

ORDINANCE NO. 2539

AN ORDINANCE OF THE CITY COUNCIL ADOPTING THE EMBLEM TAX INCREMENT FINANCE PLAN

Recitals

A. The Bend Urban Renewal Agency ("BURA"), the duly authorized and acting urban renewal agency of the City of Bend, Oregon ("City") has forwarded to the Bend City Council ("Council") for its approval the Emblem Tax Increment Finance Plan ("TIF Plan"), to create a new urban renewal area known as the Emblem Tax Increment Finance Area ("TIF Area"), along with an accompanying report ("TIF Report"), explaining the need for the TIF Plan.

B. BURA adopted Resolution 158 on October 16, 2024, establishing the Tax Increment Assistance for Housing Affordability and Employment Growth Policy (the "Policy"), to support multi-unit residential developments that provide a minimum number of units affordable to households earning 90% of area median income or less, and achieve other policy goals.

C. On May 3, 2025, Quarterra Multifamily Communities LLC ("Applicant") applied under the Tax Increment Assistance Policy for creation of a TIF area for an 8.38-acre site that includes currently vacant land at 61105 Ferguson Road, Bend, Oregon 97703 (the "Site"). Applicant has land use approval from the City of Bend for a multi-unit apartment complex at the Site, known as the Emblem Project.

D. At its meeting on June 18, 2025, BURA considered the application and authorized staff to draft a plan and report for creation of the TIF Area to provide assistance to support the Emblem Project. BURA heard from staff that it is financially feasible to support the developments with developer incentives under the Tax Increment Assistance Policy for Housing Affordability, and the developments will cure blight identified within the Plan Area. The developer incentives will assist with providing more affordable housing units, identified as needed in Bend by the Oregon Housing Needs Assessment, contributing to the health, safety and welfare of Bend residents. The properties are vacant, and demonstrates depreciated values compared to neighboring parcels.

E. On July 16, 2025, BURA held a public hearing and adopted a resolution forwarding the TIF Area, TIF Plan, and TIF Report to the Bend Planning Commission for a public hearing, review, and recommendation, and to the Bend City Council for public hearing and adoption.

F. BURA has caused the preparation of the TIF Plan, attached hereto as Exhibit A, pursuant to ORS 458.085(2), which authorizes development assistance and plan administration to the Emblem Project within the TIF Area.

G. BURA has caused the preparation of a TIF Report, attached hereto as Exhibit B, pursuant to ORS 457.087, which explains the need for the activities set out in the TIF Plan and explains the financial assumptions behind the TIF Plan.

H. The TIF Plan complies with all applicable requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Bend Planning Commission recommendation, and the public testimony before the City Council.

I. The process for the adoption of the TIF Plan has been conducted in accordance with the applicable provisions of Chapter 457 of the Oregon Revised Statutes and all other applicable legal requirements.

J. The Emblem TIF Plan consists of development assistance for a multi-unit apartment complex approved by the City of Bend under application number PLSPR20220465. The development consists of 264 residential units across nine buildings, with unit sizes averaging 849 square feet, and 383 parking spaces. The unit mix includes studios, one-, two-, and three-bedrooms. The Site consists of 8.38 acres zoned Medium and High Density Residential. Construction is anticipated to begin in November 2025 with the certificate of occupancy to be obtained in phases, beginning in November 2026.

K. The Emblem Project has met the targets outlined in the Policy for development assistance over a period of more than 12 years by providing 20% of units rented to households earning 70% - 90% area median income, National Green Building Standard Silver Certification, and 45% of project costs awarded to local contractors.

L. The City's adoption of the TIF Plan and BURA's ability to carry out the projects described in the TIF Plan are economically sound and feasible. BURA will fund the projects identified in the TIF Plan with revenues derived from a division taxes pursuant to ORS 457.440 and Article IX, Section 1c of the Oregon Constitution, and other available funding as more fully described in Sections IV, V, VI, and VII of the TIF Report. Pursuant to the TIF Plan, BURA may provide development assistance in the form of property tax rebates and up-front payment of system development charge costs, funded from tax increment revenues from the TIF Area.

M. The City shall assume and complete any activities prescribed to it by the TIF Plan.

Based on these findings, THE CITY OF BEND ORDAINS AS FOLLOWS:

Section 1. The attached Exhibit A, Emblem Tax Increment Finance Plan, is approved and adopted, as it meets the requirements of ORS 457.085(2).

Section 2. The attached Exhibit B, Emblem Tax Increment Finance Report, is accepted as the report demonstrating the basis for the TIF Plan.

Section 3. The City Recorder shall forward a copy of this ordinance to BURA.

Section 4. BURA shall cause a copy of the TIF Plan to be recorded in the Records of Deschutes County, Oregon.

Section 5. The City Recorder, in accordance with ORS 457.115, shall publish notice of the adoption of this ordinance approving the TIF Plan including the provisions of ORS 457.135, in the Bend Bulletin no later than four days following the adoption of this ordinance.

First Reading Date: October 1, 2025

Second Reading and adoption by roll call vote: October 15, 2025

YES: Kebler, Norris, Perkins, Platt, Riley

NO: Franzosa, Méndez



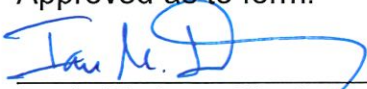
Melanie Kebler, Mayor

ATTEST:



Ashley Bontje, City Recorder

Approved as to form:



Ian Leitheiser, City Attorney

Emblem
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

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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

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Jenn Lynch

Jillian Taylor

Mark Kroncke

Petra Orosanova

Ryan Andrews

Tierney Booker

Affordable Housing Advisory Committee

Mandy Dalrymple

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Tony Levison

Isabel Mikovich

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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 Emblem 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 Areas.

“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 Area 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 \$22,102,251.

“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 “Emblem 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 Emblem TIF Plan.

“Report Accompanying Emblem TIF Plan” or “Report” means the official report that accompanies the Emblem 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 Area 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 Emblem Area 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 burden 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 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 Emblem, 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 26 years, resulting in 24 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 Emblem TIF Plan Area shown in Figure 1, consists of approximately 8.38 total acres.

This TIF Area meets the definition of blight due to a lack of infrastructure systems and the 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 \$22,102,251 (Twenty-Two Million, One Hundred and Two Thousand, and Two-Hundred and Fifty 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.

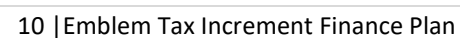
C. Encourage Energy Efficiency Housing

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.

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 264 multi-unit apartment complex in the Area approved by the City of Bend under application number PLSPR20220465, 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 Areas, 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 word, 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 and Medium Density Residential in the Comprehensive Plan, and zoned High Density Residential (RH) and Medium Density Residential (RM) 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 Areas 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 have been multiple opportunities for public 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 RM and RH zones, near existing and

planned residential and planned commercial uses. The identified Project supports infill development on currently undeveloped lots within a generally undeveloped area. The Plan Area is within the Southeast Area, brought into the City's UGB in 2016. The Plan Area has not developed since that time, and was annexed into the Bend city limits in 2023.

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, BUR, 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 K-12 public schools, and is in an area designated for commercial services, employment, and public open space. The Area is located near K-12 public schools and is in RM and RH zones. Properties to the west and north are zoned Low-Density Residential (RL) and developed with single-unit homes. Properties to the south and east are outside City limits, within the UGB, and designated Mixed Employment and General Commercial. The Area is within the area known as the Southeast Area, planned for significant urban levels of development, including a variety of housing types, K-12 public schools, commercial services, employment, and public open space.

Chapter 11: Growth Management

- 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.*
- 11-94 This [Southeast] area, as identified in Figure 11-7, is intended to provide for employment uses to take advantage of good transportation access on Knott Road and 27th and existing city streets (and future improved access with the Murphy Extension) with a mix of residential uses providing a compatible transition from the employment lands to existing neighborhoods to the west. This mix of uses is also intended to increase the completeness of the existing low density neighborhoods.*
- 11-99 The street, path and bikeway network shall provide connectivity throughout this [Southeast] area, connect to existing abutting local roads, and provide opportunities for connections to adjacent undeveloped land inside the UGB. The transportation network shall be consistent with the Bend Transportation System Plan.*

Finding: The Plan conforms to Chapter 11 Growth Management as 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 offers access and connections for all modes in the Area. The development supported by this Plan abuts a new collector road along the east property line and is bisected by Via Sandia, a local road extended east to the intersection of the new north-south collector road, and will be required to make infrastructure improvements, including frontage and road construction, as set out in the Bend Development Code and the City's development approval.

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 Area is zoned RM and RH. Multi-unit residential development is a permitted use in the RM and RH zones. The proposed club house is accessory to the residential use.

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 Areas

Bend Development Code Section 2.1.100 Purpose and Applicability

High Density Residential (RH) - The High Density Residential Area 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 Areas and other less restrictive Areas.

Median Density Residential (RM) - The Medium Density Residential District is intended to provide primarily for the development of multi-unit residential in areas where sewer and water service are available. The residential density range in the district is 7.3 to 21.7 units per gross acre and must 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 PLSR20220465. 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 an undeveloped area.

XIII. PLAN AREA LEGAL DESCRIPTION

Lots 3 and 4, and Tracts A through G, inclusive, Ferguson Village, City of Bend, Deschutes County.

Emblem 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

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Melanie Kebler

Mayor Pro tem

Megan Perkins

City Council

Gina Franzosa

Ariel Méndez

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Planning Commission

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Tony Levison

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I. DEFINITIONS

“Agency” or “BURA” means the Bend Urban Renewal Agency. The Agency is responsible for administration of this Emblem 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 area 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 \$22,102,251.

“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 “Emblem 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 Emblem TIF Plan.

“Report Accompanying Emblem TIF Plan” or “Report” means the official report that accompanies the Emblem 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 area 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 Emblem TIF 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 in 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.

Source: City of Bend



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

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

A. *Developer Incentives*

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 264-unit multiunit complex in the Area approved by the City of Bend under application number PLSPR20220465, 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 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 Bend¹. 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 more affordable housing units in income ranges identified as lacking sufficient units affordable to these households.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.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONIES 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 \$22,102,251. 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
Developer Incentives	\$21,439,183	97%
Administration	\$663,068	3%
TOTAL	\$22,102,251	100%

Source: City of Bend

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through fiscal year ending 2051 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 Not Used	Increment Used	Tax Rate	Gross TIF	Truncation / Loss Discount	Net TIF Revenue	Admin Cost	Rebate
2026	\$104,897	\$101,842	\$3,055		\$3,055	\$13.2079	\$40	\$0.40	\$40	\$1	\$39
2027	\$108,044	\$101,842	\$6,202		\$6,202	\$13.2079	\$82	\$0.82	\$81	\$2	\$79
2028	\$49,170,000	\$101,842	\$49,068,158		\$49,068,158	\$13.2079	\$648,087	\$6,480.87	\$641,606	\$19,248	\$622,358
2029	\$50,645,100	\$101,842	\$50,543,258		\$50,543,258	\$13.2079	\$667,570	\$6,675.70	\$660,895	\$19,827	\$641,068
2030	\$52,164,453	\$101,842	\$52,062,611		\$52,062,611	\$13.2079	\$687,638	\$6,876.38	\$680,761	\$20,423	\$660,339
2031	\$53,729,387	\$101,842	\$53,627,545		\$53,627,545	\$13.2079	\$708,307	\$7,083.07	\$701,224	\$21,037	\$680,187
2032	\$55,341,268	\$101,842	\$55,239,426		\$55,239,426	\$13.2079	\$729,597	\$7,295.97	\$722,301	\$21,669	\$700,632
2033	\$57,001,506	\$101,842	\$56,899,664		\$56,899,664	\$13.2079	\$751,525	\$7,515.25	\$744,010	\$22,320	\$721,690
2034	\$58,711,551	\$101,842	\$58,609,709		\$58,609,709	\$13.2079	\$774,111	\$7,741.11	\$766,370	\$22,991	\$743,379
2035	\$60,472,898	\$101,842	\$60,371,056		\$60,371,056	\$13.2079	\$797,375	\$7,973.75	\$789,401	\$23,682	\$765,719
2036	\$62,287,085	\$101,842	\$62,185,243		\$62,185,243	\$13.2079	\$821,336	\$8,213.36	\$813,123	\$24,394	\$788,729
2037	\$64,155,697	\$101,842	\$64,053,855		\$64,053,855	\$13.2079	\$846,017	\$8,460.17	\$837,557	\$25,127	\$812,430
2038	\$66,080,368	\$101,842	\$65,978,526		\$65,978,526	\$13.2079	\$871,438	\$8,714.38	\$862,723	\$25,882	\$836,842
2039	\$68,062,779	\$101,842	\$67,960,937		\$67,960,937	\$13.2079	\$897,621	\$8,976.21	\$888,645	\$26,659	\$861,986
2040	\$70,104,663	\$101,842	\$70,002,821		\$70,002,821	\$13.2079	\$924,590	\$9,245.90	\$915,344	\$27,460	\$887,884
2041	\$72,207,803	\$101,842	\$72,105,961		\$72,105,961	\$13.2079	\$952,368	\$9,523.68	\$942,845	\$28,285	\$914,559
2042	\$74,374,037	\$101,842	\$74,272,195		\$74,272,195	\$13.2079	\$980,980	\$9,809.80	\$971,170	\$29,135	\$942,035
2043	\$76,605,258	\$101,842	\$76,503,416		\$76,503,416	\$13.2079	\$1,010,449	\$10,104.49	\$1,000,345	\$30,010	\$970,335
2044	\$78,903,416	\$101,842	\$78,801,574		\$78,801,574	\$13.2079	\$1,040,803	\$10,408.03	\$1,030,395	\$30,912	\$999,483
2045	\$81,270,518	\$101,842	\$81,168,676		\$81,168,676	\$13.2079	\$1,072,068	\$10,720.68	\$1,061,347	\$31,840	\$1,029,507
2046	\$83,708,634	\$101,842	\$83,606,792		\$83,606,792	\$13.2079	\$1,104,270	\$11,042.70	\$1,093,227	\$32,797	\$1,060,431
2047	\$86,219,893	\$101,842	\$86,118,051		\$86,118,051	\$13.2079	\$1,137,439	\$11,374.39	\$1,126,064	\$33,782	\$1,092,282
2048	\$88,806,489	\$101,842	\$88,704,647		\$88,704,647	\$13.2079	\$1,171,602	\$11,716.02	\$1,159,886	\$34,797	\$1,125,090
2049	\$91,470,684	\$101,842	\$91,368,842		\$91,368,842	\$13.2079	\$1,206,791	\$12,067.91	\$1,194,723	\$35,842	\$1,158,881
2050	\$94,214,805	\$101,842	\$94,112,963		\$94,112,963	\$13.2079	\$1,243,035	\$12,430.35	\$1,230,604	\$36,918	\$1,193,686
2051	\$97,041,249	\$101,842	\$96,939,407		\$96,939,407	\$13.2079	\$1,280,366	\$12,803.66	\$1,267,562	\$38,027	\$1,229,535
Total TIF Revenue							\$22,325,506		\$22,102,251	\$663,068	\$21,439,183

Source: City of Bend

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

The maximum indebtedness is \$22,102,251 (Twenty-Two Million, One Hundred and Two Thousand, and Two-Hundred and Fifty 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 2051, allowing two years for construction of the housing assisted by the Plan and 24 years of increment rebate and housing affordability, for a 26-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 \$2,210,225. 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 2051.

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.

Tables 4 and 5 show the projected impacts to permanent rate levies of taxing areas 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 Area Permanent Rate Levies - General Government

FYE	Increment	City of Bend	Deschutes County	County Library	Countywide Law Enforcement	County Extension	9-1-1	Bend Parks and Recreation Area	Subtotal
2026	\$3,055	\$8.57	\$4	\$2	\$4	\$0	\$1	\$4	\$24
2027	\$6,202	\$17	\$8	\$3	\$8	\$0	\$2	\$9	\$48
2028	\$49,068,158	\$137,563	\$62,724	\$26,987	\$61,335	\$1,099	\$17,753	\$71,689	\$379,150
2029	\$50,543,258	\$141,698	\$64,609	\$27,799	\$63,179	\$1,132	\$18,287	\$73,844	\$390,548
2030	\$52,062,611	\$145,958	\$66,552	\$28,634	\$65,078	\$1,166	\$18,836	\$76,063	\$402,288
2031	\$53,627,545	\$150,345	\$68,552	\$29,495	\$67,034	\$1,201	\$19,402	\$78,350	\$414,380
2032	\$55,239,426	\$154,864	\$70,613	\$30,382	\$69,049	\$1,237	\$19,986	\$80,705	\$426,835
2033	\$56,899,664	\$159,518	\$72,735	\$31,295	\$71,125	\$1,275	\$20,586	\$83,130	\$439,664
2034	\$58,609,709	\$164,312	\$74,921	\$32,235	\$73,262	\$1,313	\$21,205	\$85,629	\$452,877
2035	\$60,371,056	\$169,250	\$77,172	\$33,204	\$75,464	\$1,352	\$21,842	\$88,202	\$466,487
2036	\$62,185,243	\$174,336	\$79,491	\$34,202	\$77,732	\$1,393	\$22,499	\$90,853	\$480,505
2037	\$64,053,855	\$179,575	\$81,880	\$35,230	\$80,067	\$1,435	\$23,175	\$93,583	\$494,944
2038	\$65,978,526	\$184,971	\$84,340	\$36,288	\$82,473	\$1,478	\$23,871	\$96,395	\$509,816
2039	\$67,960,937	\$190,528	\$86,874	\$37,379	\$84,951	\$1,522	\$24,588	\$99,291	\$525,134
2040	\$70,002,821	\$196,253	\$89,485	\$38,502	\$87,504	\$1,568	\$25,327	\$102,274	\$540,912
2041	\$72,105,961	\$202,149	\$92,173	\$39,658	\$90,132	\$1,615	\$26,088	\$105,347	\$557,163
2042	\$74,272,195	\$208,222	\$94,942	\$40,850	\$92,840	\$1,664	\$26,872	\$108,512	\$573,901
2043	\$76,503,416	\$214,477	\$97,794	\$42,077	\$95,629	\$1,714	\$27,679	\$111,771	\$591,142
2044	\$78,801,574	\$220,920	\$100,732	\$43,341	\$98,502	\$1,765	\$28,510	\$115,129	\$608,900
2045	\$81,168,676	\$227,556	\$103,758	\$44,643	\$101,461	\$1,818	\$29,367	\$118,587	\$627,190
2046	\$83,606,792	\$234,392	\$106,875	\$45,984	\$104,508	\$1,873	\$30,249	\$122,150	\$646,030
2047	\$86,118,051	\$241,432	\$110,085	\$47,365	\$107,648	\$1,929	\$31,158	\$125,818	\$665,434
2048	\$88,704,647	\$248,683	\$113,391	\$48,788	\$110,881	\$1,987	\$32,093	\$129,597	\$685,421
2049	\$91,368,842	\$256,153	\$116,797	\$50,253	\$114,211	\$2,047	\$33,057	\$133,490	\$706,007
2050	\$94,112,963	\$263,846	\$120,305	\$51,762	\$117,641	\$2,108	\$34,050	\$137,499	\$727,211
2051	\$96,939,407	\$271,770	\$123,918	\$53,317	\$121,174	\$2,171	\$35,073	\$141,628	\$749,051
Total	\$44,651,012	\$4,738,797	\$2,160,729	\$929,673	\$2,112,893	\$37,863	\$611,556	\$2,469,550	\$13,061,061

Source: City of Bend

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

FYE	Bend La-Pine School Area	Central Oregon CC	High Desert ESD	Total
2026	\$15	\$2	\$0	\$17
2027	\$30	\$4	\$1	\$34
2028	\$233,766	\$30,442	\$4,730	\$268,938
2029	\$240,793	\$31,357	\$4,872	\$277,023
2030	\$248,031	\$32,300	\$5,019	\$285,350
2031	\$255,487	\$33,271	\$5,170	\$293,927
2032	\$263,166	\$34,271	\$5,325	\$302,762
2033	\$271,076	\$35,301	\$5,485	\$311,861
2034	\$279,223	\$36,361	\$5,650	\$321,234
2035	\$287,614	\$37,454	\$5,820	\$330,888
2036	\$296,257	\$38,580	\$5,995	\$340,831
2037	\$305,159	\$39,739	\$6,175	\$351,073
2038	\$314,328	\$40,933	\$6,360	\$361,622
2039	\$323,773	\$42,163	\$6,551	\$372,487
2040	\$333,500	\$43,430	\$6,748	\$383,678
2041	\$343,520	\$44,735	\$6,951	\$395,206
2042	\$353,840	\$46,078	\$7,160	\$407,078
2043	\$364,470	\$47,463	\$7,375	\$419,308
2044	\$375,419	\$48,888	\$7,596	\$431,904
2045	\$386,696	\$50,357	\$7,825	\$444,877
2046	\$398,311	\$51,870	\$8,060	\$458,240
2047	\$410,275	\$53,428	\$8,302	\$472,004
2048	\$422,598	\$55,032	\$8,551	\$486,181
2049	\$435,290	\$56,685	\$8,808	\$500,783
2050	\$448,364	\$58,388	\$9,072	\$515,824
2051	\$461,829	\$60,141	\$9,345	\$531,315
Total	\$8,052,828	\$1,048,671	\$162,946	\$9,264,445

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 tax increment proceeds are projected to be terminated. These projections are for FYE 2052. 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 2052 (Year after Termination)

Taxing Area	From Increment Value	From Frozen Base Value	Total
General Government			
City of Bend	\$279,923	\$285.51	\$280,208
Deschutes County	\$127,635	\$130.18	\$127,765
County Library	\$54,916	\$56.01	\$54,972
Countywide Law Enforcement	\$124,809	\$127.30	\$124,937
County Extension	\$2,237	\$2.28	\$2,239
9-1-1	\$36,125	\$36.85	\$36,162
Bend Parks and Recreation	\$145,877	\$148.79	\$146,026
Subtotal	\$771,522	\$787	\$772,309
Education			
Bend La-Pine School Area	\$475,684	\$485.19	\$476,169
Central Oregon CC	\$61,945	\$63.18	\$62,009
High Desert ESD	\$9,625	\$9.82	\$9,635
Subtotal	\$547,255	\$558	\$547,813
Total	\$1,318,777	\$1,345	\$1,320,122

Source: City of Bend

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

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 Emblem TIF Area (using assumed FYE 2025 values) is projected to be \$101,842. The total assessed value of the City is \$16,125,929,179. The increment of the existing urban renewal areas is \$303,448,907. 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. Table 7a shows that if the Emblem TIF Area is created, total TIF areas in the City are below the 15% threshold.

Table 7a- 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	\$269,100	
Century	\$3,559,680	
Veridian	\$0	
Emblem	\$101,842	
TOTAL:	\$534,225,483	\$303,448,907
Calculation		
A. City of Bend Total AV		\$16,125,929,719
B. Total Frozen Base of URAs		\$534,225,483
C. Total Increment of URAs		\$303,448,907
D. Frozen Base as % of City		
AV: B/(A-C)		3.38%

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 Emblem TIF Area contains 8.38 acres. There are 1,653.41 acres in urban renewal areas in the City, including adopted TIF areas that become effective July 4, 2025. The City contains 21,315.8 acres. 7.80% of the City's acreage is located in TIF areas, which is below the 15% threshold.

Table 2b- 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
Century	10.18
Veridian	2.81
Emblem	8.38
<i>Total</i>	1,661.79
City of Bend	21,315.80
URA as % of City of Bend	7.80%

Source: City of Bend

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 8.38 total acres in size. The present land use is vacant, undeveloped.

2. Zoning and Comprehensive Plan Designations

The Area is zoned Medium Density Residential (RM) High Density Residential (RH) and designated Medium Density Residential (RM) and 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 Ferguson Road. The street is designated as minor arterials in the Bend Transportation System Plan (“TSP”). A residential development has been approved by the City with permit PLSPR20220465. The approved development is anticipated to be assisted by the Project in the Plan. The proposed development will extend Via Sandia east-west, construct a north-south collector south of Ferguson Road, and provide frontage improvements to Ferguson Road abutting the site in accordance with land-use permit PLSPR20220465. The development will construct a multi-use path on the west side of the new north-south collector street and the south side of Via Sandia, consistent with the Bend Development Code.

There is presently no interior transportation system that provides multimodal access plan adjacent arterials to Ferguson Road. All buildout of the undeveloped side is proposed to connect to abutting rights-of-way with access improved to City Standards.

2. Other Utilities

The Plan Area is not currently served with utilities. As stated in the City’s land use decision PLSPR20220465, all utilities must be provided with development of the site.

C. Social Conditions

The Plan Area has no existing residents. The City of Bend currently needs to build 8,500 residential units across all income ranges by 2030⁴ to accommodate the underproduction of existing need and 15,000 new residents.⁵ 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 2025-2027 Goals.

The Plan Area is in Block Group 3 in Census Tract 19.04 in the City of Bend. Tables 9-13 show the social conditions for this block group.

Table 3 – Race in the Block Group

Race	Number	Percent
White alone	2,357	93%
Black or African American alone	47	2%
American Indian and Alaska Native alone	0	0%
Asian alone	0	0%
Native Hawaiian and Other Pacific Islander alone	0	0%
Some other race alone	25	1%
Two or more races	99	4%
TOTAL	2,528	100%

Source: American Community Survey 2023 5-Year Estimates

Table 4 – Age in the Block Group

Age	Number	Percent
Under 5 years	82	3%
5 to 9 years	139	5%
10 to 14 years	213	8%
15 to 17 years	275	11%
18 to 24 years	37	1%
25 to 34 years	77	3%
35 to 44 years	391	15%
45 to 54 years	628	25%
55 to 64 years	261	10%
65 to 74 years	325	13%
75 to 84 years	55	2%

⁴ Oregon Housing Needs Analysis, 2025

⁵ Portland State University, Population Projects 2030

85 years and over	45	2%
TOTAL	2,528	100%

Source: American Community Survey 2023 5-year Estimates

Table 5 – Educational Attainment for Population 25 years and Over in Block Group

Educational Attainment	Number	Percent
Less than high school	19	1%
High school graduate (includes equivalency)	285	16%
Some college	445	25%
Associate's degree	130	7%
Bachelor's degree	711	40%
Master's degree	81	5%
Professional school degree	65	4%
Doctorate degree	46	3%
TOTAL	1,782	100%

Source: American Community Survey 2023 5-year Estimates

Table 6 – Travel Time to Work in Block Group 1

Travel Time	Number	Percent
Less than 10 minutes	18	3%
10 to 19 minutes	441	65%
20 to 29 minutes	211	31%
30 to 34 minutes	0	0%
35 to 59 minutes	12	2%
60 or more minutes	0	0%
TOTAL	682	100%

Source: American Community Survey 2023 5-year Estimates

Table 7 – Means of Transportation to Work in Block Group

Means of Transportation	Number	Percent
Drove alone	670	52%
Carpooling	0	0%
Using Public Transportation	0	0%
Bicycling	12	1%
Walking	0	0%

Working at home	602	47%
TOTAL	1,284	100%

Source: American Community Survey 2023 5-year Estimates

D. Economic Conditions

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 \$101,842. The Area is zoned Medium Density Residential (RM) and High Density Residential (RH) and is presently vacant. The result is stagnant and unproductive use of land resulting in taxable value less than comparable parcels.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing areas that levy taxes within the Plan Area (affected taxing areas) 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 developer incentives 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 the Plan is a 264-unit multiunit complex, approved by the City under planning application number PLSPR20220465. 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, increased 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 incentives to cure blight within the Plan Area. The developer incentives 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 within the Southeast Area, identified for urban levels of development since inclusion in the City's UGB in 2016, but has not developed due to infrastructure and market conditions. The Southeast Area is designated for a large portion of the City's housing needs, as identified in the 2016 UGB. The Plan Area is zoned Medium Density Residential (RM) and High Density Residential (RH),

is vacant, and does not have adequate development of streets and other rights-of-way or utilities, and has not been developed commensurate with its planned levels of development since inclusion into the City's UGB in 2016.

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.