



CITY OF BEND

CITY COUNCIL ISSUE SUMMARY

MEETING DATE: August 19, 2020

SUBJECT: Resolution declaring Council’s commitment to allocate potential general obligation bond revenues toward a project list and declaring its intent to create a bond Oversight Committee of community members.

STAFF MEMBER: Mary A. Winters
DEPARTMENT: City Attorney

ACTION REQUIRED:

- Motion
- Public Hearing Date:
- Ordinance 1st Reading Date:
- Ordinance 2nd Reading Date:
- Resolution
- Information/Direction
- Consent Agenda *(adopted by motion)*

ADVISORY BOARD/COMMISSION RECOMMENDATION:

- Approval
 - Denial
 - None Forwarded
 - Not applicable
- Comments:**

RECOMMENDED MOTION:

I move for approval of the resolution declaring Council’s commitment to allocate potential general obligation bond revenues toward a project list and declaring its intent to create a bond Oversight Committee of community members.

ISSUE / COUNCIL DECISION & DISCUSSION POINTS:

The Council is asking Bend voters to consider authorizing general obligation bonds at the November 3, 2020 election for construction of citywide traffic flow, neighborhood safety and east- west connection improvement projects. The projects will support the local economy with ongoing infrastructure investments.

In the attached Resolution, the City Council is being asked to declare, by official action, its commitment to the Bend community regarding the permissible purposes for which the general obligation bonds may be spent, and the process that will be followed in determining and prioritizing those expenditures.

If the bond passes, the Resolution states that the \$190,000,000 bond proceeds will be used for projects identified in the bond project list, with provision for identified and limited reasons as to

how the list can be updated, consistent with the bond measure language. The project list and project interactive map is available at the City's website at www.bendoregon.gov/safe-travel.

If the bond passes, the Resolution includes a commitment to form an Oversight Committee within 120 days made up of community members to review progress reports and benchmarks for the projects, including performance metrics, to ensure transparency and accountability in the implementation of the bond projects.

BACKGROUND:

A similar resolution was adopted by Council on February 5, 2020 by unanimous vote, when Council voted to refer the transportation ballot measure to the voters at the May 2020 election (Resolution 3190). On March 18, 2020, Council voted to withdraw the ballot measure due to the economic impacts and uncertainty of COVID-19. The resolution directed city staff to monitor the economic impacts of COVID-19 to determine whether to refer the general obligation bond measure to voters at a later date.

The Oversight Committee is expected to include approximately 7-11 members (and may include additional ex officio members) of interested people of diverse backgrounds. The City may include members of its permanent or temporary advisory committees to facilitate connectivity between the various City volunteer groups. The Council may also identify areas of desirable expertise or background, and including person(s) from historically underserved areas with respect to transportation. The goal is to be representative of the entire community, with a focus on inclusion and seeking persons with different geographic and socio-economic perspectives. There will be two designated liaison council members.

As will be further defined when the Oversight Committee is formed, it is expected that the Committee will review and make recommendations related to proposed schedule sequencing of projects for the life of the bonds, and any changes or adjustments in project scheduling or sequencing. The Oversight Committee will review progress reports and benchmarks (cost of projects, type of projects, future planning for projects, which will form the Capital Improvement Project (CIP) lists), and the benefits of projects with identified performance metrics. Suggestions for metrics should cover the following themes: alignment with Council Goals, crash reductions, synergy opportunities with other projects (utilities/streets/private development) and other partner agencies (such as the Park and School Districts, and ODOT), travel time reliability improvements, construction fatigue of areas of town, and other metrics as identified in the Bend Transportation System Plan.

If the bond measure is approved, it is expected that the City will begin coordination, design, and engineering activities as soon as possible for identified projects in the bond list. However, in light of the economic uncertainty due to the COVID-19 pandemic, the debt will be structured so that it will not increase property taxes prior to 2022. Additionally, based on the local economic conditions, the Oversight Committee can recommend that the City slow down spending to limit the impact on property taxes, which could delay beginning work to avoid encumbering money that will result in future debt and property tax increases.

The Oversight Committee will not have the authority to change the projects. However, if additional funds become available as set forth in the Resolution, the Committee may make recommendations for additional projects to future Council(s) consistent with bond measure language.

It is proposed that the Committee meet at least quarterly. Additional meetings may be scheduled at the discretion of the Mayor.

CURRENT YEAR BUDGET IMPACTS IDENTIFIED BY DEPARTMENT: None

DEPARTMENT DIRECTOR REVIEW

Reviewed by: Mary A. Winters

Date: 08/13/2020

FINANCIAL REVIEW

Reviewed by: Sharon Wojda

Date: 08/13/2020

LEGAL REVIEW

Reviewed by: Elizabeth Oshel

Date: 08/13/2020

COMMUNITY OUTREACH PROCESS AND POTENTIAL IMPACTS:

The Council formed the Citywide Transportation Advisory Committee (CTAC) as a community advisory committee intended to provide policy recommendations to council on transportation related policies and funding strategies. CTAC met regularly over the last two years to update the City's Transportation System Plan and evaluate current and anticipated community transportation needs. The funding strategy included a general obligation (GO) bond as one potential funding source to fund transportation projects needed to construct improvements over the next ten years.

In reviewing the GO bond as a funding source with CTAC leadership as well as other community members and leaders, there was overwhelming support for an Oversight Committee of community members for transparency and accountability as the City implements the GO bond program and constructs the project list. City staff and Councilors have reviewed several models of oversight committees for bond projects elsewhere in Oregon and other states. Oversight of finances and the projects is important to the Bend community, and City staff and Councilors consulted with community members to bring forward this Resolution to make a concrete commitment of Council's intended process.

In the Resolution, Council recognizes that it has limited power to bind future Councils. However, because of the importance of voter involvement and oversight of the expenditure of bond proceeds, the Resolution states that Council intends that the Committee continue until all projects funded by the proceeds of bonds authorized by the November 2020 ballot measure. Accordingly, the Resolution urges future Councils and future Council members to carry out the intent of this Resolution for the benefit of the Bend community.

ATTACHMENTS:

- Resolution