



CITY OF BEND

### CITY COUNCIL ISSUE SUMMARY

<b>MEETING DATE:</b> May 20, 2020	<b>SUBJECT:</b> Resolution to approve and adopt the Core Area Project Report  <b>STAFF MEMBER:</b> Allison Platt, Senior Planner  <b>DEPARTMENT:</b> Community Development (Growth Management)
<b>ACTION REQUIRED:</b> <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information/Direction <input type="checkbox"/> Consent Agenda ( <i>adopted by motion</i> )	<b>ADVISORY BOARD/COMMISSION RECOMMENDATION:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not applicable <b>Comments:</b> The Urban Renewal Advisory Board is recommending Council adopt this Report.

#### RECOMMENDED MOTION:

I move to adopt a resolution approving and adopting the Core Area Project Report.

#### ISSUE / COUNCIL DECISION & DISCUSSION POINTS:

The Council decision is whether to approve and adopt the Core Area Project Report (Report) as recommended by the Urban Renewal Advisory Board (URAB) at their April 14, 2020, meeting.

- The Core Area includes four of the UGB Opportunity Areas identified in the Comprehensive Plan as appropriate for development/redevelopment: Bend Central District, East Downtown, Inner Highway 20/Greenwood, and KorPine.
- These areas have significant housing and employment goals identified in Bend's Comprehensive Plan, including 400 new housing units & 500 new jobs by 2028 to meet Bend's anticipated growth.
- The Core Area Project included an analysis of existing conditions in the area, the creation of an urban design framework, an analysis of development/redevelopment feasibility of the area, and extensive community engagement.
- The Report consists of eight chapters including an Implementation Plan and Action Plan that serve as a roadmap towards achieving the policy and redevelopment goals for this area; as well as to support and guide a potential Tax Increment Finance (TIF, also known as urban renewal) area.

- The Report, including the Implementation and Action Plan, are intended to guide future staff and Council action for this area. Council will provide direction as the Action Plan is implemented, including through Goal Setting and policy discussions at future Council work sessions. Additionally, some specific actions identified in the Report and Action Plan require City Council action for implementation, such as code changes.

The Implementation Plan, Chapter 6 of the Report, includes the following recommendations:

- 1. Adopt an Urban Renewal/Tax Increment Financing (TIF) Area:** Adopt an Urban Renewal/TIF Plan and Report in the near term to establish a financing mechanism to invest in projects and programs in the Core Area over the next 30 years.
- 2. Update Development Code and Zoning:** A series of actions to overcome barriers to development in the area identified in both the Development Feasibility Analysis and Code Audit of Core Area zoning districts. Recommendations to reduce barriers to development/redevelopment, particularly for housing, were the basis of recently adopted amendments to the Bend Central District code and can serve as a model for other zones in the area. In addition, several land use designation changes are identified that could be addressed in future Comprehensive Plan and Zoning map amendments.
- 3. Create Development Incentive Programs:** Develop programs to incentivize development and redevelopment, including tax exemption programs, modifications to the System Development Charge financing program, and land exchange opportunities. Programs can be developed to incentivize the mixed-use and urban-scaled projects envisioned for the area and can provide opportunities to further other citywide housing, climate mitigation, and economic development goals.
  - 2019-21 Council Goals include development of tax exemption programs to meet Council's Economic Vitality goals. In February 2020, Council directed staff to pursue the Multiple Unit Property Tax Exemption program for areas of the city including Core Area properties, consistent with recommendations identified in the Core Area Project Report.
- 4. Design and Build Key Infrastructure and Public Realm Amenities:** Invest in infrastructure and public realm amenities in order to attract private investment into the Core Area. Strategic investments, particularly that enhance the transportation system, are recommended. The Core Area currently lacks comfortable pedestrian and bicycle amenities despite its close proximity to central destinations including Downtown, the Old Mill District, and Juniper Park. URAB and the community identified the importance of providing a safe and comfortable pedestrian and bicycle connection between Downtown and the Bend Central District by investing in one or several of the Midtown Crossings identified in the ongoing Transportation System Plan update.

While the Core Area benefits from an existing street network that is well served with sewer and water infrastructure, there are still some sewer investments needed to serve the KorPine site. In addition, several locations in the area have been identified as priority areas for stormwater improvements, due to localized flooding during heavy rainfall, including the Franklin and Greenwood undercrossings. Public realm improvements identified through community engagement include public attractions and community gathering spaces in the Core Area such as a park/open space/plaza, civic building, and/or music/art venue.

The Report recommends Council consider using TIF revenue as a partner financing mechanism to support both public and private infrastructure and public realm improvements within the recommended TIF boundary. In addition, the Report recommends Council consider expanding City capacity to support Local Improvement Districts and reimbursement districts to support infrastructure investment in the area.

- 5. Update Street Standards and Mobility Guidelines:** Implement the Urban Design Framework for public and private development of the right of way. The framework recommends a corridor hierarchy for various streets that correlate with a proposed level of investment in streetscape enhancements (wider sidewalks, street trees, pedestrian scaled lighting, street furniture, etc). While the Bend Central District area has special street standards for some of its streets, most of the Core Area streets lack guidelines for urban streetscape enhancements; these recommendations would provide these needed streetscape standards. In addition, to the Report recommends providing, monitoring, and managing parking and developing mobility and design guidelines for bikeways, transit, micromobility, and curb management.
- 6. Involve Stakeholders in Future Program and Policy Development:** Engage stakeholders to develop business improvement programs, housing programs and policies, and integrate climate action strategies into Core Area implementation. To address concerns from the community about potential gentrification and displacement that could occur through future development/redevelopment of the area, the Report recommends including Core Area residents and businesses in future policy and program development and to develop strategies to support existing residents and businesses.

Chapter 7 of the Report, the Action Plan, discusses the “what, when, who, and how much” of the work proposed in the Implementation Plan as follow-up to the completion of the Report. Implementation of the Core Area vision will occur over many years, but the Action Plan focuses on the upcoming Council budget cycle. The preliminary assessment of the staffing needs for the Action Plan is that existing and planned City staffing resources are sufficient to initiate the near-term recommendations from the Implementation Plan. However, staffing needs would be evaluated as the projects and programs are developed and delivered over time.

The Report is a guide that allows for flexibility in how the City decides to pursue recommended actions based on evolving community priorities. City Council will have discretion on implementing the Report’s recommended actions by determining specific resources, costs, or commitments. Implementation will need to be integrated into future Council goals, work plans, and budgets.

## **BACKGROUND:**

The Core Area Project supports Council’s Economic Vitality (housing, employment, and managing growth) goals and strategies. In particular, it supports the strategy to increase the supply and viability of serviceable land through public investments leveraging private development.

In April 2018, the City Council adopted Resolution No. 3114, which provided community direction to achieve the City’s UGB implementation goals. The Resolution directed the Bend Urban Renewal Agency (BURA) to take all actions necessary for development and adoption of an Urban Renewal/TIF plan and area for of the opportunity areas identified in the Bend Comprehensive Plan beginning with a feasibility study.

In December 2018, City Council and BURA authorized a contract with Angelo Planning Group to initiate the Core Area Project, a public process, to analyze the feasibility of a new Urban Renewal/TIF plan and area, and identify other complementary actions and recommendations such as updates to the Development Code and incentives related to housing/affordable housing.

Since February 2019, City staff have been working with URAB and the community to fulfill Core Area Project objectives. The Report is a summary and result of this community-led process.

### **CURRENT YEAR BUDGET IMPACTS IDENTIFIED BY DEPARTMENT:**

Adoption of the Core Area Project Report has no immediate impact to the 2019-2021 biennial budget. Some recommended actions included in the Plan may require additional funding in future budget cycles. Many of the recommendations can be integrated with existing or planned City projects. Once funding requirements are known, budget adjustments would be requested.

### **DEPARTMENT DIRECTOR REVIEW**

Reviewed by: Russell Grayson Date: 5/12/2020

### **FINANCIAL REVIEW**

Reviewed by: Melissa Bradley Date: 5/8/2020

### **LEGAL REVIEW**

Reviewed by: Elizabeth Oshel Date: 5/12/2020

### **COMMUNITY OUTREACH PROCESS AND POTENTIAL IMPACTS:**

From February 2019 to April 2020, URAB met eight times to develop a set of implementation recommendations. All meetings were open to the public and over 50 public comments were received that informed decision-making.

In addition to URAB meetings, the Core Area Project included significant community engagement through a variety of other activities including two in-person and online open houses which included an online survey that received nearly 375 responses; six “pop-up” events throughout the area; community and neighborhood association presentations; meetings with City advisory boards such as the Planning Commission, Affordable Housing Advisory Committee, and the Bend Economic Development Advisory Board; and direct mailers to individuals, households, and businesses in the City. In addition, the process included close coordination with affected taxing districts through participation at URAB meetings and through on-going outreach.

In October 2019, the Project team presented an update to BURA and City Council regarding preliminary recommendations from URAB related to the Core Area.

On April 15, 2020, City Council received a presentation on the Report and the community was able to provide public comments to City Council regarding the Project and Report.

The Core Area Project Report includes specific recommendations to continue to involve the community and stakeholders in implementation of the Report and its recommended actions.

**ATTACHMENTS:**

- Draft Resolution adopting the Core Area Project Report
- Draft Core Area Project Report
- Draft Core Area Project Report Technical Appendices