

The purpose of the Core Area Advisory Board (CAAB) is to advise the Bend Urban Renewal Agency (BURA) on implementation of the Core Area Tax Increment Financing (TIF) Plan (the Plan) and policy decisions on implementation of the Plan and other City and BURA policies for the Core Area TIF District (the Core Area) including policy, budget, and implementation of urban renewal projects and programs identified within the Plan, and to conduct public meetings to obtain public input on implementation of the Plan and use of Core Area TIF funds. CAAB may advise the City Council and provide input on City policies and activities, including changes to the Bend Development Code, to support the success and implementation of the Core Area. [BMC 17.10.005]

Therefore, CAAB recommends the following actions by BURA and City Council that further Core Area redevelopment and complement and leverage work and actions by BURA and CAAB.

BURA RECOMMENDATIONS:

Recommendation 1: Increase Internal Risk Tolerance: To successfully revitalize the Core Area/Bend Central District, we recommend fostering a culture of appropriate and informed risk-taking. Revitalization efforts inherently involve uncertainty – whether related to market response, community engagement, or infrastructure challenges. By increasing internal risk tolerance and embracing a more agile, opportunity-focused approach to risk, BURA can more effectively unlock investment, accelerate timelines, and better serve the area's long-term vision. This can include BURA being able to subordinate project loans to the primary financing for a project or being first investor, as URAs in other cities do.

CITY RECOMMENDATIONS

These are items we would like the City of Bend to consider in support of the Plan.

Recommendation 1: Development Incentives: CAAB recommends the City explore the creation of Bend Central District-specific development incentives, specifically System Development Charge (SDC) waivers and Capital Improvement Project (CIP) Assistance to catalyze redevelopment in the Bend Central District. This could complement and enhance the CAAB and BURA work plan focused on creating development incentives for the Core Area rather than simply using TIF funds to pay for City SDC fees.

Recommendation 2: Permit Review: To accelerate the success of this investment strategy, CAAB recommends exploring a targeted policy to expedite permit review time for development, renovation, and business operations within the Core Area. Delays in permitting hinder investment, stall construction times, and discourage innovation. A streamlined approach will support the Core Area's strategic goals, attract private-sector engagement, and improve the city's responsiveness.

Recommendation 3: Prioritize Core Area Public Infrastructure Projects & Needs: After five years of focusing on public infrastructure investments, over the next 2-5 years, CAAB will continue to help catalyze redevelopment in the Bend Central District by enhancing incentives that increase and leverage private development. However, Core Area Public Infrastructure investments remain vital. CAAB recommends the City prioritize specific Core Area needs and projects, including:

- **City-Owned Properties:** Clarify redevelopment plans, timelines, and resources for all City-owned properties, including findings of City Hall relocation study
- **Bottle Drop:** Continue to work in partnership with the site owner to explore and advance the relocation of the Bottle Drop facility
- **Hawthorne Connectivity:** Allocate funding to move forward with the plan, design, and construction of the Hawthorne Corridor beyond the Hawthorne Bridge landings
- **Parks:** Work with Bend Parks and Rec to identify potential properties and needs for an Open Space/Park development in the Bend Central District
- **Infrastructure:** Determine the highest priority CIP projects that boost the housing capacity of the Bend Central District (e.g., sewer infrastructure)

Recommendation 5: Explore options for the most effective BURA and City Council structure: As Bend continues to grow, it is important to consider how BURA and the City's structures and functions may need to evolve to best serve our community. To enhance BURA's effectiveness, strategic alignment, and responsiveness, BURA is properly resourced, meets regularly, and has appropriate knowledge and expertise to advance urban renewal projects forward. CAAB recommends that BURA provide adequate time and scheduling for funding considerations and have the necessary expertise and knowledge to deploy tax increment financing to accomplish urban renewal plan goals.