plan.

² Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law, with increases beyond that amount requiring concurrence as stated in ORS 457.

³ Project costs may be impacted by grants, timing, cost savings, inflation, or other external forces unanticipated at this time but which may occur over the 32-year life of this Area.

IX. RELOCATION METHODS

There are no persons living in or business situated in the Plan Area, therefore relocation is not part of this Plan.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds, or contractual obligations for TIF projects under a TIF plan.

Tax increment revenues are the revenue received from increases in property taxes based on the *increase* in assessed value within a TIF area over the total assessed value from the time a plan is adopted. Increment does not include property taxes levied to pay for General Obligation (GO) bonds and local option levies.

A. *General description of the proposed financing method*

The Plan will be financed using tax increment revenues. Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning and undertaking project activities, and otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this Plan, including preparation of the Plan. No bonds will be issued to finance the activities in the Plan.

B. *Tax increment financing*

The Plan may be financed, in whole or in part, by tax increment revenues allocated to BURA, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to BURA based upon the distribution schedule established under ORS 311.390.

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

XI. ANNUAL REPORT

BURA shall file an Annual Report in compliance with ORS 457.460.

XII. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan describe the relationship of the plan to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public

utilities, telecommunications utilities, recreational and community facilities and other public improvements. This section provides that analysis. Relevant local planning and development objectives are set out in the Bend Comprehensive Plan, Bend Economic Development Advisory Board Strategic Plan, and the Bend Development Code. This section describes the purpose and intent of these plans, the main applicable goals and policies within each plan, and an explanation of how this Plan conforms to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. The language from the original document is in *italics*.

All of the land in the Area is designated Mixed Use Urban (MU) in the Comprehensive Plan, and zoned Mixed Use Urban in the Bend Development Code. Allowed land uses, maximum densities, and building requirements for all land in the Area are governed by the Bend Development Code, as described in subsection C of this Section XIII.

A. Bend Comprehensive Plan

The analysis of how the Plan conforms to the Comprehensive Plan covers the most relevant sections, but may not cover every section of the Comprehensive Plan that relates to the Plan.

If the Comprehensive Plan policies identified in the Plan are updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment is completed in the future, this section of the Plan should be updated at that point.

Below are applicable Comprehensive Plan policies and statements of how the Plan conforms to these Comprehensive Plan policies.

Chapter 1 Citizen Involvement

Policies

- 1-4 *The City and special districts shall work toward the most efficient and economical method for providing their services within the UGB.*
- 1-7 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 1-8 *The City and county will encourage infill and redevelopment of appropriate areas within the Bend Central Core, Opportunity Areas and Transit Corridors.*
- 1-15 *The City shall continue to use advisory committees in their planning process, members of which are selected by an open process, and who are widely representative of the community.*
- 1-16 *The City will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.*

Finding: The Plan conforms to Chapter 1 Citizen Involvement as there has been extensive citizen involvement in the preparation of the Plan and all related BURA policies. The Plan and Project support compact development within the Urban Growth Boundary by supporting residential development in the Mixed-Use Urban (MU) zone, near residential and commercial uses. The Area is in an Opportunity Area and Transit Corridor as identified in Figure 11-1 of the Comprehensive Plan, and the identified Project supports infill development on currently undeveloped lots.

Over twenty-five opportunities for public involvement were provided in the course of development the Policy supporting this Plan. In this process, the Bend Economic Development Advisory Board, the Affordable Housing Advisory Committee, Core Area Advisory Board, the Bend Chamber of Commerce, Economic Development of Central Oregon, and a round table of housing developers provided input on development of the Policy supported by this Plan. Specific to public involvement in this Plan, BURA, the Planning Commission, and the City Council all held public meetings regarding this Plan, at which public comment was accepted, prior to the adoption of this TIF Plan and Report.

Chapter 5 Housing

Policies

- 5-7 *The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City's obligation under the State Housing Goal to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density".*
- 5-18 *The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate percentages of Area Median Family income in the Housing Needs Assessment.*
- 5-31 *Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.*
- 5-38 *Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.*

Policy 5-20 defines affordable, in the case of dwelling units offered for rent, as housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA. Policy 5-20 provides that other programs or policies can specify other levels of affordability.

Finding: The Plan conforms to Chapter 5 Housing as the Housing Development and Development Assistance, Partnership, and Support Project will encourage the development of housing for households earning 90% AMI or less, along with market rate units, meeting housing needs identified in the Oregon Housing Needs 2025 Methodology for the Bend UGB, supporting the goals of the Comprehensive Plan and Policy 5-20 to provide affordability at additional income levels. The Area is within an Opportunity Zone and within or near a Transit Corridor identified in the Comprehensive Plan, and has access to transit, K-12 public schools, commercial services, employment, and public open space. Other significant uses in the area include the public Cascade Middle School, private 7 Peaks School, and the public Skyline Sports Complex. The Deschutes River, with public trails and parks including Riverbend Park and Farewell Bend Park are located in close proximity to the east. The Area is in a Mixed-Use Urban (MU) zone surrounded by properties developed with commercial and a mix of housing types and densities. Surrounding properties are zoned Mixed Use Urban (MU) to the north, Residential Standard Density (RS) to the east, Medium Density Residential (RM) to the west, and Light Commercial (CL) to the South.

Chapter 6 Economy

- 6-24 *Mixed-use development may be regulated through one or more plan designations and zoning districts to encourage the development of a mix of employment, or a mix of employment and residential uses*
- 6-25 *The city will encourage vertical mixed-use development in commercial and Mixed Use Urban zones, especially where those occur within the Central Core, Opportunity Areas and along transit corridors.*
- 6-26 *The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all transportation modes.*
- 6-30 *The City shall strive to retain and enhance desirable existing commercial areas and encourage property owners’ efforts to rehabilitate or redevelop older commercial areas.*
- 6-43 *The City will work with public agencies and community partners to support solutions for homelessness. This includes finding ways to keep people in their homes, provide temporary transitional housing, increase the availability of affordable housing, and provide flexible shelter and housing options for people experiencing hardships due to economic instability and other legitimate reasons.*

Finding: The Plan conforms to Chapter 6 Economy as there are projects, programs, and expenditures identified for Housing Development and Development Incentives, Partnership, and Support that will encourage vertical residential uses along transit corridors.

Chapter 11: Growth Management

Mixed Use Urban Districts

- 11-1 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 11-2: *The City will encourage infill and redevelopment of appropriate areas within Bend's Central Core, Opportunity Areas and transit corridors.*
- 11-3 *The City will ensure that development of large blocks of vacant land makes efficient use of land, meets the city's housing and employment needs, and enhances the community.*
- 11-4 *Streets in the Centers and Corridors, Employment Districts, Neighborhoods, and Opportunity Sites will have the appropriate types of pedestrian, biking, and transit scale amenities to ensure safety, access, and mobility.*
- 11-6 *Medium and high-density residential development should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to highest concentrations of population.*
- 11-10 *The City shall continue to explore Mixed Use Urban zoning as one of the land use patterns that will promote fewer vehicle trips and shorter trip lengths.*
- 11-12 *The City shall explore incentives for re-development of existing commercial strips in order to help reduce the need to expand the Urban Growth Boundary.*
- 11-12 *The City shall explore incentives for re-development of existing commercial strips in order to help reduce the need to expand the Urban Growth Boundary.*
- 11-23 *The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.*
- 11-24 *The City will encourage vertical Mixed Use Urban development in commercial and Mixed Use Urban zones, especially where those occur within the Central Core, Opportunity Areas and along transit corridors.*
- 11-26 *New commercially designated areas are encouraged to develop with mixed-use centers to include housing, open space, commercial development, and other employment uses.*
- 11-27 *The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.*

Finding: The Plan conforms to Chapter 11 Growth Management as there are projects, programs, and expenditures identified for encouraging compact development, infill and redevelopment, making efficient use of large blocks of vacant land that meet's the City's housing need, and encouraging development and redevelopment in commercial corridors that is transit-supportive, and offers access and connections for all modes in the Area. To the extent not provided by the existing transportation improvements, the development supported by this Plan will be required to make infrastructure improvements as set out in the Bend Development Code.

B. Bend Economic Development Advisory Board Strategic Plan

The Bend Municipal Code requires the Bend Economic Development Advisory Board (BEDAB) to create a three-year strategic plan, identifying projects and guiding the work of the city’s nine-member board as it seeks to:

- Advocate: Provide input into City policy and procedures from a private sector perspective.
- Facilitate: Broker entrepreneurial support among existing community resources.
- Market: Brand and guide marketing efforts of Bend as “Open for Business.”
- Coordinate: Organize and oversee City resources applied to economic development.

The following goal and strategy from the 2022-2024 BEDAB Strategic Plan is directly related to Goal 2: Monitor and provide input on other relevant City policies relating to economic development

- Support policies that provide for a spectrum of workforce housing opportunities

Finding: The Plan conforms to the Bend Economic Development Advisory Board Strategic Plan as for the Project will create additional market rate and 90% AMI housing units in the Area, supporting the Bend workforce.

C. Bend Development Code

The Projects in the Area supported by the Plan conform to the zoning in the Bend Development Code, including maximum densities and building requirements, as demonstrated by the City of Bend approval of planning applications for the housing developments that may be supported by the Projects of this Plan, and those provisions of the Bend Development Code are incorporated by reference herein. The entirety of the area is zoned Mixed Use Urban (MU). Multi-unit residential developments are permitted outright in the MU zone.

As the *Bend Development Code* is updated, the references to the Bend Development Code in this document will be deemed to incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment to this Plan is completed in the future, this section will be updated to match the current zoning designations. The provisions of the Bend Development Code in effect at the time of development approval will apply for any development assisted by this Plan.

B.2 – MIXED-USE ZONING DISTRICTS

Bend Development Code Section 2.3.100 Purpose and Applicability

The Mixed-Use Urban (MU) Zone is intended to provide opportunities for vibrant mixed-use centers and districts in areas with high-quality connectivity to and within the area. It is intended to allow for a denser level of development of a variety of commercial and residential uses than in surrounding areas with an emphasis on retail and entertainment uses at the street level. It is

intended to provide for development that is supportive of transit by encouraging a pedestrian-friendly environment.

Finding: The Plan conforms to the Bend Development Code as the Projects and expenditures proposed in the Plan conform to the requirements in the Bend Development Code and support the types of uses allowed in the zoning present in the Area. The Project will support development of multi-unit residential developments that the City has approved following planning review. These developments will be required to comply with the provisions of BDC Chapter 3.4, Public Improvement Standards, and other provisions of the Bend Development Code to provide sufficient public infrastructure to serve the development. The proposal includes the build-out of the undeveloped sites, in a generally developed area.

XIII. PLAN AREA LEGAL DESCRIPTION

OT 4 OF MOUNT BACHELOR VILLAGE, RECORDED MARCH 22, 2002 IN CABINET F, PAGE 61, CITY OF BEND, DESCHUTES COUNTY OREGON.

TOGETHER WITH THAT PORTION OF VACATED REED MARKET ROAD THAT INURED TO SAID PROPERTY BY ORDINANCE NS-1836, RECORDED SEPTEMBER 4, 2002 IN INSTRUMENT NO. 2002-48277, MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT A POINT ON THE NORTH BOUNDARY OF THE TRACT CONVEYED PER WARRANTY DEED RECORDED ON AUGUST 21, 1987 IN BOOK 150, PAGE 0762 OF OFFICIAL RECORDS IN THE OFFICE OF THE DESCHUTES COUNTY CLERK WHICH BEARS NORTH 42°43'02" WEST A DISTANCE OF 732.81 FEET FROM THE SOUTH ONE-QUARTER CORNER OF SAID SECTION 6; THENCE ALONG THE NORTH BOUNDARY OF SAID TRACT THE FOLLOWING ONE (1) CURVE AND ONE (1) COURSE: 338.98 FEET ALONG A CURVE TO THE LEFT WITH A RADIUS OF 371.04 FEET, THE CHORD OF WHICH BEARS SOUTH 80°45'53" EAST A DISTANCE OF 327.32 FEET; NORTH 73°03'46" EAST A DISTANCE OF 174.93 FEET TO A POINT WHICH BEARS SOUTH 73°03'46" WEST A DISTANCE OF 80.49 FEET FROM ABOVE POINT A: THENCE LEAVING THE NORTH BOUNDARY OF SAID TRACT 57.17 FEET ALONG A NON-TANGENT CURVE TO THE RIGHT WITH A RADIUS OF 74.00 FEET, THE CHORD OF WHICH BEARS SOUTH 25°50'33" WEST A DISTANCE OF 55.76 FEET; THENCE SOUTH 78°06'33" WEST A DISTANCE OF 214.21 FEET; THENCE 243.13 FEET ALONG A NON-TANGENT CURVE TO THE RIGHT WITH A RADIUS OF 250.00 FEET, THE CHORD OF WHICH BEARS NORTH 74°01'40" WEST A DISTANCE OF 233.66 FEET; THENCE NORTH 46°10'02" WEST A DISTANCE OF 44.28 FEET; THENCE NORTH 05°14'25" EAST A DISTANCE OF 0.94 FEET TO THE POINT OF BEGINNING, THE TERMINUS OF THIS DESCRIPTION.

EXHIBIT A

Century Tax Increment Finance Plan - Report

**DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED**



CITY OF BEND

**BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE**

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

Erin Ludden

Nathan Nelson

City Manager

Eric King

City Finance Director

Samantha Nelson

City Attorney

Ian Leitheiser

Senior Assistant City Attorney

Elizabeth Oshel

Real Estate Director

Matt Stuart

Urban Renewal Manager

Jonathan Taylor

Planning Manager

Renée Brooke

Housing Manager

Racheal Baker

Bend Urban Renewal Agency

Mike, Riley, Chair

Gina Franzosa, Vice-Chair

Ariel Méndez

Megan Norris

Steve Platt

Melanie Kebler

Megan Perkins

Core Area Advisory Board

Corie Harlan, Chair

Dale VanValkenburg, Vice-Chair

Dawn Cofer

Hank Kamakaala

James Teeter

Jeff Baker

John Fischer

John Heylin

Katherine Austin

Bend Economic Development Advisory Board

Gary North, Chair

DaWayne Judd, Vice-Chair

Briana Manfrass

Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Oroslanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

Alison Hohengarten

Ian Karasz

Tony Levison

Isabel Mikovich

Richard Reese

Helen Silfven

Heather Simmons

Geoff Wall

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$14,666,437.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Century Area TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Century Area TIF Plan” or “Report” means the official report that accompanies the Century TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to

clear the way for redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

The Report contains background information and project details that pertain to the Century TIF District Plan. The Report is not a legal part of the Plan but provides public information and supports the findings made by the Bend City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area, ORS 457.087(1)
- Expected impact of the Plan, including fiscal impact in light of increased services, ORS 457.087(1)
- Reasons for selection of the area, ORS 457.087(2)
- The relationship between each project to be undertaken and the existing conditions, ORS 457.087(3)
- The estimated total cost of each project and the source of funds to pay such costs, ORS 457.087(4)
- The estimated completion date of each project, ORS 457.087(5)
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired, ORS 457.087(6)
- A financial analysis of the Plan, ORS 457.087(7)
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area, ORS 457.087(8)
- A relocation report, ORS 457.087(9)

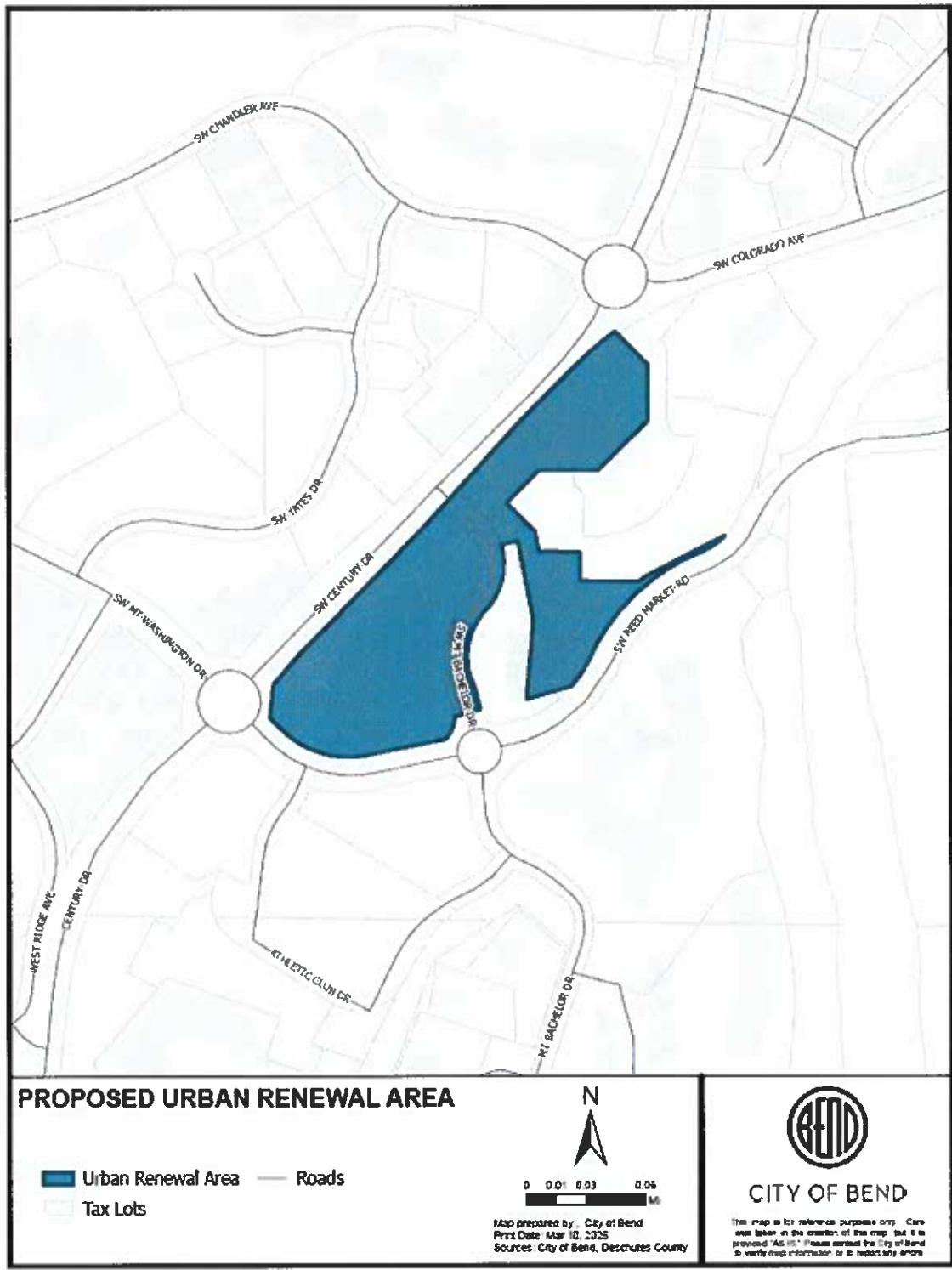
The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087(1)	X, VIII
ORS 457.087(2)	XI
ORS 457.087(3)	II
ORS 457.087(4)	III
ORS 457.087(5)	VI
ORS 457.087(6)	IV,V
ORS 457.087(7)	IV,V
ORS 457.087(8)	VIII
ORS 457.087(9)	XII

The Report provides guidance on how the Plan might be implemented. The Agency has the authority to adjust the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the overall maximum indebtedness of the Plan.

Figure 1 – Century TIF Area Boundary



Source: City of Bend

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TIF DISTRICT PROJECTS AND THE EXISTING CONDITIONS IN THE TIF DISTRICT

The projects identified for the Century TIF Plan Area are described below, including how they relate to the existing conditions in the Plan Area.

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project are for a multi-unit housing development and associated site improvements at 1081 SW Mt Bachelor Drive, approved by the City of Bend under application number PLSPR20211160, and a project consisting of two buildings for residential / mixed-use development on two tax lots and associated site improvements, approved by the City of Bend under application number PLSPR20230367. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units.

A guideline for the amount of Assistance is shown in the Table 2 of this Report. This is a guideline only, and actual assistance provided will be set through development agreements with BURA, balancing the needs for administration and incentives.

Existing Conditions: The property is currently undeveloped. There are transportation deficiencies, topography challenges, and impaired investments as identified in Section X of this Report. As described in the Plan and the adopting documents, there is a lack of residential housing units and affordable housing units in Bend.¹ The Plan will support development of housing in the Area, including improvements to presently deficient rights-of-way and public infrastructure, increase the supply of housing units, and provide housing units affordable for

¹ City of Bend Comprehensive Plan

households in income ranges for whom there is presently a lack of affordable units in Bend.²

B. Administration

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation and annual reports pursuant to ORS 457.460.

Existing Conditions: There is presently not a TIF area in this location. Therefore, there is no existing funding or need for administration in the Area by BURA. This project would provide that administrative support.

A table showing the projects and total estimated costs is shown in Table 2. The total costs are estimated based on the projected future assessed value of the project.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for the projects are shown in Table 2 below. These are all estimates acknowledging that these project activities must fit within the maximum indebtedness. These costs are shown in nominal, year of expenditure (YOE) dollars, and are equal to the maximum indebtedness of \$49,613,485. The estimated project costs assume a 97% rebate to the developers and 3% to the Agency for administration of the Plan.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

Table 2 - Estimated Cost of Each Project, (\$2025)

Project	Estimated Cost	Percentage of Total
Development Assistance	\$48,125,081	97%
Administration	\$ 1,488,405	3%
TOTAL	\$49,613,485	100%

Source: City of Bend

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through fiscal year ending (“FYE”) 2057 are calculated based on projections of the growth in assessed value of new development within the TIF Area and the consolidated tax rate that will apply in the TIF Area.

² Oregon Housing Needs Assessment 2025 Methodology

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, and truncation loss.³

The incremental assessed value is the estimated assessed value based on real market value of the proposed project as determined by the Deschutes County Property Tax Estimator as provided by the applicant.

The first year of tax increment collections is anticipated to be FYE 2026. Gross tax increment financing revenue (the column titled Gross TIF, in Table 3) is calculated by multiplying the tax rate times the excess value used. Excess value is the increased in assessed value over the frozen base. The tax rate is expressed per thousand dollars of assessed value, so the calculation is “tax rate times excess value used divided by one thousand.” The column titled Net TIF Revenue in Table 3 also indicates the total Maximum Indebtedness proposed in this plan as referenced in Table 2, and represents the gross TIF, less expected discounts, to show the total amount of increment expected to be received by BURA in each year of the Plan.

³ In Oregon, when the full amount of the property tax bill is paid by November 15, the taxpayer gets a 3 percent discount. If the taxpayer pays two thirds of the tax by November 15, they get a 2 percent discount. To get a discount on the current year’s tax bill, all delinquent taxes, penalty, and interest must first be paid in full (See: <http://www.oregon.gov/dor>, Property Tax Payment Procedure).

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Incremental Revenues

FYE	Total AV	Increment			Tax Rate	Gross TIF	Truncation/Loss		Net TIF Revenue ⁴	Admin Cost	Eligible Project Costs
		Frozen Base	Increment	Not Used			Discount	Revenue ⁴			
2026	\$3,666,470	\$3,559,680	\$106,790	-	\$13.2079	\$1,410	\$14	\$1,396	\$42	\$1,354	
2027	\$3,776,465	\$3,559,680	\$216,785	-	\$13.2079	\$2,863	\$29	\$2,835	\$85	\$2,750	
2028	\$72,449,760	\$3,559,680	\$68,890,080	-	\$13.2079	\$909,893	\$9,099	\$900,794	\$27,024	\$873,771	
2029	\$84,661,800	\$3,559,680	\$81,102,120	-	\$13.2079	\$1,071,189	\$10,712	\$1,060,477	\$31,814	\$1,028,662	
2030	\$87,201,654	\$3,559,680	\$83,641,974	-	\$13.2079	\$1,104,735	\$11,047	\$1,093,687	\$32,811	\$1,060,877	
2031	\$89,817,704	\$3,559,680	\$86,258,024	-	\$13.2079	\$1,139,287	\$11,393	\$1,127,894	\$33,837	\$1,094,058	
2032	\$92,512,235	\$3,559,680	\$88,952,555	-	\$13.2079	\$1,174,876	\$11,749	\$1,163,128	\$34,894	\$1,128,234	
2033	\$95,287,602	\$3,559,680	\$91,727,922	-	\$13.2079	\$1,211,533	\$12,115	\$1,199,418	\$35,983	\$1,163,435	
2034	\$98,146,230	\$3,559,680	\$94,586,550	-	\$13.2079	\$1,249,290	\$12,493	\$1,236,797	\$37,104	\$1,199,693	
2035	\$101,090,617	\$3,559,680	\$97,530,937	-	\$13.2079	\$1,288,179	\$12,882	\$1,275,297	\$38,259	\$1,237,038	
2036	\$104,123,335	\$3,559,680	\$100,563,655	-	\$13.2079	\$1,328,235	\$13,282	\$1,314,952	\$39,449	\$1,275,504	
2037	\$107,247,035	\$3,559,680	\$103,687,355	-	\$13.2079	\$1,369,492	\$13,695	\$1,355,797	\$40,674	\$1,315,123	
2038	\$110,464,446	\$3,559,680	\$106,904,766	-	\$13.2079	\$1,411,987	\$14,120	\$1,397,868	\$41,936	\$1,355,932	
2039	\$113,778,380	\$3,559,680	\$110,218,700	-	\$13.2079	\$1,455,758	\$14,558	\$1,441,200	\$43,236	\$1,397,964	
2040	\$117,191,731	\$3,559,680	\$113,632,051	-	\$13.2079	\$1,500,841	\$15,008	\$1,485,832	\$44,575	\$1,441,257	
2041	\$120,707,483	\$3,559,680	\$117,147,803	-	\$13.2079	\$1,547,276	\$15,473	\$1,531,804	\$45,954	\$1,485,850	
2042	\$124,328,708	\$3,559,680	\$120,769,028	-	\$13.2079	\$1,595,105	\$15,951	\$1,579,154	\$47,375	\$1,531,780	
2043	\$128,058,569	\$3,559,680	\$124,498,889	-	\$13.2079	\$1,644,369	\$16,444	\$1,627,925	\$48,838	\$1,579,087	
2044	\$131,900,326	\$3,559,680	\$128,340,646	-	\$13.2079	\$1,695,110	\$16,951	\$1,678,159	\$50,345	\$1,627,815	
2045	\$135,857,336	\$3,559,680	\$132,297,656	-	\$13.2079	\$1,747,374	\$17,474	\$1,729,900	\$51,897	\$1,678,003	
2046	\$139,933,056	\$3,559,680	\$136,373,376	-	\$13.2079	\$1,801,206	\$18,012	\$1,783,194	\$53,496	\$1,729,698	
2047	\$144,131,047	\$3,559,680	\$140,571,367	-	\$13.2079	\$1,856,653	\$18,567	\$1,838,086	\$55,143	\$1,782,943	
2048	\$148,454,979	\$3,559,680	\$144,895,299	-	\$13.2079	\$1,913,763	\$19,138	\$1,894,625	\$56,839	\$1,837,786	
2049	\$152,908,628	\$3,559,680	\$149,348,948	-	\$13.2079	\$1,972,586	\$19,726	\$1,952,860	\$58,586	\$1,894,274	
2050	\$157,495,887	\$3,559,680	\$153,936,207	-	\$13.2079	\$2,033,174	\$20,332	\$2,012,842	\$60,385	\$1,952,457	
2051	\$162,220,764	\$3,559,680	\$158,661,084	-	\$13.2079	\$2,095,580	\$20,956	\$2,074,624	\$62,239	\$2,012,385	
2052	\$167,087,386	\$3,559,680	\$163,527,706	-	\$13.2079	\$2,159,858	\$21,599	\$2,138,259	\$64,148	\$2,074,111	
2053	\$172,100,008	\$3,559,680	\$168,540,328	-	\$13.2079	\$2,226,064	\$22,261	\$2,203,803	\$66,114	\$2,137,689	
2054	\$177,263,008	\$3,559,680	\$173,703,328	-	\$13.2079	\$2,294,256	\$22,943	\$2,271,314	\$68,139	\$2,203,174	
2055	\$182,580,899	\$3,559,680	\$179,021,219	-	\$13.2079	\$2,364,494	\$23,645	\$2,340,849	\$70,225	\$2,270,624	
2056	\$188,058,326	\$3,559,680	\$184,498,646	-	\$13.2079	\$2,436,840	\$24,368	\$2,412,471	\$72,374	\$2,340,097	
2057	\$193,700,075	\$3,559,680	\$190,140,395	-	\$13.2079	\$2,511,355	\$25,114	\$2,486,242	\$74,587	\$2,411,655	
Total								\$49,613,485	\$1,488,405	\$48,125,081	

Source: City of Bend

⁴ Net TIF Revenue is used to establish the total Maximum Indebtedness of the Century TIF Plan.

VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The maximum indebtedness is \$49,613,485 (Forty Nine Million, Six Hundred and Thirteen Thousand, Four Hundred and Eight Five dollars). This is also the estimated total amount of tax increment revenues required to service the maximum indebtedness as no formal borrowings or interest payments are anticipated in the Plan.

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for program administration are shown in Table 2.

The Agency is anticipated to complete the projects and to terminate the Plan in FYE 2057, allowing up to two years for construction of the housing assisted by the Plan and 30 years of increment rebate and housing affordability, for a 32 year Plan duration.

VIII. REVENUE SHARING

Revenue sharing thresholds are not projected to be reached during the life of the Plan.

Revenue sharing is defined in ORS 457.470 and requires that the impacted taxing jurisdictions receive a share of the incremental growth in the Plan Area when annual tax increment finance revenues exceed 10% and 12.5% of the original maximum indebtedness of the Plan. For this Plan, 10% equals \$4,961,349. As shown in the column labeled Gross TIF in Table 3, neither threshold is projected to be reached during the life of the Plan.

If either threshold is met, the Agency will comply with statutory requirements for revenue sharing.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the TIF Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the TIF Area. These projections show the estimated tax revenues that would be received by the taxing districts if the development assisted by the Plan were to occur without the Plan. Table 4 and Table 5 shows impacts estimated through FYE 2057.

The Bend-La Pine School District is not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current

school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. If new school aged students move into these units and attend the local schools, the funding through the State School Fund would increase.

Table 4 and Table 5 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 4 shows the general government levies, and Table 5 shows the education levies.

Table 4 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	City of Bend	Deschutes County	County Library	Countywide Law Enforcement	County Extension	9-1-1	Bend Parks and Recreation	Total
2026	\$299	\$137	\$59	\$133	\$2	\$39	\$156	\$825
2027	\$608	\$277	\$119	\$271	\$5	\$78	\$317	\$1,675
2028	\$193,133	\$88,062	\$37,890	\$86,113	\$1,543	\$24,924	\$100,648	\$532,314
2029	\$227,370	\$103,673	\$44,606	\$101,378	\$1,817	\$29,343	\$118,490	\$626,676
2030	\$234,490	\$106,920	\$46,003	\$104,552	\$1,874	\$30,262	\$122,201	\$646,302
2031	\$241,824	\$110,264	\$47,442	\$107,823	\$1,932	\$31,208	\$126,023	\$666,516
2032	\$249,378	\$113,708	\$48,924	\$111,191	\$1,993	\$32,183	\$129,960	\$687,336
2033	\$257,159	\$117,256	\$50,450	\$114,660	\$2,055	\$33,187	\$134,014	\$708,782
2034	\$265,173	\$120,910	\$52,023	\$118,233	\$2,119	\$34,221	\$138,191	\$730,870
2035	\$273,428	\$124,674	\$53,642	\$121,914	\$2,185	\$35,287	\$142,493	\$753,622
2036	\$281,930	\$128,551	\$55,310	\$125,705	\$2,253	\$36,384	\$146,924	\$777,055
2037	\$290,688	\$132,544	\$57,028	\$129,609	\$2,323	\$37,514	\$151,487	\$801,192
2038	\$299,708	\$136,656	\$58,798	\$133,631	\$2,395	\$38,678	\$156,188	\$826,053
2039	\$308,998	\$140,893	\$60,620	\$137,773	\$2,469	\$39,877	\$161,030	\$851,660
2040	\$318,567	\$145,256	\$62,498	\$142,040	\$2,545	\$41,112	\$166,016	\$878,035
2041	\$328,424	\$149,750	\$64,431	\$146,435	\$2,624	\$42,384	\$171,153	\$905,201
2042	\$338,576	\$154,379	\$66,423	\$150,961	\$2,705	\$43,694	\$176,444	\$933,182
2043	\$349,033	\$159,147	\$68,474	\$155,624	\$2,789	\$45,044	\$181,893	\$962,003
2044	\$359,803	\$164,058	\$70,587	\$160,426	\$2,875	\$46,434	\$187,506	\$991,688
2045	\$370,896	\$169,116	\$72,764	\$165,372	\$2,963	\$47,865	\$193,287	\$1,022,264
2046	\$382,323	\$174,326	\$75,005	\$170,467	\$3,055	\$49,340	\$199,242	\$1,053,757
2047	\$394,092	\$179,692	\$77,314	\$175,714	\$3,149	\$50,859	\$205,375	\$1,086,195
2048	\$406,214	\$185,220	\$79,692	\$181,119	\$3,246	\$52,423	\$211,692	\$1,119,606
2049	\$418,700	\$190,913	\$82,142	\$186,686	\$3,345	\$54,034	\$218,199	\$1,154,019
2050	\$431,560	\$196,777	\$84,665	\$192,420	\$3,448	\$55,694	\$224,901	\$1,189,465
2051	\$444,806	\$202,816	\$87,264	\$198,326	\$3,554	\$57,404	\$231,804	\$1,225,974
2052	\$458,450	\$209,037	\$89,940	\$204,410	\$3,663	\$59,164	\$238,914	\$1,263,579
2053	\$472,503	\$215,445	\$92,697	\$210,675	\$3,775	\$60,978	\$246,237	\$1,302,311
2054	\$486,977	\$222,045	\$95,537	\$217,129	\$3,891	\$62,846	\$253,781	\$1,342,206
2055	\$501,886	\$228,843	\$98,462	\$223,777	\$4,010	\$64,770	\$261,550	\$1,383,297
2056	\$517,242	\$235,845	\$101,474	\$230,623	\$4,133	\$66,752	\$269,553	\$1,425,621
2057	\$533,059	\$243,056	\$104,577	\$237,675	\$4,259	\$68,793	\$277,795	\$1,469,215
Total	\$10,637,298	\$4,850,244	\$2,086,861	\$4,742,865	\$84,992	\$1,372,775	\$5,543,461	\$29,318,496

Source: City of Bend

Table 5 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Bend La-Pine School District	Central Oregon CC	High Desert ESD	Total
2026	\$509	\$66	\$10	\$585
2027	\$1,033	\$134	\$21	\$1,188
2028	\$328,199	\$42,739	\$6,641	\$377,580
2029	\$386,379	\$50,316	\$7,818	\$444,513
2030	\$398,479	\$51,891	\$8,063	\$458,433
2031	\$410,942	\$53,514	\$8,315	\$472,772
2032	\$423,779	\$55,186	\$8,575	\$487,540
2033	\$437,001	\$56,908	\$8,843	\$502,752
2034	\$450,620	\$58,681	\$9,118	\$518,419
2035	\$464,647	\$60,508	\$9,402	\$534,557
2036	\$479,095	\$62,390	\$9,694	\$551,179
2037	\$493,977	\$64,328	\$9,995	\$568,300
2038	\$509,305	\$66,324	\$10,306	\$585,934
2039	\$525,093	\$68,380	\$10,625	\$604,098
2040	\$541,354	\$70,497	\$10,954	\$622,806
2041	\$558,104	\$72,678	\$11,293	\$642,075
2042	\$575,356	\$74,925	\$11,642	\$661,923
2043	\$593,125	\$77,239	\$12,002	\$682,366
2044	\$611,428	\$79,623	\$12,372	\$703,422
2045	\$630,279	\$82,077	\$12,753	\$725,110
2046	\$649,696	\$84,606	\$13,146	\$747,449
2047	\$669,696	\$87,210	\$13,551	\$770,458
2048	\$690,296	\$89,893	\$13,968	\$794,157
2049	\$711,513	\$92,656	\$14,397	\$818,567
2050	\$733,367	\$95,502	\$14,839	\$843,709
2051	\$755,877	\$98,433	\$15,295	\$869,606
2052	\$779,062	\$101,453	\$15,764	\$896,279
2053	\$802,943	\$104,562	\$16,247	\$923,753
2054	\$827,540	\$107,766	\$16,745	\$952,051
2055	\$852,875	\$111,065	\$17,258	\$981,197
2056	\$878,970	\$114,463	\$17,786	\$1,011,219
2057	\$905,848	\$117,963	\$18,330	\$1,042,140
Total	\$18,076,387	\$2,353,979	\$365,770	\$20,796,136

Source: City of Bend

Please refer to the explanation of the schools funding in the preceding section

Error! Not a valid bookmark self-reference. shows the projected increased revenue to the taxing jurisdictions after termination of the Plan and tax increment collection by BURA is terminated. These projections are for FYE 2058.

The frozen base is the assessed value of the Plan Area established by the County Assessor at the time the Plan is established. Excess value is the increased assessed value in the Plan Area above the frozen base.

Table 6 - Additional Revenues Obtained after Termination of Tax Increment Financing in FYE 2058 (Year after Termination)

Taxing District	From Increment Value	From Frozen Base Value	Total
General Government			
City of Bend	\$549,050	\$9,980	\$559,030
Deschutes County	\$250,348	\$4,550	\$254,899
County Library	\$107,715	\$1,958	\$109,672
Countywide Law Enforcement	\$244,806	\$4,450	\$249,255
County Extension	\$4,387	\$80	\$4,467
9-1-1	\$70,857	\$1,288	\$72,144
BPRD	\$286,129	\$5,201	\$291,330
Subtotal	\$1,513,291	\$27,506	\$1,540,797
Education			
Bend La-Pine School District	\$933,023	\$16,959	\$949,982
COCC	\$121,502	\$2,208	\$123,710
High Desert ESD	\$18,879	\$343	\$19,223
Subtotal	\$1,073,405	\$19,510	\$1,092,915
Total	\$2,586,696	\$47,016	\$2,633,712

Source: City of Bend

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TIF/URBAN RENEWAL AREAS

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an TIF area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base of the Century TIF Area (using assumed FYE 2025 values) is projected to be \$3,559,680. The total assessed value of properties in the City is \$16,125,929,179. The increment of the City’s existing TIF areas is \$833,743,768. To get the total percentage of assessed value in TIF areas, divide the total assessed value of the City minus the increment of the TIF areas by the frozen base values of the urban renewal areas. Table 7 shows that in Bend, 3.35% of the City’s assessed value is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 7a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 7- Assessed Value Statutory Limit Verification

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Century	\$3,559,680	
TOTAL:	\$533,854,541	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$533,854,541
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.37%

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value
 Frozen base – assessed value the urban renewal area at the time it is established
 Increment – increased assessed value over the frozen bas
 URA – urban renewal area

Table 7a – Assessed Value Statutory Limit Verification –Proposed Districts (May 2025)

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Veridian*	\$0	
Britta Ridge*	\$269,110	

<i>Century*</i>	<i>\$3,559,680</i>	
TOTAL:	\$534,123,651	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$534,123,651
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.38%
<i>* Other recommended Plan Areas</i>		

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

- AV – assessed value
- Frozen base – assessed value the urban renewal area at the time it is established
- Increment – increased assessed value over the frozen bas
- URA – urban renewal area

The Century TIF Area contains 9.2 acres. There are 1,640.12 acres in other TIF areas in the City. The City contains 21,315.8 acres. 7.71% of the City’s acreage is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 8a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 8- Acreage Statutory Limit Verification

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Century	9.2
<i>Total</i>	<i>1,643.46</i>
City of Bend	21,315.80
URA as % of City of Bend	7.71%

Source: City of Bend

Table 8a – Acreage Statutory Limit Verification – Proposed Districts (May 2025)

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Veridian	2.81
<i>Britta Ridge*</i>	<i>6.16</i>
<i>Century*</i>	<i>9.20</i>

Total	1,652.43
City of Bend	21,315.80
URA as % of City of Bend	7.75%

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Plan Area Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Plan Area measures 9.2 total acres in size. The present land use is vacant, privately owned property and adjacent rights-of-way.

2. Zoning and Comprehensive Plan Designations

The Area is zoned Mixed Use Urban (MU) and designated Mixed Employment (ME) in the Comprehensive Plan.

3. Topography

The Plan Area is in irregular shape and has substantial topographical and geological issues. has varying topography with elevation changes up to 25 feet. The area has varying topography with elevation changes over 25 feet on the west and southside with a seismic fault line on the west side of the Plan Area. The area will require significant strategic placement of developed structures, seismic modifications, and site design and mitigation so the area can be developed in accordance with the City of Bend Development Code.

B. Infrastructure

This section identifies the existing conditions in the Plan Area to assist in establishing blight in the ordinance adopting the Plan. This does not mean that all of these projects are included as projects to be undertaken in the Plan. The specific projects that are included in the Plan are listed in Section II of this Report.

1. Transportation

The Plan Area borders SW Century Drive (a minor arterial without on street-parking) to the Northwest, SW Mt. Bachelor Drive (a local street with on-street parking), and SW Reed Market Road (a minor arterial without on-street parking) to the south. The area’s transportation and rights-of-way are general constructed in conformance with City Standards. The housing developments assisted under the Plan will be required to bring

existing rights-of-way into conformance with City Standards. Additional connections will be required on the east side of the Plan area for access to SW Colorado Road.

There is presently no interior transportation system that provides multimodal access SW Mt. Bachelor Drive to access the eastern, south-eastern, and north-eastern plan area.

2. Other Utilities

Water, sewer, and storm infrastructure are available and are adequate to serve the sites in the Plan Area or will be required to be improved with development. There is a 10-inch gravity sewer main located in Mt. Bachelor Drive to the east, a 16-inch water main in SW Reed Market Road, and a 12-inch water main in SW Mt. Bachelor Drive. Part of this 12-inch water main lies within the northeast portion of the subject property in a City water easement. A portion of the plan Area is not currently served with City of Bend Sewer. New sewer and water laterals must be installed to serve new development in conformance with City of Bend Standards and Specifications, pursuant to City of Bend approved land use permits for development.

C. Social Conditions

The Plan Area has no existing residents. The City of Bend needs an additional 8,500 residential units across all income ranges by 2030⁵ to accommodate the underproduction for existing need and 15,000 new residents.⁶ Building more housing units with emphasis on encouraging more affordable housing options are high priorities within the City according to both community statements and City Council 2023-2025 Goals.

The Plan Area is in Block Group 2 in Census Tract 14.02 in the City of Bend. Tables 9-13 show the social conditions for this block group.

Table 9 – Race in the Block Group 2

Race	Number	Percent
White alone	737	93%
Black or African American alone	0	0%
American Indian and Alaska Native alone	0	0%
Asian alone	24	3%
Native Hawaiian and Other Pacific Islander alone	0	0%
Some other race alone	0	0%
Two or more races	28	4%
TOTAL	789	100%

Source: American Community Survey 2023 5-year Estimates

⁵ Oregon Housing Needs Analysis, 2025

⁶ Portland State University, Population Projects 2030

Table 10 – Age in the Block Group 2

Age	Number	Percent
Under 5 years	20	2%
5 to 9 years	17	2%
10 to 14 years	36	4%
15 to 17 years	6	1%
18 to 24 years	102	12%
25 to 34 years	175	21%
35 to 44 years	91	11%
45 to 54 years	95	11%
55 to 64 years	129	16%
65 to 74 years	105	13%
75 to 84 years	52	6%
85 years and over	0	0%
TOTAL	828	100%

Source: American Community Survey 2023 5-year Estimates

Table 11 – Educational Attainment for Population 25 years and Over in the Block Group 2

Educational Attainment	Number	Percent
Less than high school	8	1%
High school graduate (includes equivalency)	36	6%
Some college	143	22%
Associate's degree	26	4%
Bachelor's degree	265	41%
Master's degree	128	20%
Professional school degree	12	2%
Doctorate degree	29	4%
TOTAL	647	100%

Source: American Community Survey 2023 5-year Estimates

Table 12 - Travel Time to Work in the Block Group 2

Travel Time	Number	Percent
Less than 10 minutes	65	18%
10 to 19 minutes	144	39%
20 to 29 minutes	62	17%
30 to 34 minutes	97	26%
35 to 59 minutes	0	0%
60 or more minutes	0	0%
TOTAL	368	100%

Source: American Community Survey 2023 5-year Estimates

Table 13 – Means of Transportation to Work in the Block Group 2

Means of Transportation	Number	Percent
Drove alone	301	61%
Carpooling	0	0%
Using Public Transportation	0	0%
Bicycling	0	0%
Walking	67	14%
Working at home	123	25%
TOTAL	491	100%

Source: American Community Survey 2023 5-year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Plan Area

The estimated total assessed value from the Deschutes County Department of Assessment and Taxation for FYE 2025 is \$3,559,680. The Area is zoned Mixed Use Urban (MU) and is presently vacant. With consistent lack of development due to significant topography and geological issues, the proposed area has diminished taxable value reducing overall tax receipts in comparison to adjacent areas thereby not contributing its fair share to the overall tax base of the City. The result is stagnant and unproductive reducing taxable values \$3.5 million less per acre than adjacent parcels.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Plan Area (affected taxing districts) is described in Section VII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects in the Plan are for development assistance to assist in the development of housing units in the Area and administration of this Plan.

The development to be supported by the Projects of this Plan are for a multi-unit housing development and associated site improvements at 1081 SW Mt Bachelor Drive, approved by the City of Bend under application number PLSR20211160, and a project consisting of two buildings for residential / mixed-use development on two tax lots and associated site improvements, approved by the City of Bend under application number PLSR20230367. The Area is within the City limits, the approved development is consistent with the Comprehensive Plan and zoning designations, and the City has anticipated the need to provide services to the Area. As the development will be new construction, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by housing production and, in the future, adding future increased increases in assessed value to the tax bases for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH PLAN AREA IN THE PLAN

The reason for selecting the Plan Area is to fund development assistance necessary to cure blight within the Plan Area. The development assistance will support providing more market rate and workforce affordable housing units as identified in Bend's Housing Needs Analysis and the Oregon Housing Needs Assessment 2025 Methodology, contributing to the health, safety and welfare of Bend residents. The Plan Area is vacant, does not have adequate development of streets and other rights of way or utilities, and has not been developed commensurate with surrounding lands.

XIII. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified. However, if property is acquired that requires relocation, the Agency will comply with applicable relocation requirements.

Veridian Tax Increment Finance Plan

DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED



CITY OF BEND

BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE

LIST OF PARTICIPANTS

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Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

Erin Ludden

Nathan Nelson

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Gary North, Chair

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Jenn Lynch

Jillian Taylor

Mark Kroncke

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Affordable Housing Advisory Committee

Mandy Dalrymple

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Ian Karasz

Tony Levison

Isabel Mikovich

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Helen Silfven

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Britta Ridge TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$8,782,431.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Veridian Ridge TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Britta Ridge TIF Plan.

“Report Accompanying Veridian TIF Plan” or “Report” means the official report that accompanies the Veridian TIF Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Tax increment finance area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “TIF area project(s)” or “project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies throughout the country wherein minorities and vulnerable populations were displaced to clear the way for redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

This Veridian TIF Plan was developed for the Bend City Council based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024, to support the development of new multi-unit housing with minimum numbers of more affordable units by providing development assistance in existing or through the creation of new TIF areas. The Policy was developed with input from BURA and the City advisory bodies – Core Area Advisory Board, Bend Economic Development Advisory Board, and the Affordable Housing Advisory Committee. This Plan was developed with public input at BURA meetings, a Planning Commission meeting, and meetings of the Bend City Council. This Plan will go into effect following adoption by the City Council.

A. Background

The Bend Urban Renewal Agency's Policy Justification for the Policy noted:

Bend has a very low residential vacancy rate and many households are spending more than 30% of their household income on housing costs. An average individual/household would need to make \$72,000 to not be cost burdened to afford current market rent. Currently, 81% of occupations in the Bend Redmond MSA cannot adequately support market rate rent on a single income. Those making \$43,000 or less account for nearly 50% of total employment. The number of Bend households that cannot adequately afford market rate rent is 45%.¹

Providing incentives for housing affordability starting at 90% area median income for multi-unit rental units, with additional incentives for developments meeting certain energy efficiency and supplier diversity criteria, will assist in meeting the City of Bend's affordable housing and other Council goals.

The City of Bend currently incentivizes housing affordable to households making 60% and 80% AMI or less through its Non-Profit and Qualifying Rental Property Tax Exemptions. This Plan and Projects incentivize creation of additional units of market rate housing integrated with units that are affordable to households making 90% AMI or less.

ORS chapter 457 allows for the use of tax increment revenues, a financing source that is unique to TIF areas, to fund projects within a specific boundary. Tax increment revenues - the amount of property taxes generated by the increase in total assessed values within a TIF area from the time an area is first established - are used to repay borrowed funds or meet contractual obligations. The borrowed funds and contractual obligations fund projects within an area that meet the goals of the plan and cannot exceed the maximum indebtedness amount set by a TIF plan.

The purpose of a TIF area is to improve specific areas of a municipality that are poorly developed or underdeveloped, called blighted areas in ORS chapter 457. These areas can

¹ Bend Urban Renewal Policy Justification for the Tax Increment Assistance for Housing Affordability and Employment Growth, presented on August 7, 2024

have property that is undeveloped or underdeveloped, old or deteriorated buildings, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, TIF area projects funded with tax increment can include construction or improvement of streets, utilities, and other public facilities, assistance for development, rehabilitation or redevelopment of property, and improvements to public spaces. The Bend Urban Renewal Agency’s Policy allows the creation of TIF areas consisting of a single or small number of tax lots in the City currently not included in an existing tax increment area to support construction of new housing that includes More Affordable Housing, for households earning 90% AMI or less. The development assistance for the project in the new TIF area may consist of a rebate of a portion of the tax increment to the property owner in exchange for making a minimum percentage of units available to households earning 90% AMI or less at rents affordable to those households, and agreeing to limit annual rent increases to lower than the maximum rental increases allowed under ORS 90.323 for those rent restricted units. The actual rebate amount and number of affordable units in the development will be set in an agreement between BURA and the property owner and based on the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth, consistent with the provisions of this Plan.

This Plan will support the development of housing that includes More Affordable Units and the other requirements of the Policy, in an area known as Veridian, shown in Figure 1.

The Plan reflects input from the community received at public meetings at the Agency and hearings before the Planning Commission and the City Council.

The Plan is anticipated to last 30 years, resulting in 30 years of tax increment collection.

The Plan is to be administered by the Agency. Substantial amendments to the Plan must be approved by City Council as outlined in Section VII of this Plan. All amendments to the Plan are to be listed numerically on the inside over of the front page of the Plan and then incorporated into the Plan, document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the noted statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XIII
ORS 457.085(2)(d)	XII
ORS 457.085(2)(e)	XI

ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII

B. TIF Area Overview

The Veridian TIF Plan Area shown in Figure 1, consists of approximately 2.81 total acres.

This TIF Area meets the definition of a blighted area due to undeveloped status resulting in the unproductive land that is potentially useful and valuable for contributing to the public health, safety, and welfare as the location of new housing units, and impaired investments. These blight conditions are specifically cited in the ordinance adopting the Plan and described in detail in the Report.

The Report contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area;
- The expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of the Area;
- The relationship between each Project to be undertaken and the existing conditions;
- The estimated total cost of each Project and the source(s) of funds to pay such costs;
- The estimated completion date of each Project;
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the Area; and
- A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is a legal term for the total amount of money that can be spent on projects, programs, and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$8,782,431 (Eight Million Seven Hundred and Eighty Two Thousand, Four Hundred and Thirty One Dollars). This amount is the principal of such indebtedness and does not include interest or

indebtedness incurred to refund or refinance existing indebtedness, or interest earned on bond proceeds. The projects under this plan are not anticipated to be financed through bonds, but primarily through rebate of property taxes paid.

IV. PLAN GOALS

The goals of the Plan represent its basic intent and purpose. The TIF Projects identified in Sections V and VI of the Plan are specific means of meeting the goals. The goals will be pursued as economically as is feasible and at the discretion of the Agency.

A. Housing Development

To increase the supply of housing by providing financial incentives for the development of housing in the City of Bend.

B. Encourage More Affordable Housing

To increase the supply of more affordable housing options by providing financial incentives for the development of more affordable housing in the City of Bend.

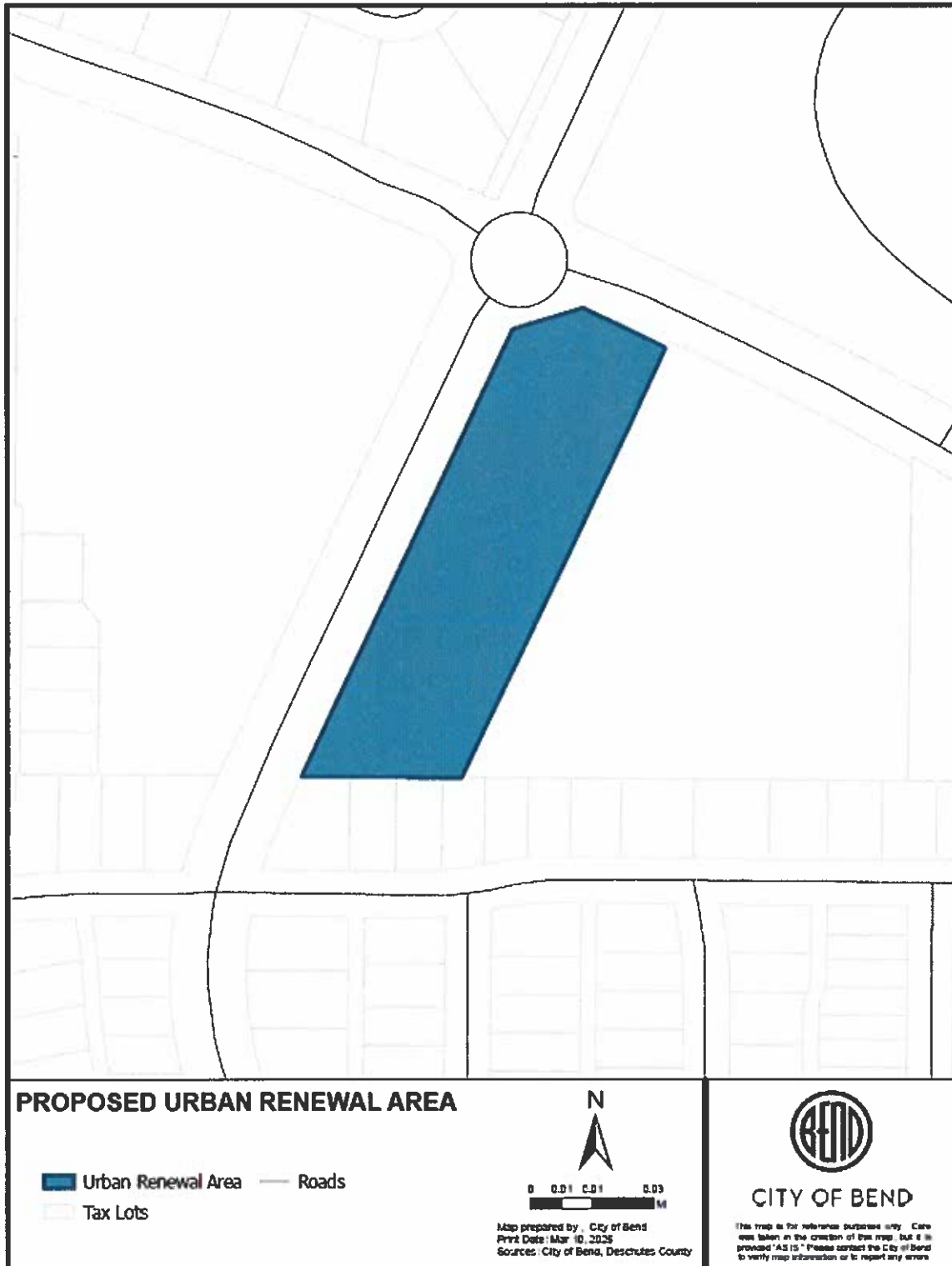
C. Encourage Energy Efficiency Housing

To increase the number of energy-efficient certified housing projects by providing financial incentives for the utilization of energy efficiency standards in the construction of housing projects that lower overall housing costs for households and reduce carbon emissions.

D. Administration.

To provide administrative support for the implementation of the Plan.

Figure 1 – Veridian TIF Area Boundary



Source: City of Bend

V. TIF AREA PROJECT CATEGORIES

To support the Plan Goals described in the previous section, the Projects within the Area fall into the following categories:

- A. Housing Development and Development Incentives, Partnership, and Support*
- B. Plan Administration, Implementation, Reporting, and Support*

VI. TIF AREA PROJECTS

The Projects authorized by the Plan are:

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a multi-unit apartment complex in the Area approved by the City of Bend under application number PLSPR20220819, as it may be modified, consistent with the goals of this Plan. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units. A guideline for the amount of Assistance is provided in the Report accompanying the Plan.

B. Plan Administration, Implementation, Reporting, and Support

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation, and annual reports pursuant to ORS 457.460.

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to BURA, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City, as required by ORS 457.120.

Substantial Amendments shall be processed in accordance with ORS 457.095 and 457.220.

Substantial Amendments are amendments that:

1. Add land to the Area, representing more than 1% of the existing area of the Area;²
or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS chapter 457. Minor Amendments require approval by BURA by resolution.

The projects proposed in the Plan and Report are organized by project categories. If BURA determines that the allocation of funds within a project category should be adjusted based on needs within the Area, they may do so through a Minor Amendment.³

VIII. PROPERTY ACQUISITION AND DISPOSITION

Property acquisition and disposition are not eligible activities under the Plan.

IX. RELOCATION METHODS

There are no persons living in or business situated in the Plan Area, therefore relocation is not part of this Plan.

² Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law, with increases beyond that amount requiring concurrence as stated in ORS 457.

³ Project costs may be impacted by grants, timing, cost savings, inflation, or other external forces unanticipated at this time but which may occur over the 32-year life of this Area.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds, or contractual obligations for TIF projects under a TIF plan.

Tax increment revenues are the revenue received from increases in property taxes based on the *increase* in assessed value within a TIF area over the total assessed value from the time a plan is adopted. Increment does not include property taxes levied to pay for General Obligation (GO) bonds and local option levies.

A. General description of the proposed financing method

The Plan will be financed using tax increment revenues. Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in planning and undertaking project activities, and otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this Plan, including preparation of the Plan. No bonds will be issued to finance the activities in the Plan.

B. Tax increment financing

The Plan may be financed, in whole or in part, by tax increment revenues allocated to BURA, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to BURA based upon the distribution schedule established under ORS 311.390.

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

XI. ANNUAL REPORT

BURA shall file an Annual Report in compliance with ORS 457.460.

XII. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan describe the relationship of the plan to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements. This section provides that analysis. Relevant local planning and development objectives are set out in the Bend Comprehensive Plan, Bend Economic Development Advisory Board Strategic Plan, and the Bend Development Code. This section describes the purpose and

intent of these plans, the main applicable goals and policies within each plan, and an explanation of how this Plan conforms to the applicable goals and policies.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. The language from the original document is in *italics*.

All of the land in the Area is designated High Density Residential in the Comprehensive Plan, and zoned High Density Residential (RH) in the Bend Development Code. Allowed land uses, maximum densities, and building requirements for all land in the Area are governed by the Bend Development Code, as described in subsection C of this Section XIII.

A. Bend Comprehensive Plan

The analysis of how the Plan conforms to the Comprehensive Plan covers the most relevant sections, but may not cover every section of the Comprehensive Plan that relates to the Plan.

If the Comprehensive Plan policies identified in the Plan are updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment is completed in the future, this section of the Plan should be updated at that point.

Below are applicable Comprehensive Plan policies and statements of how the Plan conforms to these Comprehensive Plan policies.

Chapter 1 Citizen Involvement

Policies

- 1-4 *The City and special districts shall work toward the most efficient and economical method for providing their services within the UGB.*
- 1-7 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 1-15 *The City shall continue to use advisory committees in their planning process, members of which are selected by an open process, and who are widely representative of the community.*
- 1-16 *The City will use other mechanisms, such as, but not limited to, meetings with neighborhood groups, planning commission hearings, design workshops, and public forums, to provide an opportunity for all the citizens of the area to participate in the planning process.*

Finding: The Plan conforms to Chapter 1 Citizen Involvement as there has been extensive citizen involvement in the preparation of the Plan and all related BURA policies. The Plan and Project support compact development within the Urban Growth Boundary by supporting residential development in the High Density Residential (RH) zone, near residential and

commercial uses. The identified Project supports infill development on currently undeveloped lots within a generally developed area.

Over twenty-five opportunities for public involvement were provided in the course of development of the Policy supporting this Plan. In this process, the Bend Economic Development Advisory Board, the Affordable Housing Advisory Committee, Core Area Advisory Board, the Bend Chamber of Commerce, Economic Development of Central Oregon, and a round table of housing developers provided input on development of the Policy supported by this Plan. Specific to public involvement in this Plan, BURAs, the Planning Commission, and the City Council all held public meetings regarding this Plan, at which public comment was accepted, prior to the adoption of this TIF Plan and Report.

Chapter 5 Housing

Policies

- 5-7 *The City will continue to create incentives for and remove barriers to development of a variety of housing types in all residential zones, consistent with the density ranges and housing types allowed in the zones. This policy is intended to implement the City’s obligation under the State Housing Goal to “encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type, and density”.*
- 5-18 *The City will assist in identifying, obtaining and leveraging funding sources for the development of new housing for very low, low, and moderate - income residents, as determined by appropriate percentages of Area Median Family income in the Housing Needs Assessment.*
- 5-31 *Residential areas will offer a wide variety of housing types in locations best suited to a range of housing types, needs and preferences.*
- 5-38 *Medium-and high-density residential developments should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to the highest concentrations of population.*

Policy 5-20 defines affordable, in the case of dwelling units offered for rent, as housing for which the rent and utilities constitute no more than 30 percent of such gross annual household income for a family at 60% of the area median income, based upon most recent HUD Income Limits for the Bend MSA. Policy 5-20 provides that other programs or policies can specify other levels of affordability.

Finding: The Plan conforms to Chapter 5 Housing as the Housing Development and Development Assistance, Partnership, and Support Project will encourage the development of housing for households earning 90% AMI or less, along with market rate units, meeting housing needs identified in the Oregon Housing Needs 2025 Methodology for the Bend UGB, supporting the goals of the Comprehensive Plan and Policy 5-20 to provide affordability at additional income levels. The Area has access to transit, K-12 public schools, commercial services,

employment, and public open space. The Area is adjacent to a higher education institution, Central Oregon Community College, near K-12 public schools and public parks, and is in a High Density Residential (RH) zone. The surrounding properties are zoned Standard Density Residential, developed with single-unit homes, RH, developed with a large church facility and associated improvements, and Public Facilities, developed with a higher education institution. The Area is .5 miles from an area zoned and developed with industrial, commercial, and mixed employment uses.

Chapter 11: Growth Management

Employment Districts

- 11-1 *The City will encourage compact development and the integration of land uses within the Urban Growth Boundary to reduce trips, vehicle miles traveled, and facilitate non-automobile travel.*
- 11-6 *Medium and high-density residential development should have good access to transit, K-12 public schools where possible, commercial services, employment and public open space to provide the maximum access to highest concentrations of population.*
- 11-3 *The City will ensure that development of large blocks of vacant land makes efficient use of land, meets the city’s housing and employment needs, and enhances the community.*
- 11-23 *The City will encourage development and redevelopment in commercial corridors that is transit-supportive and offers safe and convenient access and connections for all modes.*

Finding: The Plan conforms to Chapter 11 Growth Management as for the Project encourages compact development and integration within the Urban Growth Boundary, makes efficient use of large blocks of vacant land that meets the City’s housing needs, and supports development and redevelopment along transit-supportive corridors, and offers access and connections for all modes in the Area. To the extent not provided by the existing transportation improvements, the development supported by this Plan will be required to make infrastructure improvements as set out in the Bend Development Code.

B. Bend Economic Development Advisory Board Strategic Plan

The Bend Municipal Code requires the Bend Economic Development Advisory Board (BEDAB) to create a three-year strategic plan, identifying projects and guiding the work of the city’s nine-member board as it seeks to:

- Advocate: Provide input into City policy and procedures from a private sector perspective.
- Facilitate: Broker entrepreneurial support among existing community resources.
- Market: Brand and guide marketing efforts of Bend as “Open for Business.”
- Coordinate: Organize and oversee City resources applied to economic development.

The following goal and strategy from the 2022-2024 BEDAB Strategic Plan is directly related to the Plan.

Goal 2: Monitor and provide input on other relevant City policies relating to economic development

- *Support policies that provide for a spectrum of workforce housing opportunities*

Finding: The Plan conforms to the Bend Economic Development Advisory Board Strategic Plan as for the Project will create additional market rate and 90% AMI or less housing units in the Area, supporting the Bend workforce.

A. Bend Development Code

The Projects in the Area supported by the Plan conform to the zoning in the Bend Development Code, including maximum densities and building requirements, and those provisions of the Bend Development Code are incorporated by reference herein. The entirety of the area is zoned High Density Residential (RH).

As the *Bend Development Code* is updated, the references to the Bend Development Code in this document will be deemed to incorporate those updates without the Plan having to be formally amended. If a Substantial Amendment to this Plan is completed in the future, this section will be updated to match the current zoning designations. The provisions of the Bend Development Code in effect at the time of development approval will apply for any development assisted by this Plan.

B.2 – Residential Districts

Bend Development Code Section 2.1.100 Purpose and Applicability

High Density Residential (RH) - The High Density Residential District is intended to provide land for primarily high density multi-unit residential in locations close to shopping and services, transportation and public open space and to provide a transitional use area between other Residential Districts and other less restrictive areas.

Finding: The Plan conforms to the Bend Development Code as the Projects and expenditures proposed in the Plan conform to the requirements in the Bend Development Code and support the types of uses allowed in the zoning present in the Area. The Project will support development of a multi-unit apartment complex that the City has approved under application number PLSPR20220819. This development will be required to comply with the provisions of BDC Chapter 3.4, Public Improvement Standards, and other provisions of the Bend Development Code to provide sufficient public infrastructure to serve the development. The proposal includes the build-out of an undeveloped site, in a generally developed area.

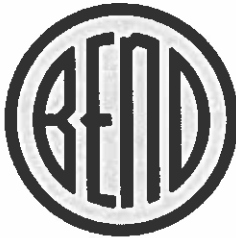
XIII. PLAN AREA LEGAL DESCRIPTION

Development Tract B of Outcrop of subdivision of portion of land located in the Southwest One-Quarter (SW1/4) of Section 25, Township 17 South, Range 11 East, Willamette Meridian, City of Bend, Deschutes County, Oregon

EXHIBIT A

Veridian Tax Increment Finance Plan - Report

**DRAFT FOR PUBLIC COMMENT AND REVIEW
NOT ADOPTED**



CITY OF BEND

**BUILDING ON OUR PAST
SERVING THE PRESENT
SHAPING BEND'S FUTURE**

LIST OF PARTICIPANTS

Mayor

Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

Mike Riley

Megan Norris

Steve Platt

Planning Commission

Margo Clinton, Chair

Scott Winters, Vice-Chair

Bob Gressens

Suzanne Johannsen

John LaMotte

Erin Ludden

Nathan Nelson

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Eric King

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Samantha Nelson

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Ian Leitheiser

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Elizabeth Oshel

Real Estate Director

Matt Stuart

Urban Renewal Manager

Jonathan Taylor

Planning Manager

Renée Brooke

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Racheal Baker

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Ariel Méndez

Megan Noris

Steve Platt

Melanie Kebler

Megan Perkins

Core Area Advisory Board

Corie Harlan, Chair

Dale VanValkenburg, Vice-Chair

Dawn Cofer

Hank Kamakaala

James Teeter

Jeff Baker

John Fischer

John Heylin

Katherine Austin

Bend Economic Development Advisory Board

Gary North, Chair

DaWayne Judd, Vice-Chair

Briana Manfrass

Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Oroslanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

Alison Hohengarten

Ian Karasz

Tony Levison

Isabel Mikovich

Richard Reese

Helen Silfven

Heather Simmons

Geoff Wall

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Veridian TIF Plan and other TIF plans previously adopted in the City of Bend.

“Annual report” is the report required by ORS 457.460 that is filed with the City of Bend and distributed to the taxing districts.

“Area” or “TIF Area” or “Plan Area” means the tax increment finance area established for this Plan pursuant to ORS chapter 457, and described in Section XIII of the Plan, below, including the properties and rights-of-way located therein.

“Area Median Income” or “AMI” means the area median income as determined by the most recent United States Department of Housing and Urban Development for the Bend Metropolitan Statistical Area at the time of the household’s application for housing.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting a TIF plan.

“Board of Commissioners” means the Deschutes County Board of Commissioners.

“City” means the City of Bend, Oregon.

“City Council” or “Council” means the Bend City Council.

“Comprehensive Plan” means the City of Bend Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County, Oregon.

“Fiscal year” or “FYE” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement from the assessor (frozen base).

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$8,782,431.

“More Affordable Housing” is housing that is rented at rates equal to or less than 30% of household income to households earning 90% of area median income (AMI) or less. It assumes housing is available to residents at a range of incomes, at or below 90 percent of AMI.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Plan” or “Veridian Area TIF Plan” or “TIF Plan” means the adopted plan for the TIF Area pursuant to ORS chapter 457.

“Planning Commission” means the Bend Planning Commission.

“Policy” means the Policy for Tax Increment Assistance for Housing Affordability and Employment Growth adopted by BURA Resolution No. 158 on October 16, 2024.

“Policy Justification” means a document with an analysis of the local housing and employment market for the City of Bend used to establish policy parameters for the Tax Increment Assistance for Housing Affordability and Employment Growth.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the Veridian TIF Plan.

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“Tax increment finance area report” or “report” means the official report that accompanies the TIF plan pursuant to ORS 457.087.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

“Tax increment revenues” means the funds allocated by the assessor to renewal TIF area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

Note on language: This Plan, wherever applicable and permissible, uses the term Tax Increment Finance or TIF rather than “urban renewal”. The term TIF is used consistently in other parts of the nation and does not evoke past practices of other urban renewal agencies

throughout the country wherein minorities and vulnerable populations were displaced to clear the way for redevelopment. This Plan aims to avoid those connotations and has been created with intention to avoid those outcomes. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Plan.

II. INTRODUCTION

The Report contains background information and project details that pertain to the Veridian TIF Area Plan. The Report is not a legal part of the Plan but provides public information and supports the findings made by the Bend City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area, ORS 457.087(1)
- Expected impact of the Plan, including fiscal impact in light of increased services, ORS 457.087(1)
- Reasons for selection of the area, ORS 457.087(2)
- The relationship between each project to be undertaken and the existing conditions, ORS 457.087(3)
- The estimated total cost of each project and the source of funds to pay such costs, ORS 457.087(4)
- The estimated completion date of each project, ORS 457.087(5)
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired, ORS 457.087(6)
- A financial analysis of the Plan, ORS 457.087(7)
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area, ORS 457.087(8)
- A relocation report, ORS 457.087(9)

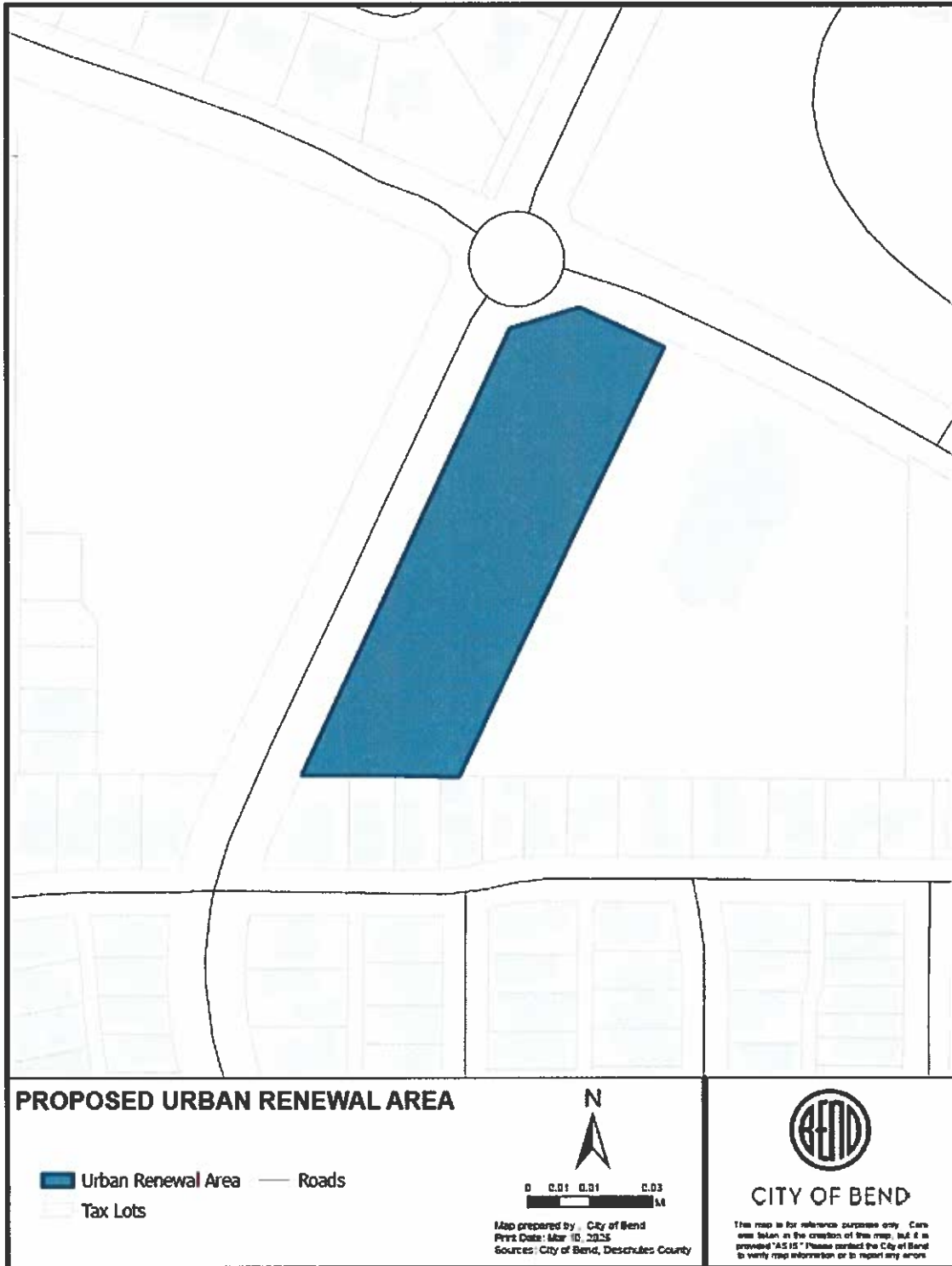
The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087(1)	X, VIII
ORS 457.087(2)	XI
ORS 457.087(3)	II
ORS 457.087(4)	III
ORS 457.087(5)	VI
ORS 457.087(6)	IV,V
ORS 457.087(7)	IV,V
ORS 457.087(8)	VIII
ORS 457.087(9)	XII

The Report provides guidance on how the Plan might be implemented. The Agency has the authority to adjust the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the overall maximum indebtedness of the Plan.

Figure 1 – Veridian TIF Area Boundary



Source: City of Bend

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN TIF DISTRICT PROJECTS AND THE EXISTING CONDITIONS IN THE TIF DISTRICT

The projects identified for the Veridian TIF Plan Area are described below, including how they relate to the existing conditions in the Plan Area.

A. Housing Development and Development Assistance, Partnership, and Support

This Project will provide incentives for the development of housing units and More Affordable Housing in the Plan Area. The development to be supported by this Project is a 69-unit apartment complex in the Area approved by the City of Bend under application number PLSPR20220819. Incentives may be in the form of either an annual tax increment reimbursement payment over a specified period and/or payment of City development fees associated with the proposed development project (i.e., system development charges) (“Assistance”). The form of Assistance for the Project will be determined through a development agreement with the developer of the housing that stipulates the amount and timing of the development and the amount and timing of the incentive.

BURA staff will conduct pre-development meetings with a developer of property within the Area to identify the financing needs of the site. Staff will recommend a financing package not to exceed the maximum indebtedness to the Agency that will contain recommendations on the appropriate length of incentive through negotiations with the developer for the development of the housing units. A development agreement, approved by the Agency will set out the method of providing the Assistance to the eligible project and a commitment by the developer owner for providing the required More Affordable Units.

A guideline for the amount of incentive is shown in the Table 2 of this Report. This is a guideline only, and actual assistance provided will be set through development agreements with BURA, balancing the needs for administration and incentives.

Existing Conditions: The property is currently undeveloped. There are impaired investments as identified in Section X of this Report. As described in the Plan and the adopting documents, there is a lack of residential housing units and affordable housing units in Bend.¹ The Plan will support development of housing in the Area, including improvements to presently deficient on-site infrastructure, increase the supply of housing units, and provide housing units affordable for households in income ranges for which there is presently a lack of affordable units in Bend.²

¹ City of Bend Comprehensive Plan
² Oregon Housing Needs Assessment 2025 Methodology

B. Administration

The Agency may provide administration of the Plan including but not limited to staff support, legal counsel assistance, review of annual payments, financial statements, budget preparation and annual reports pursuant to ORS 457.460.

Existing Conditions: There is presently not a TIF area in this location. Therefore, there is no existing funding or need for administration in the Area by BURA. This project would provide that administrative support.

A table showing the projects and total estimated costs is shown in The total cost estimates for the Projects are shown in **Table 2** below. These are all estimates acknowledging that these project activities must fit within the maximum indebtedness. These costs are shown in nominal, year of expenditure (YOE) dollars, and are equal to the maximum indebtedness of \$8,782,431. The estimated project costs assume development assistance of 97% of the tax increment from the Plan to the developer incentive project and 3% to the Agency for administration of the Plan.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared

Table 2. The total costs are estimated based on the projected future assessed value of the project.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for the Projects are shown in **Table 2** below. These are all estimates acknowledging that these project activities must fit within the maximum indebtedness. These costs are shown in nominal, year of expenditure (YOE) dollars, and are equal to the maximum indebtedness of \$8,782,431. The estimated project costs assume development assistance of 97% of the tax increment from the Plan to the developer incentive project and 3% to the Agency for administration of the Plan.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared

Table 2 - Estimated Cost of Each Project, (\$2025)

Project	Estimated Cost	Percentage of Total
Development Assistance	\$8,518,958	97%
Administration	\$263,473	3%
TOTAL	\$8,782,431	100%

Source: City of Bend

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through fiscal year ending (“FYE”) 2055 are calculated based on projections of the growth in assessed value of new development within the TIF Area and the consolidated tax rate that will apply in the TIF Area.

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, truncation loss, and receipt of delinquent taxes from prior years.³

The incremental assessed value is the estimated assessed value based on real market value of the proposed project as determined by the Deschutes County Property Tax Estimator as provided by the applicant.

The first year of tax increment collections is anticipated to be FYE 2028. Gross tax increment financing revenue (the column titled Gross TIF, in Table 3) is calculated by multiplying the tax rate times the excess value used. Excess value is the increased in assessed value over the frozen base. The tax rate is expressed per thousand dollars of assessed value, so the calculation is “tax rate times excess value used divided by one thousand.” The column titled Net TIF Revenue in Table 3 also indicates the total Maximum Indebtedness proposed in this plan as referenced in Table 2, and represents the gross TIF, less expected discounts, to show the total amount of increment expected to be received by BURA in each year of the Plan.

³ In Oregon, when the full amount of the property tax bill is paid by November 15, the taxpayer gets a 3 percent discount. If the taxpayer pays two thirds of the tax by November 15, they get a 2 percent discount. To get a discount on the current year’s tax bill, all delinquent taxes, penalty, and interest must first be paid in full (See: <http://www.oregon.gov/dor>, Property Tax Payment Procedure).

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total AV	Frozen Base	Increment	Increment		Tax Rate	Gross TIF	Truncation Discount	Net TIF Revenue ⁴	Admin Cost	Eligible Project Costs
				Increment	Used						
2026	\$0	\$0	\$0	-	-	\$13.2079	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	-	-	\$13.2079	\$0	\$0	\$0	\$0	\$0
2028	\$15,645,000	\$0	\$15,645,000	-	-	\$13.2079	\$206,638	\$2,066	\$204,571	\$6,137	\$198,434
2029	\$16,114,350	\$0	\$16,114,350	-	-	\$13.2079	\$212,837	\$2,128	\$210,708	\$6,321	\$204,387
2030	\$16,597,781	\$0	\$16,597,781	-	-	\$13.2079	\$219,222	\$2,192	\$217,030	\$6,511	\$210,519
2031	\$17,095,714	\$0	\$17,095,714	-	-	\$13.2079	\$225,798	\$2,258	\$223,540	\$6,706	\$216,834
2032	\$17,608,585	\$0	\$17,608,585	-	-	\$13.2079	\$232,572	\$2,326	\$230,247	\$6,907	\$223,339
2033	\$18,136,843	\$0	\$18,136,843	-	-	\$13.2079	\$239,550	\$2,395	\$237,154	\$7,115	\$230,039
2034	\$18,680,948	\$0	\$18,680,948	-	-	\$13.2079	\$246,736	\$2,467	\$244,269	\$7,328	\$236,941
2035	\$19,241,377	\$0	\$19,241,377	-	-	\$13.2079	\$254,138	\$2,541	\$251,597	\$7,548	\$244,049
2036	\$19,818,618	\$0	\$19,818,618	-	-	\$13.2079	\$261,762	\$2,618	\$259,145	\$7,774	\$251,370
2037	\$20,413,176	\$0	\$20,413,176	-	-	\$13.2079	\$269,615	\$2,696	\$266,919	\$8,008	\$258,911
2038	\$21,025,572	\$0	\$21,025,572	-	-	\$13.2079	\$277,704	\$2,777	\$274,927	\$8,248	\$266,679
2039	\$21,656,339	\$0	\$21,656,339	-	-	\$13.2079	\$286,035	\$2,860	\$283,174	\$8,495	\$274,679
2040	\$22,306,029	\$0	\$22,306,029	-	-	\$13.2079	\$294,616	\$2,946	\$291,670	\$8,750	\$282,920
2041	\$22,975,210	\$0	\$22,975,210	-	-	\$13.2079	\$303,454	\$3,035	\$300,420	\$9,013	\$291,407
2042	\$23,664,466	\$0	\$23,664,466	-	-	\$13.2079	\$312,558	\$3,126	\$309,432	\$9,283	\$300,149
2043	\$24,374,400	\$0	\$24,374,400	-	-	\$13.2079	\$321,935	\$3,219	\$318,715	\$9,561	\$309,154
2044	\$25,105,632	\$0	\$25,105,632	-	-	\$13.2079	\$331,593	\$3,316	\$328,277	\$9,848	\$318,428
2045	\$25,858,801	\$0	\$25,858,801	-	-	\$13.2079	\$341,540	\$3,415	\$338,125	\$10,144	\$327,981
2046	\$26,634,565	\$0	\$26,634,565	-	-	\$13.2079	\$351,787	\$3,518	\$348,269	\$10,448	\$337,821
2047	\$27,433,602	\$0	\$27,433,602	-	-	\$13.2079	\$362,340	\$3,623	\$358,717	\$10,762	\$347,955
2048	\$28,256,610	\$0	\$28,256,610	-	-	\$13.2079	\$373,210	\$3,732	\$369,478	\$11,084	\$358,394
2049	\$29,104,309	\$0	\$29,104,309	-	-	\$13.2079	\$384,407	\$3,844	\$380,563	\$11,417	\$369,146
2050	\$29,977,438	\$0	\$29,977,438	-	-	\$13.2079	\$395,939	\$3,959	\$391,980	\$11,759	\$380,220
2051	\$30,876,761	\$0	\$30,876,761	-	-	\$13.2079	\$407,817	\$4,078	\$403,739	\$12,112	\$391,627
2052	\$31,803,064	\$0	\$31,803,064	-	-	\$13.2079	\$420,052	\$4,201	\$415,851	\$12,476	\$403,376
2053	\$32,757,156	\$0	\$32,757,156	-	-	\$13.2079	\$432,653	\$4,327	\$428,327	\$12,850	\$415,477
2054	\$33,739,870	\$0	\$33,739,870	-	-	\$13.2079	\$445,633	\$4,456	\$441,177	\$13,235	\$427,941
2055	\$34,752,066	\$0	\$34,752,066	-	-	\$13.2079	\$459,002	\$4,590	\$454,412	\$13,632	\$440,779
Total									\$8,782,431	\$263,473	\$8,518,958

Source: City of Bend

⁴ Net TIF Revenue is used to establish the total Maximum Indebtedness of the Veridian TIF Plan.

VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

The maximum indebtedness is \$8,782,431 (Eight Million, Seven Hundred and Eighty Two Thousand, Four Hundred and Thirty One Dollars). This is also the estimated total amount of tax increment revenues required to service the maximum indebtedness as no formal borrowings or interest payments are anticipated in the Plan.

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Anticipated annual expenditures for program administration are shown in Table 2.

The Agency is anticipated to complete the projects and to terminate the Plan in FYE 2055, allowing two years for construction of the housing assisted by the Plan and 30 years of increment rebate and housing affordability, for a 30-year Plan duration.

VIII. REVENUE SHARING

Revenue sharing thresholds are not projected to be reached during the life of the Plan.

Revenue sharing thresholds are not projected to be reached during the life of the Plan.

Revenue sharing is defined in ORS 457.470 and requires that the impacted taxing jurisdictions receive a share of the incremental growth in the Plan Area when annual tax increment finance revenues exceed 10% and 12.5% of the original maximum indebtedness of the Plan. For this Plan, 10% equals \$878,243. As shown in the column labeled Gross TIF in Table 3, neither threshold is projected to be reached during the life of the Plan.

If either threshold is met, the Agency will comply with statutory requirements for revenue sharing.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the TIF Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the TIF Area. These projections show the estimated tax revenues that would be received by the taxing districts if the development assisted by the Plan were to occur without the Plan. Table 4 and Table 5 shows impacts estimated through FYE 2057.

The Bend-La Pine School District is not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. If new school aged students move into these units and attend the local schools, the funding through the State School Fund would increase.

Table 4 and Table 5 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 4 shows the general government levies, and Table 5 shows the education levies.

Table 4 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	City of Bend	Deschutes County	County Library	Countywide Law Enforcement	County Extension	9-1-1	Bend Parks and Recreation District	Total
2026	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2028	\$43,861	\$19,999	\$8,605	\$19,556	\$350	\$5,660	\$22,857	\$120,889
2029	\$45,177	\$20,599	\$8,863	\$20,143	\$361	\$5,830	\$23,543	\$124,516
2030	\$46,532	\$21,217	\$9,129	\$20,747	\$372	\$6,005	\$24,249	\$128,251
2031	\$47,928	\$21,853	\$9,403	\$21,370	\$383	\$6,185	\$24,977	\$132,099
2032	\$49,366	\$22,509	\$9,685	\$22,011	\$394	\$6,371	\$25,726	\$136,062
2033	\$50,847	\$23,184	\$9,975	\$22,671	\$406	\$6,562	\$26,498	\$140,143
2034	\$52,372	\$23,880	\$10,275	\$23,351	\$418	\$6,759	\$27,293	\$144,348
2035	\$53,943	\$24,596	\$10,583	\$24,052	\$431	\$6,962	\$28,112	\$148,678
2036	\$55,561	\$25,334	\$10,900	\$24,773	\$444	\$7,170	\$28,955	\$153,138
2037	\$57,228	\$26,094	\$11,227	\$25,516	\$457	\$7,385	\$29,824	\$157,733
2038	\$58,945	\$26,877	\$11,564	\$26,282	\$471	\$7,607	\$30,718	\$162,465
2039	\$60,714	\$27,683	\$11,911	\$27,070	\$485	\$7,835	\$31,640	\$167,339
2040	\$62,535	\$28,514	\$12,268	\$27,883	\$500	\$8,070	\$32,589	\$172,359
2041	\$64,411	\$29,369	\$12,636	\$28,719	\$515	\$8,312	\$33,567	\$177,529
2042	\$66,343	\$30,250	\$13,015	\$29,581	\$530	\$8,562	\$34,574	\$182,855
2043	\$68,334	\$31,158	\$13,406	\$30,468	\$546	\$8,819	\$35,611	\$188,341
2044	\$70,384	\$32,093	\$13,808	\$31,382	\$562	\$9,083	\$36,679	\$193,991
2045	\$72,495	\$33,055	\$14,222	\$32,324	\$579	\$9,356	\$37,780	\$199,811
2046	\$74,670	\$34,047	\$14,649	\$33,293	\$597	\$9,636	\$38,913	\$205,805
2047	\$76,910	\$35,068	\$15,088	\$34,292	\$615	\$9,925	\$40,080	\$211,979
2048	\$79,217	\$36,120	\$15,541	\$35,321	\$633	\$10,223	\$41,283	\$218,339
2049	\$81,594	\$37,204	\$16,007	\$36,380	\$652	\$10,530	\$42,521	\$224,889
2050	\$84,042	\$38,320	\$16,488	\$37,472	\$671	\$10,846	\$43,797	\$231,636
2051	\$86,563	\$39,470	\$16,982	\$38,596	\$692	\$11,171	\$45,111	\$238,585
2052	\$89,160	\$40,654	\$17,492	\$39,754	\$712	\$11,506	\$46,464	\$245,742
2053	\$91,835	\$41,873	\$18,016	\$40,946	\$734	\$11,852	\$47,858	\$253,115
2054	\$94,590	\$43,130	\$18,557	\$42,175	\$756	\$12,207	\$49,294	\$260,708
2055	\$97,427	\$44,424	\$19,114	\$43,440	\$778	\$12,573	\$50,773	\$268,529
Total	\$1,882,983	\$858,576	\$369,410	\$839,568	\$15,045	\$243,005	\$981,287	\$5,189,873

Source: City of Bend

Table 5 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Bend La-Pine School District	Central Oregon CC	High Desert ESD	Total
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	\$74,534	\$9,706	\$1,508	\$85,749
2029	\$76,770	\$9,997	\$1,553	\$88,321
2030	\$79,073	\$10,297	\$1,600	\$90,971
2031	\$81,446	\$10,606	\$1,648	\$93,700
2032	\$83,889	\$10,924	\$1,697	\$96,511
2033	\$86,406	\$11,252	\$1,748	\$99,406
2034	\$88,998	\$11,590	\$1,801	\$102,388
2035	\$91,668	\$11,937	\$1,855	\$105,460
2036	\$94,418	\$12,295	\$1,911	\$108,624
2037	\$97,250	\$12,664	\$1,968	\$111,883
2038	\$100,168	\$13,044	\$2,027	\$115,239
2039	\$103,173	\$13,436	\$2,088	\$118,696
2040	\$106,268	\$13,839	\$2,150	\$122,257
2041	\$109,456	\$14,254	\$2,215	\$125,925
2042	\$112,740	\$14,681	\$2,281	\$129,703
2043	\$116,122	\$15,122	\$2,350	\$133,594
2044	\$119,606	\$15,576	\$2,420	\$137,601
2045	\$123,194	\$16,043	\$2,493	\$141,730
2046	\$126,890	\$16,524	\$2,568	\$145,981
2047	\$130,696	\$17,020	\$2,645	\$150,361
2048	\$134,617	\$17,530	\$2,724	\$154,872
2049	\$138,656	\$18,056	\$2,806	\$159,518
2050	\$142,816	\$18,598	\$2,890	\$164,303
2051	\$147,100	\$19,156	\$2,977	\$169,232
2052	\$151,513	\$19,731	\$3,066	\$174,309
2053	\$156,058	\$20,323	\$3,158	\$179,539
2054	\$160,740	\$20,932	\$3,253	\$184,925
2055	\$165,562	\$21,560	\$3,350	\$190,473
Total	\$3,199,828	\$416,694	\$64,747	\$3,681,270

Source: City of Bend

Please refer to the explanation of the schools funding in the preceding section

Table 6 shows the projected increased revenue to the taxing jurisdictions after termination of the Plan and tax increment collection by BURA is terminated. These projections are for FYE 2056.

The frozen base is the assessed value of the Plan Area established by the County Assessor at the time the Plan is established. Excess value is the increased assessed value in the Plan Area above the frozen base.

Table 6 - Additional Revenues Obtained after Termination of Tax Increment Financing in FYE 2056 (Year after Termination)

Taxing District	From Increment Value	From Frozen Base Value	Total
General Government			
City of Bend	\$100,350	\$0	\$100,350
Deschutes County	\$45,756	\$0	\$45,756
County Library	\$19,687	\$0	\$19,687
Countywide Law Enforcement	\$44,743	\$0	\$44,743
County Extension 9-1-1	\$802	\$0	\$802
Bend Parks and Recreation	\$12,950	\$0	\$12,950
Subtotal	\$276,585	\$0	\$276,585
Education			
Bend La-Pine School District	\$170,529	\$0	\$170,529
Central Oregon CC	\$22,207	\$0	\$22,207
High Desert ESD	\$3,451	\$0	\$3,451
Subtotal	\$196,187	\$0	\$196,187
Total	\$472,772	\$0	\$472,772

Source: City of Bend

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF TIF/URBAN RENEWAL AREAS

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in a TIF area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base of the Veridian TIF Area (using assumed FYE 2025 values) is projected to be \$0. The total assessed value of the City is \$16,125,929,179. The increment of the existing urban renewal areas is \$833,743,768. To get the total percentage of assessed value in TIF areas, divide the total assessed value of the City minus the increment of the TIF areas by the frozen base values of the urban renewal areas. Table 7 shows that in Bend, 3.35% of the City’s assessed value is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 7a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 7- Assessed Value Statutory Limit Verification

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Veridian	\$0	
TOTAL:	\$530,294,861	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$530,294,861
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.35%

Table 7a – Assessed Value Statutory Limit Verification –Proposed Districts (May 2025)

Bend Urban Renewal Areas	Frozen Base	Increment
Juniper Ridge	\$13,752,568	\$157,422,963
Murphy Crossing	\$72,685,192	\$65,530,594
Core Area	\$443,857,101	\$80,495,350
Veridian*	\$0	
Britta Ridge*	\$269,110	
Century*	\$3,559,680	
TOTAL:	\$534,123,651	\$303,448,907
Calculation		

A. City of Bend Total AV	\$16,125,929,719
B. Total Frozen Base of URAs	\$534,123,651
C. Total Increment of URAs	\$303,448,907
<hr/>	
D. Frozen Base as % of City	
AV: B/(A-C)	3.38%
* May 2025 Recommended Plan Areas	

Source: City of Bend and Deschutes County Assessor, SAL 4c (FYE 2025)

AV – assessed value
 Frozen base – assessed value the urban renewal area at the time it is established
 Increment – increased assessed value over the frozen base
 URA – urban renewal area

The Veridian TIF Area contains 2.81 acres. There are 1,640.12 acres in other TIF areas in the City. The City contains 21,315.8 acres. 7.68% of the City’s acreage is located in TIF areas, which is below the 15% threshold. The City is considering adopting three new TIF areas in May 2025. Table 8a shows that if all areas proposed for adoption in May 2025 are created, total TIF areas in the City are below the 15% threshold.

Table 8- Acreage Statutory Limit Verification

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
Century	2.81
<i>Total</i>	<i>1,637.07</i>
City of Bend	21,315.80
URA as % of City of Bend	7.68%

Source: City of Bend

Table 8a – Acreage Statutory Limit Verification – Proposed Districts (May 2025)

Bend Urban Renewal Areas	Acreage
Juniper Ridge	721.95
Murphy Crossing	275.15
Core Area	637.16
<i>Veridian*</i>	<i>2.81</i>
<i>Britta Ridge*</i>	<i>6.16</i>
<i>Century*</i>	<i>9.20</i>
Total	1,652.43
City of Bend	21,315.80
URA as % of City of Bend	7.75%

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Plan Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Plan Area measures 2.81 total acres in size. The present land use is vacant, undeveloped, and publicly owned property.

2. Zoning and Comprehensive Plan Designations

The Area is zoned High Density Residential (RH) and designated High Density Residential (RH) in the Comprehensive Plan.

B. Infrastructure

This section identifies the existing conditions in the Plan Area to assist in establishing blight in the ordinance adopting the Plan. This does not mean that all of these projects are included as projects to be undertaken in the Plan. The specific projects that are included in the Plan are listed in Section II of this Report.

1. Transportation

The Plan Area abuts NW Mt. Washington Drive and NW Shevlin Park Road. The streets are designated as minor arterials in the Bend Transportation System Plan (“TSP”). A residential development has been approved by the City with permit PLSPR20220819. The approved development is anticipated to be assisted by the Project in the Plan. The area’s transportation and rights-of-way are generally constructed in conformance with City Standards. The proposed development will construct two new street connections to NW Mt. Washington Drive and NW Shevlin Park Road in accordance with Bend Development Code 3.4, Mitigation 5 in the Traffic Analysis Memo and land-use permit PLSPR20220819.

There is presently no interior transportation system that provides multimodal access from the Plan Area to NW. Mt. Washington Drive and NW Shevlin Park Road. Buildout of the undeveloped sites within the Plan Area is proposed to connect to abutting rights-of-way with access improved to City Standards.

2. Other Utilities

The water, sewer, and storm infrastructure are available within surrounding streets/areas and are adequate to serve the site. The plan area is not currently served with City of Bend Sewer or Water. As stated land-use permit PLSPR20220819, the development must extend the 8-inch water main from the western plan and an 8-inch PVC sewer main from the northwest corner of the Plan Area that will meet City of Bend Standards.

C. Social Conditions

The Plan Area has no existing residents. The City of Bend is currently needs an additional 8,500 residential units across all income ranges by 2030⁵ to accommodate underproduction for existing need and 15,000 new residents.⁶ Building more housing units with emphasis on encouraging more affordable housing options are high priorities within the City according to both community statements and City Council 2023-2025 Goals.

The Plan Area is in Block Group 1 in Census Tract 13.02 in the City of Bend. Tables 9-13 show the social conditions for this block group.

Table 9 – Race in the Block Group 1

Race	Number	Percent
White alone	2,765	86%
Black or African American alone	0	0%
American Indian and Alaska Native alone	0	0%
Asian alone	34	1%
Native Hawaiian and Other Pacific Islander alone	0	0%
Some other race alone	22	1%
Two or more races	379	12%
TOTAL	3,200	100%

Source: American Community Survey 2023 5-year Estimates

Table 10 – Age in the Block Group 1

Age	Number	Percent
Under 5 years	167	5%
5 to 9 years	185	6%
10 to 14 years	157	5%
15 to 17 years	158	5%
18 to 24 years	75	2%
25 to 34 years	208	7%
35 to 44 years	534	17%
45 to 54 years	525	16%
55 to 64 years	495	15%
65 to 74 years	499	16%
75 to 84 years	170	5%

⁵ Oregon Housing Needs Analysis, 2025

⁶ Portland State University, Population Projects 2030

85 years and over	27	1%
TOTAL	3,200	100%

Source: American Community Survey 2023 5-year Estimates

Table 11 – Educational Attainment for Population 25 years and Over in Block Group 1

Educational Attainment	Number	Percent
Less than high school	25	1%
High school graduate (includes equivalency)	176	7%
Some college	370	15%
Associate's degree	190	8%
Bachelor's degree	792	32%
Master's degree	596	24%
Professional school degree	145	6%
Doctorate degree	164	7%
TOTAL	2,458	100%

Source: American Community Survey 2023 5-year Estimates

Table 12 – Travel Time to Work in Block Group 1

Travel Time	Number	Percent
Less than 10 minutes	131	19%
10 to 19 minutes	346	51%
20 to 29 minutes	208	30%
30 to 34 minutes	0	0%
35 to 59 minutes	0	0%
60 or more minutes	0	0%
TOTAL	685	100%

Source: American Community Survey 2023 5-year Estimates

Table 13 – Means of Transportation to Work in Block Group 1

Means of Transportation	Number	Percent
Drove alone	610	50%
Carpooling	0	0%
Using Public Transportation	0	0%
Bicycling	75	6%
Walking	0	0%
Working at home	541	44%
TOTAL	1,226	100%

Source: American Community Survey 2023 5-year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Plan Area

The estimated total assessed value from the Deschutes County Department of Assessment and Taxation for FYE 2025 is \$0. The Area is zoned High Density Residential (RH) and is presently vacant. With a consistent lack of development, the Area has diminished taxable value reducing overall tax receipts in comparison to adjacent areas thereby not contributing its fair share to the overall tax base of the City. The result is stagnant and unproductive use of land resulting in taxable value \$1 million less per acre than adjacent parcels.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Plan Area (affected taxing districts) is described in Section VII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects in the Plan are for development assistance to assist in the development of housing units in the Area and administration of this Plan.

The developments to be supported by the Projects of this Plan are for multi-unit housing development and associated site improvements, approved by the City under planning application number PLSR20220819. The Area is within the City limits, the approved development is consistent with the Comprehensive Plan and zoning designations, and the City has anticipated the need to provide services to the Area. As the development will be new construction, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by housing production and, in the future, adding future increased increases in assessed value to the tax bases for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH PLAN AREA IN THE PLAN

The reason for selecting the Plan Area is to provide the ability to fund developer assistance necessary to cure blight within the Plan Area. The development assistance will assist with providing more market rate and workforce affordable housing units as identified in Bend’s Housing Needs Analysis and the Oregon Housing Needs Assessment 2025 Methodology, contributing to the health, safety and welfare of Bend residents. The Plan Area is zoned High Density Residential (RH) and is not being utilized to the use for which it is zoned. The Plan Area is vacant, does not have adequate development of utilities, and has not been developed commensurate with surrounding lands.

XIII. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified. However, if property is acquired that requires relocation, the Agency will comply with applicable relocation requirements.



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: April 16, 2025

SUBJECT: Formation of Committee to Create Commissioner Districts

BACKGROUND AND POLICY IMPLICATIONS:

Ballot Measure #9-173 passed in November 2024 which expands the County Commissioners to a five seat Board. The two new positions will be elected in 2026, for an initial two-year term which will begin in January 2027 and will be at-large seats. In previous Board of County Commissioners (BOCC) meetings in November 2024 and March 2025, the BOCC indicated interest in creating Commissioner Districts through a Ballot Measure process in place of having 5 at-large Commissioner Positions.

On March 31, 2025, the BOCC voted to move forward to develop a process to draft Commissioner Districts for voter consideration. The BOCC supports a district map drawing process via a committee and directed staff to research and present options for forming a citizen committee to commence the map drawing work. Specifically, the BOCC directed staff to present options on the committee formation processes for the following:

1. Local Appointments
2. State Home Rule Charter Committee Appointment Process
3. Civic Assembly/Application Process

In addition to compiling research from the City of Portland and two Oregon counties which have completed a re-districting or new districting process, staff has talked extensively with the consultant who led the Civic Assembly process last fall. Based upon that information as well as staff background and experience, the following options are presented for BOCC discussion and decision:

Local Appointments Options (combination of any of the following)

- Cities
 - How many appointments?
 - Each city appoints 1 member or a weighted formula is created based on proportional voter population
 - The voting population data by city as of April 1, 2025:

City	Voting Population	Percent of Total Deschutes County Voting Population (163,826)
City of Bend	77,587	47%
City of La Pine	2,317	1%
City of Redmond	26,954	16%
City of Sisters	3,206	2%
Other	53,762	33%

- BOCC
 - How many appointments?
 - 3 = 1 each
 - 4 = 1 each plus 1 selected by majority vote of the BOCC
 - Other options
- State elected officials from Deschutes County
 - How many appointments?
 - 1 each
 - Proportional appointments based on voting population
 - Other
 - The voting population by office as of April 1, 2025:

State Senate				
Elected Official	District	Deschutes County Representation	Voting Population (Deschutes County Only)	Percent of Total Deschutes County Voting Population (163,826)
Senator Broadman	27	All	113,120	69%
Senator Linthicum	28	Partial	29,263	18%
Senator McLane	30	Partial	21443	13%
State House				
Elected Official	District	Deschutes County Representation	Voting Population (Deschutes County Only)	Percent of Total Deschutes County Voting Population (163,826)
Rep. E. Levy	53	All	58746	36%
Rep. Kropf	54	All	54374	33%
Rep. Reschke	55	Partial	29263	18%
Rep. Breese Iverson	59	Partial	21387	13%
Rep. Owens	60	Fraction	56	0%

- At large appointments by citizen applications
 - How many appointments?
- Other
- Recommended Timeline
 - Appointment nominations due by May 30th
 - Appointments confirmed during June 16th BOCC meeting

- Budget Impact
 - If appointment only, no budget impact anticipated
 - If application process, costs involved could include translation services for notices and print advertising costs (potentially)

State Home Rule Charter Committee Appointment Process (9 member committee)

- BOCC Appoints 4 members
 - 4 = 1 each plus 1 selected by majority vote of the BOCC
 - 4 selected by majority vote of the BOCC
 - Other
- State Senators and State Representatives representing the County appoint 4 members
 - Please refer to the chart of listed state elected officials above
 - 1 each by elected officials that have majority representation in the County (Senator Broadman, Rep. Levy, and Rep. Kropf) and 1 combined by the remaining elected who have partial representation in the County (Senator Linthicum, Senator McLane, Rep. Reschke, Rep. Breese Iverson, and Rep. Owens)
 - Other
- BOCC appointees and State Senator/Representatives appointees combined appoint 1 member
 - For state elected officials - weighted nominations based on voting population represented or each puts forth a nomination
 - BOCC – each put forth a nomination or selected by majority vote of the BOCC
 - All parties vote on nominations and top vote gets the nomination
 - Other
- Recommended Timeline
 - Appointment nominations due by May 30th
 - Appointments confirmed during June 16th BOCC meeting
- Budget Impact
 - No budget impact anticipated

Civic Assembly/Application Process/Hybrid

Background: In the Fall of 2024 a Civic Assembly was formed in Deschutes County with the intent of having a group of demographically represented citizens come together and present a large range of recommendations on a complicated issue (Youth Homelessness). Forming a committee with one set goal (drawing Commissioner district maps) has unique considerations and the process for the formation of the Civic Assembly may not be entirely compatible with forming a district maps committee. However, staff believe that there were some great processes in place for the formation of the Civic Assembly that could potentially be adapted and implemented to form a district maps committee.

- Engage Josh Burgess with Democracy Next in the process?
 - Josh may be available to conduct some light consulting work on the process

- Advertise on social and traditional media platforms to solicit applications
 - Use a QR code for easy access to application process
 - Reverse process of demographic representation?
 - The assembly sent out targeted mailing using software that selected 12,500 registered voters who were demographically represented and invited those selected to apply to participate on the assembly
 - County could cast a wide net of applications and potentially use software to randomly select a demographically represented group for application review and committee selection
- Costs
 - Assembly paid a stipend to participants as well as offered reimbursements for childcare and transportation
 - Stipend for Committee members?
 - A consideration for the BOCC for committee members whether the committee is formed through an assembly, nomination, or application process
 - Total cost of the assembly was \$250,000, currently the County has \$12,000 budgeted for the district map process
- Meeting schedule
 - The assembly met for 5 days for 8 hours a day
 - Staff propose a meeting schedule that takes place over the course of 8-12 weeks, 1-2 times a week, 2-hour meetings each
- Timeline
 - The assembly required at least 6 months of prep work before the meetings began
 - Please refer to the PowerPoint from the March 31, 2025, BOCC meeting for a draft timeline assuming the ballot measure is on the May 2026 election

Other items to consider in developing a process to form a Committee:

- Committee Size
 - Recommend that the committee has an odd number of members
 - Recommend a Committee size between 11-19 members, however a smaller committee size is also an option (7-9 members)
- Committee member requirements
 - Registered voter?
 - Deschutes resident?
 - Eligible to run for a Commissioner seat in the 2026 election?
 - Demographic representation?
 - Geographic representation?
- If application option is part or all of any option then:
 - Who selects the applicants?
 - Blind (redacted identifying information) application review?
 - Rating system for applications?

- Commissioners, staff, representatives from cities/communities, and/or others involved in the application review?
 - Other?
 - Software generating demographically represented applicants and randomly selected?
 - Online application option?
 - Timeline for announcing applications, deadline, and selection process
- Engaging students from COCC and/or OSU-Cascades in the committee process?
 - Students were trained in facilitation and moderation for the Civic Assembly
 - OSU-Cascades – A laboratory for the American Conversation
 - COCC – Political Science department

The next BOCC work session to discuss the process to create district maps will occur on May 5. Topics likely to include:

- Committee meeting facilitation
- Meeting schedule, including when to start
- Charter formation
 - Map drawing criteria
 - BOCC or Committee decision?
 - District map options – how many and who decides
 - BOCC or Committee decision?
 - District Numbering
 - BOCC or Committee decision?
 - 5 Districts or 4 and 1 at-large
- Public Input
 - Timing
 - Type of outreach
 - Public Hearing(s)

BUDGET IMPACTS:

\$12,000 has been budgeted for FY 2026 to complete the process.

ATTENDANCE:

Nick Lelack, County Administrator

Jen Patterson, Strategic Initiatives Manager

Steve Dennison, County Clerk