## CITY COUNCIL ISSUE SUMMARY

<table>
<thead>
<tr>
<th>MEETING DATE:</th>
<th>February 5, 2020</th>
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<tbody>
<tr>
<td>SUBJECT:</td>
<td>Resolution submitting a ballot measure to the electors of the City of Bend on issuing general obligation bonds for traffic flow, east-west connections, and neighborhood safety improvements</td>
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<tr>
<td>STAFF MEMBER:</td>
<td>Eric King</td>
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<td>DEPARTMENT:</td>
<td>City Manager</td>
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</tbody>
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### ACTION REQUIRED:  
- [ ] Motion  
- [ ] Public Hearing Date:  
- [ ] Ordinance 1st Reading Date:  
- [ ] Ordinance 2nd Reading Date:  
- [x] Resolution  
- [ ] Information/Direction  
- [ ] Consent Agenda *(adopted by motion)*

### ADVISORY BOARD/COMMISSION RECOMMENDATION:  
- [ ] Approval  
- [ ] Denial  
- [ ] None Forwarded  
- [x] Not applicable  
- Comments:  

### RECOMMENDED MOTION:  
I move for approval of the resolution submitting a ballot measure to the electors of Bend on issuing general obligation bonds for traffic flow, east-west connections, and neighborhood safety improvements.

### ISSUE / COUNCIL DECISION & DISCUSSION POINTS:  
- This resolution seeks voter approval, at the May 19, 2020 election, of general obligation bonds up to $190,000,000 to fund transportation infrastructure improvements.  
- The bonds would fund priority traffic flow, east-west connections, and neighborhood safety improvement projects citywide.  
- If the measure is passed, property taxes would be increased an estimated $0.47 per $1,000 of assessed value, or $170 per year for the average homeowner (Bend's average home has a $220,000 assessed value, and $415,000 real market value). Due to issuing the bonds in series, annual cost may be lower in the initial years and higher when all the debt has been issued.

### BACKGROUND:  
Community surveys show traffic congestion, flow, and safety are top concerns for people living Bend. The City of Bend initiated a Citywide Transportation Advisory Committee (CTAC).
to help update the City’s Transportation System Plan (TSP) and evaluate current and anticipated community transportation needs, including: automobile, freight, bicycle, pedestrian, and transit. Over two years, the public advisory committee identified projects and suggested funding mechanisms including a bond. Current City property taxes, state revenues, and other existing sources do not provide enough revenue to construct all the priority transportation projects.

If approved, this measure authorizes the City of Bend to issue general obligation bonds up to $190,000,000, over time in multiple series, to pay for capital construction and bond issuance costs, including audits and progress reports.

This measure will fund priority east-west connections, traffic flow, and safety projects citywide, including some or all of the following:

- Improvements to roads, intersections, and key east-west corridors such as:
  - Reed Market Road
  - Colorado Avenue
  - Purcell/Petigrew Avenue
  - Portland Avenue
  - Butler Market Road
  - Empire Avenue
  - Wilson Avenue
  - Franklin Avenue
  - Cooley Road
  - Olney Street
  - Hawthorne Street
  - 3rd Street
  - 4th Street
  - 8th Street
  - 15th Street
  - Revere Avenue
  - Greenwood Avenue
  - Bond Street
  - Simpson Avenue
- Contributions to redesign and construct US 97/Parkway on/off ramps
- Transit infrastructure improvements and matching funds
- Neighborhood safety improvements:
  - Sidewalks and safe crossings for access to schools, parks, and jobs
  - Connected cross-town bicycle network, including crossings of the railroad and parkway
  - Sidewalk infill on key routes city-wide

The bonds could also fund other transportation projects, with the approval of City Council, to improve traffic flow and safety, and as a match to support other agencies’ transportation projects. Council has adopted a resolution to establish a bond oversight committee of community members to track and report to the community on project expenses, schedule, and progress, if the bond measure passes.

**CURRENT YEAR BUDGET IMPACTS IDENTIFIED BY DEPARTMENT:** There are no budgetary impacts for the current fiscal year. If the measure passes, bonds would be issued up to $190,000,000, which would fund project design and construction, bond issuance costs,
and costs to administer the projects and the bonds. The bonds would be issued in multiple series, over time, to provide funds money in multiple years for completion of the projects. If the measure passes, a budget adjustment will be needed in June to provide the necessary budget appropriations associated with the anticipated project spending for fiscal year 2020-21.

DEPARTMENT DIRECTOR REVIEW
Reviewed by: Mary Winters Date: 1/30/2020

FINANCIAL REVIEW
Reviewed by: Sharon Wojda Date: 1/30/2020

LEGAL REVIEW
Reviewed by: Elizabeth Oshel Date: 1/30/2020

COMMUNITY OUTREACH PROCESS AND POTENTIAL IMPACTS:

The draft TSP funding strategy recommended by the CTAC, after a two-year public process, included general obligation bonds as one potential funding source to fund transportation projects needed to construct improvements needed in the next ten years.

In addition to the CTAC process, the City conducted a statistically valid phone survey in May 2019, conducted focus groups in September 2019, and followed up with an additional phone survey in December 2019 to test messaging and bond amounts to determine the level of community support to proceed with a bond measure. The City also solicited input on its website, and through an on-line survey which generated over 3500 responses.

If passed, the bonds would be repaid by an annual assessment on real property within the City. The proposed measure is estimated to cost property owners an average of $0.47 per $1,000 of assessed value each year of the repayment period. A home with a real market value of $415,000 and assessed value of $220,000 (Bend’s citywide average) is estimated to pay approximately $170 per year. Annual cost may be lower in the initial years and higher when all the debt has been issued.

ATTACHMENTS:
- Resolution with Exhibits