

CLIMATE FRIENDLY AREAS STUDY APPENDICES



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Appendix A – Climate Friendly Areas Market and Feasibility Study

Bend Climate-Friendly Areas

Market and Feasibility Study Summary

June 30, 2023

Prepared for: City of Bend and Department of Land Conservation and Development
(DLCD)

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Executive Summary

Introduction

The City of Bend is evaluating several areas for potential designation as “Climate-Friendly Areas” in response to recent updates to state rules related to mitigating climate change. Climate-Friendly Areas (CFAs) must be zoned for walkable mixed-use development. This study evaluates residential and mixed-use development potential within the areas under consideration and how CFA designation could impact the type, scale, and amount of (re)development that might occur in these areas.

The areas under consideration include three highway-oriented commercial corridors (North Highway 97 Study Area, South 3rd Street Study Area, and East Highway 20/Greenwood Study Area); the Bend Central District (BCD) Expanded Study Area, plus adjacent commercial and employment areas; and the Central Westside Study Area.

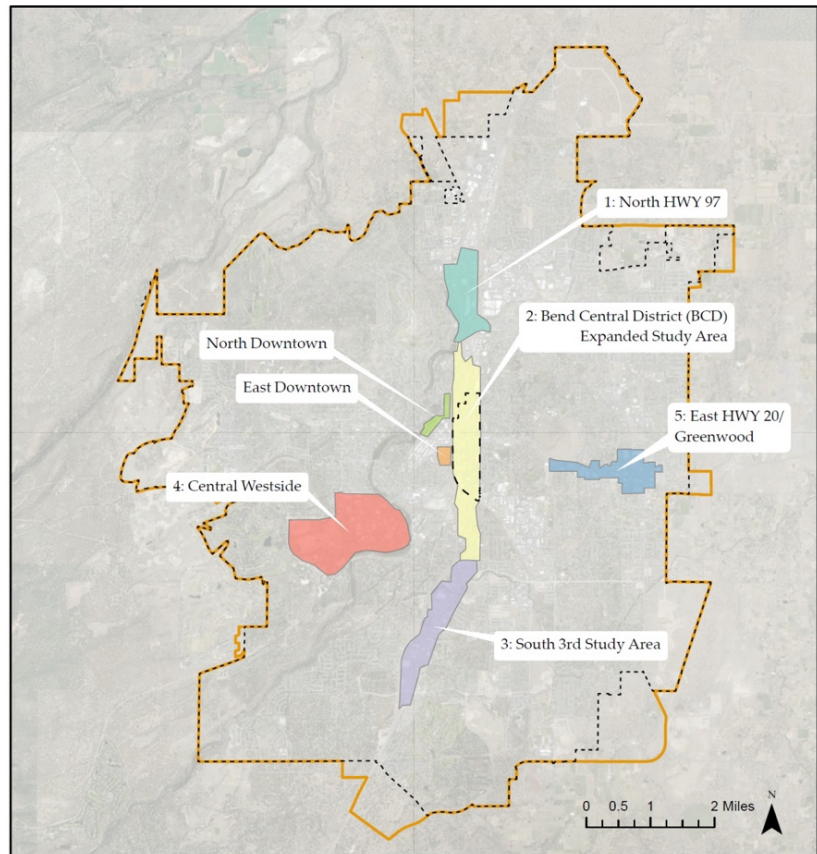
The purpose of this study is to inform the City’s overall evaluation of areas for potential CFA designation.

Approach

This study evaluates:

- how zoning regulations might need to change to meet CFA requirements;
- the relative financial feasibility of the new types and scales of development that could be allowed pursuant to those zoning changes, using prototypical example developments;
- how much residential and mixed-use development might be market feasible in each area under “reasonable best case” assumptions; and
- roughly how much new development could realistically occur in each area over twenty years, and how that differs from what is likely under current zoning.

In addition to research and analysis by ECONorthwest and MIG | APG, this study was informed by interviews with developers, brokers, and builders with experience in Bend.



Results

Financial Feasibility Analysis

Financial feasibility for residential and mixed-use development “prototypes” tested for this analysis varied based on the estimated market rents in each area and whether those rents would be high enough to support the cost of construction at different scales. Taller buildings and mixed-use buildings typically cost more to build due to increasing building code requirements, need for higher-cost materials, elevators, etc. and are generally only feasible in areas with higher rents. Demand for parking also impacts financial feasibility because of the cost of building structured parking and the potential for lower rents if residents do not have on-site parking available. Generally, areas with higher rents and less demand for parking can more readily support higher-density and mixed-use development. Among the study areas, the Central Westside has the highest rents and can more readily support six- to seven-story mixed-use development. However, local developers observed more tolerance for reduced parking ratios in the BCD Expanded Study Area, and smaller-scale development with reduced or no parking may be feasible in that area, in addition to some five- to six-story developments. In the highway-oriented study areas, three-story apartments are most likely to be feasible, with limited potential for higher-density development.

Exhibit 1 shows a generalized financial feasibility rating for the different types and scales of development tested in this analysis across the five different study areas.

Exhibit 1: Financial Feasibility of Residential and Mixed-Use Development Prototypes by Market Area

Source: ECONorthwest analysis

	6-Story Mixed-Use Podium Apartments (market parking)	7-Story Mixed-Use Podium Apartments (reduced parking)	7-Story Mixed-Use Podium Apartments (market parking)	4-Story Mixed-Use Apartment (reduced parking)	4-Story Mixed-Use apartments (no parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-up Apartments
Feasibility Rating							
Market Area 1: North HWY 97	⚡	🔴	🔴	⚡	⚡	⚡	🟢
Market Area 2: BCD Expanded	🟢	⚡	⚡	⚡	🟢	🟢	🟢
Market Area 3: South HWY 97/3rd St	⚡	🔴	🔴	🔴	🔴	⚡	⚡
Market Area 4: Central Westside	🟢	🟢	🟢	🟢	🟢	🟢	🟢
Market Area 5: East HWY 20/Greenwood	⚡	🔴	🔴	🔴	⚡	⚡	🟢

Rating	Explanation
🔴	Highly unlikely to be feasible
⚡	Not feasible in current market conditions, but could become feasible in future
⚡	Possibly feasible with unusually low-cost land/construction
🟢	Likely feasible on vacant/low-cost sites, possibly feasible for redevelopment on underutilized sites
🟢	Likely feasible for redevelopment on underutilized sites

Residential Development Potential

Applying the findings regarding financial feasibility of the specific properties included within each study area provides an estimate of how much housing could be built in these areas. This is shown in Exhibit 2. The maximum market-feasible capacity is quite high for the BCD Expanded Study Area and the Central Westside Study Area. Even after roughly accounting for other factors that could reduce development, both areas show relatively high potential for (re)development; however, these numbers should be taken with a grain of salt. The variability across the large BCD Expanded Study Area means that these results are even more uncertain than those for other areas. In the Central Westside Study Area, because the market-feasible capacity is so large, the pace of demand for new units in the area could slow development and mean that fewer units would be built within a twenty-year period. In the three highway-oriented areas, market-feasible capacity is low under existing market conditions, but if conditions were to change substantially (e.g., because of investments to make the areas more walkable and desirable for housing), that capacity could increase.

Exhibit 2: Estimated Market-Feasible Capacity and Expected (Re)Development Under Existing Zoning and CFA-Compliant Zoning

Source: ECONorthwest and MIG/APG analysis

	Market Area 1: North HWY 97	Market Area 2: BCD Expanded	Market Area 3: South 97/3rd	Market Area 4: Central Westside	Market Area 5: East HWY 20/ Greenwood	Total
Est. Maximum Market-Feasible Capacity with CFA zoning	433	2845	782	8,673	256	12,988
Est. Maximum Market-Feasible Capacity under existing zoning	18	1,969	0	7,216	0	9,203
Expected (re)development with CFA zoning	126	847	240	2,328	127	3,668
Expected (re)development with existing zoning	5	586		1937	0	2,529
Net increase in expected (re)development	121	261	240	391	127	1,139

Conclusions

This analysis suggests that CFA designation could have a marginal impact in areas where zoning is already largely compliant with CFA requirements and a variable impact in other areas. The efforts the City has already made to designate and invest in mixed-use opportunity areas have created development conditions and regulations like those intended for CFAs, and these areas could support substantial (re)development with or without CFA designation. In other areas that the City is considering for potential CFA designation, there are important

policy choices to consider with allowing stand-alone residential uses, increasing heights, or shifting away from industrial zoning. While these areas have less development potential under existing market conditions, over the longer term, policies and investments like those the City has applied to existing mixed-use opportunity areas could maximize the potential of areas the City chooses to designate as CFAs.

1. Introduction

The City of Bend is evaluating options to comply with new Climate-Friendly and Equitable Communities (CFEC) rules from the Land Conservation and Development Commission (LCDCC). These rules are intended to reduce pollution, increase housing and transportation choice, and increase equitable land use planning outcomes in Oregon’s eight most populated areas, including Bend. The rules direct cities to plan for land use and transportation patterns that reduce greenhouse gas emissions from vehicles. One component of the CFEC rules is to designate “Climate-Friendly Areas” (CFAs)—areas planned for walkable, mixed-use development and high-quality pedestrian, bicycle, and transit infrastructure.

The rules include requirements related to the amount of land that must be included in CFAs and the expected mix and intensity of uses in these areas, but local governments determine where CFAs will be located within their jurisdictions. Local governments covered by the rules must study the potential designation of CFAs, then adopt development standards for those areas. The rules provide options for jurisdictions to adopt zoning standards that meet certain use and intensity requirements spelled out in the rules or apply their own standards and show that those standards will achieve certain target densities.

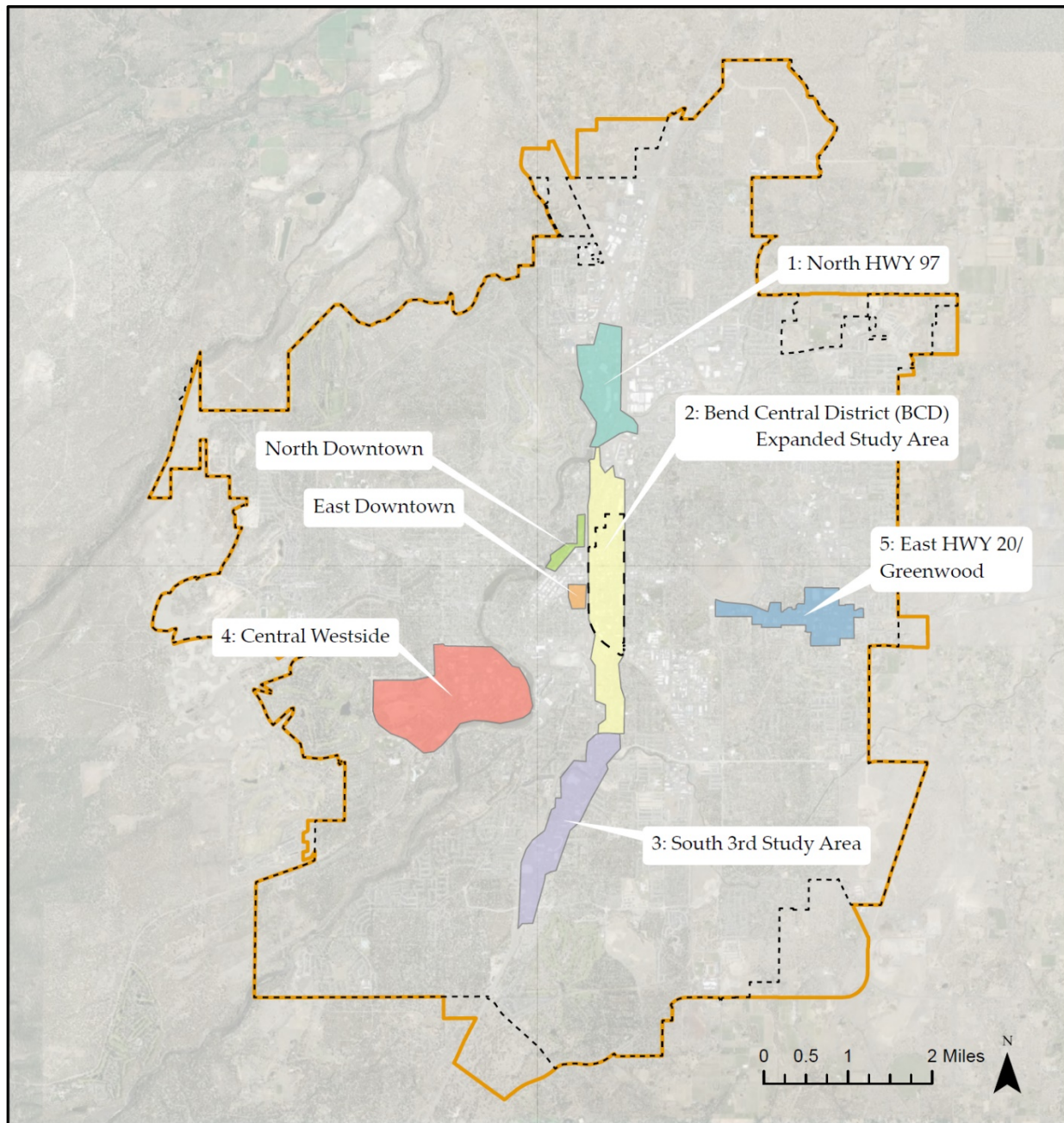
This study is one component of the City’s efforts to evaluate areas for potential CFA designation as required under the rules. This study, conducted by ECONorthwest and MIG|APG, evaluated market conditions and redevelopment potential within areas under consideration as potential CFAs within the City of Bend to inform the City’s CFA evaluation process. The study includes five study areas in Bend as potential CFAs:




1. North Study Area
2. BCD Expanded Study Area (as well as adjacent North and East Downtown submarket areas)
3. South 3rd Study Area
4. Central Westside Study Area,
5. Eastside Highway 20/Greenwood Study Area

These areas are shown on Exhibit 3.

Exhibit 3: Bend CFA Study Areas

Source: MIG|APG based on geographies identified by City of Bend



-  City Limits
-  Urban Growth Boundary
-  Bend Central District

What are the implications of CFA designation?

While the City has the option of applying other standards that would achieve target density levels, the prescriptive approach to CFA-compliant zoning requires the following for at least one CFA (referred to in this study as the primary CFA), given Bend's size:¹

- Allow single-use and mixed-use development, including the following outright permitted uses:
 - Multifamily residential and attached single-family residential. Local governments may require ground floor commercial and office uses within otherwise single-use multifamily residential buildings.
 - Office-type uses.
 - Nonauto-dependent retail, services, and other commercial uses.
 - Childcare, schools, and other public uses, including public-serving government facilities.
- A minimum residential density requirement of 25 dwelling units per net acre (du/na) or minimum floor area ratio (FAR) of 2.0 for nonresidential and mixed-use development.
- Maximum building height of no less than 85 feet.

Additional CFAs (referred to in this study as secondary CFAs) must allow the same mix of uses, but they only require a minimum residential density of 15 dwelling units per net acre (du/na) and a maximum building height of no less than 50 feet.

As discussed in this study, some of the zones within the selected study areas are nearly compliant with these requirements already, while others would require bigger changes to meet these requirements. (See page 14 for details.)

¹ OAR 660-012-0320(2) and (8). Additional requirements apply (e.g., block length, bicycle parking, vehicle parking, etc.) that are not the focus of this evaluation. The City recently eliminated all parking requirements citywide, which addresses one component of the CFA requirements regardless of which areas are selected.

2. Approach

Our approach to evaluating financial feasibility and development potential within the potential CFA study areas included:

- pro forma analyses of selected development “prototypes” that serve as examples of the types of development that could be allowed by the designation of CFAs, accounting for differences in market conditions between the CFA study areas;
- interviews with developers, brokers, and builders to gain insights into their perspectives on market conditions and development costs applicable to the selected types of development and study areas; and
- analysis of changes to (re)development potential in the study areas, focused on prototypes that would be financially feasible in each study area and those that could potentially be newly allowed under CFA-compliant zoning.

These components are described in greater detail below.

Prototypes Analyzed

The analysis focused on seven development prototypes that include a mixture of residential and mixed-use prototypes, from three to seven stories, with a range of parking ratios and physical forms. The prototypes were selected to illustrate a range of potential development forms that are consistent with the density and intensity intended for CFAs and are most likely to be viable in Bend’s market. Details of the selected prototypes are provided in Exhibit 4, followed by illustrative images of similar developments.

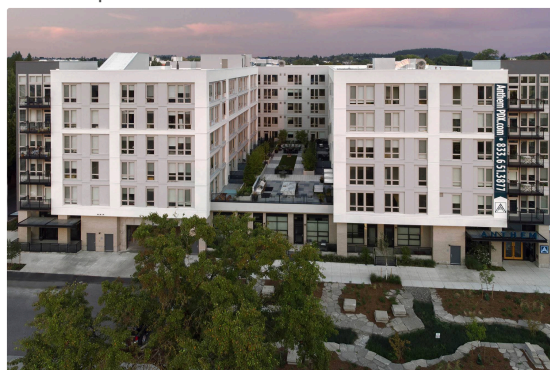
The analysis did not include a detailed feasibility analysis for commercial or office development, in part because these uses are already allowed throughout most of the CFA study areas and in part because market conditions for commercial and office development are particularly uncertain at the moment, with overall reduced demand for retail and office space. However, specific types of commercial development are still moving forward in some circumstances. The evaluation considers these uses qualitatively rather than through a pro forma analysis.

Exhibit 4: Prototype Summary Table

Description	6-Story Mixed-Use Podium Apartments (market parking)	7-Story Mixed-Use Podium Apartments (reduced parking)	7-Story Mixed-Use Podium Apartments (market parking)	4-Story Mixed-Use Apartments (reduced parking)	4-Story Mixed-Use Apartments (no parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments
Stories	6	7	7	4	4	5	3
Estimated Height (ft)	65	75	75	45	45	55	30
Assumed site size (acres)	2.24	0.92	0.92	0.34	0.34	1.38	1.36
Total unit count	232	215	169	40	58	140	60
Density (DU/net acre)	104	234	184	116	168	102	44
Parking ratio (per unit, avg)	1.00	0.75	1.00	0.50	0.00	0.75	1.08
Ground floor retail (Gross sq. ft.)	5,710	14,824	11,638	5,615	5,100	0	0
Average unit size (sq. ft.)	675	675	675	675	675	675	790
Use	Mixed	Mixed	Mixed	Mixed	Mixed	Residential	Residential
Parking location/configuration	Surface, 1-level podium with some parking and some retail	2-level podium (1 parking, 1 parking / retail)	2-level podium (extends beyond wood "tower")	Surface and tuck under	None	Surface and tuck under	Surface

Exhibit 5: Example of 6-Story Mixed-Use Podium Apartments (Market Parking)

Source: Apartments.com



Anthem PDX

Exhibit 6: Example of 7-Story Mixed-Use Podium Apartments (Reduced Parking)

Source: Apartments.com



Exhibit 7: Example of 7-Story Mixed-Use Podium Apartments (Market Parking)

Source: The Hixon Apartments



Exhibit 8: Example of 4-Story Mixed-Use Apartment (Reduced Parking)

Source: Live Meeting House



Exhibit 9: Example of 4-Story Mixed-Use Apartments (No Parking)

Source: Google Street View (Portland, OR)



Exhibit 10: Example of 5-Story "Faux Podium" Apartments

Source: Apartments.com



The 72nd

Exhibit 11: Example of 3-Story Compact Walk-Up Apartments

Source: Range Apartments (Bend)



Interviews with Industry Experts

ECONorthwest conducted interviews with developers, brokers, and builders with experience in Bend to gather and refine information about local market conditions and development costs as well as perspectives on what types of development were most likely to be supported by the market within different types of CFA study areas. Interviews were conducted in April and May of 2023 and included Compass Commercial, KELCON Construction Development, Taylor Brooks (Development), and R&H Construction. Additionally, more general interviews were conducted in January 2023 as part of Bend's Housing Capacity Analysis with Stemach Design + Architecture, TenOver Studio, and developers Kennedy Wilson, Brooks Resources, and Killian Pacific.

Evaluation of Financial Feasibility






To assess the financial feasibility of developing the selected prototypes within the CFA study areas, ECONorthwest used pro forma analysis to estimate a residual land value for each prototype. Residual land value (RLV) is an estimate of what a developer would be able to pay for land given the property's income from rental or sales revenue, the cost to build and operate the building, and the investment returns needed to attract capital for the project. In other words, it is the budget that developers have remaining for land after accounting for the value of the finished development and all other development costs. The estimated RLV (expressed per square foot of land to normalize results between different scales of development) can then be compared among the different prototypes and to the estimated value of existing property within the study areas. A higher RLV indicates greater development feasibility, as described below:

- If the RLV (land budget) is greater than the estimated current value of properties in the target area, it is more likely that the developer would be able to reach agreement on a purchase price with a current property owner.
- The development prototype with the highest RLV could afford to pay the most for land and is most likely to succeed in acquiring new property if it becomes available for development.
- If the RLV is lower than the current value of properties in the target area, it is unlikely that the development will be able to acquire land at current values and would only move forward if a developer had acquired land previously at a much lower cost or if a developer was otherwise able to achieve lower-than-typical land or development costs.
- If the RLV is negative, it is unlikely the development would be financially feasible under current market conditions, even with free or very low-cost land, as the other costs of development are estimated to exceed the value of the finished property.
- If the RLV is only slightly negative, the development could potentially become financially feasible in the future if market conditions shift such that costs are lower or rents/values are higher. If the RLV is far below zero, there is little chance that market

conditions will change enough within the foreseeable future to make the development financially feasible.

Given the potential variability in development costs and market conditions on individual sites within a given area, the RLV results are most appropriately generalized to give a broader indication of development feasibility. This analysis uses the feasibility ratings and criteria shown in Exhibit 12 to reflect the feasibility outcomes more generally. The thresholds used to set these ratings are based on the range of results among the prototypes and the range of estimated property values within the selected study areas.

Exhibit 12: Residual Land Value (per Square Foot of Land) and Generalized Feasibility Rating

Min	Max	Rating	Explanation
(\$87)	(\$15)		Highly unlikely to be feasible
(\$15)	\$0		Not feasible in current market conditions, but could become feasible in future
\$0	\$15		Possibly feasible with unusually low-cost land/construction
\$15	\$35		Likely feasible on vacant/low-cost sites, possibly feasible for redevelopment on underutilized sites
\$35	\$41		Likely feasible for redevelopment on underutilized sites

As noted above, market and cost assumptions were informed by interviews with local industry experts. Given the current challenges in the market with high interest rates and ongoing inflation but slowing rent growth, development overall is less likely to be feasible under current market conditions than it has been in the past several years. To account for this while still providing useful information about how the prototypes compare to one another and the extent of possible redevelopment potential, the assumptions used in this analysis are intentionally on the more optimistic end of the spectrum but still generally within the range described by local experts. Specific assumptions are further detailed in the appendix.

Analysis of Changes to (Re)Development Potential

To evaluate how applying CFA-compliant zoning to each of the study areas could impact residential development potential, MIG|APG and ECONorthwest used results from the RLV analysis and development industry interviews to estimate changes to development potential. This analysis includes:

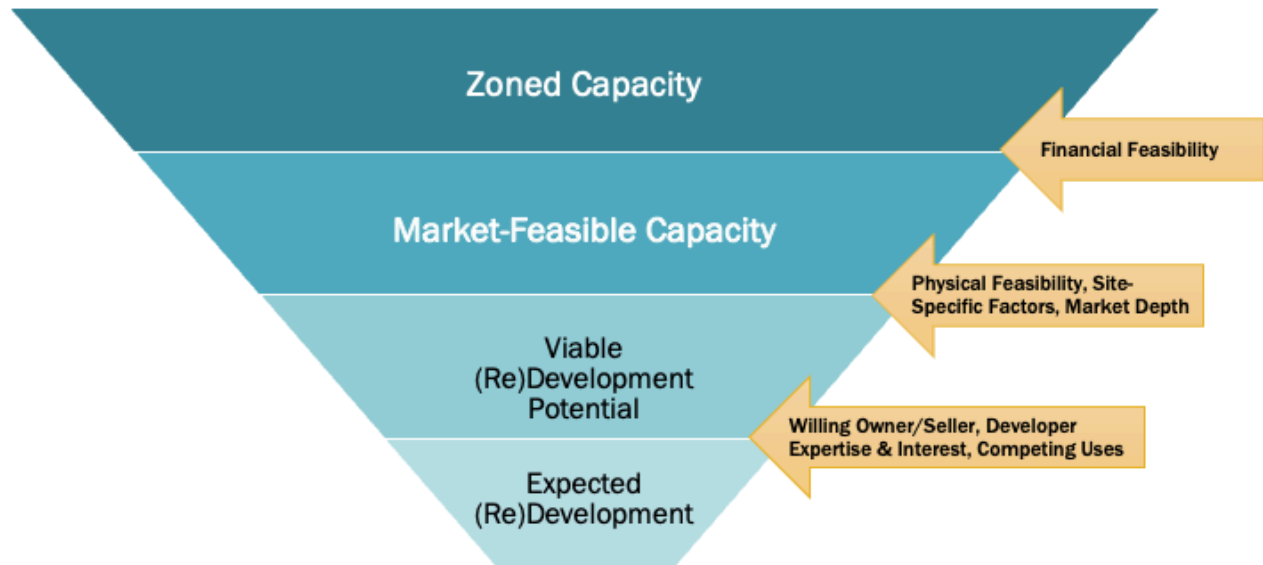
- estimates of the maximum market-feasible capacity using reasonable best-case assumptions to identify where residential and mixed-use development (re)development could be financially feasible and the resulting density, and
- estimates of expected (re)development for each area that attempt to broadly account for the other factors that can impact development outcomes beyond financial feasibility and zoning, such as site-specific market and physical conditions, the depth of demand for a

given type of development in a given area, or owner willingness to sell or redevelop their property.

These concepts are illustrated in Exhibit 13.

Exhibit 13: Illustration of Market-Feasible Capacity

Source: ECONorthwest



This analysis also considers how much of the estimated market-feasible capacity and estimated reasonable (re)development potential comes from development that is allowed under existing zoning. (See the appendix for details.) Some areas may have substantial development potential under CFA-compliant zoning, but if the existing zoning largely already allows this development, the CFA designation itself may do little to increase that market-feasible capacity. Other areas may have less estimated market-feasible capacity but would see a larger change based on implementing CFA-compliant zoning.

3. Zoning Comparison

The CFA study areas encompass a range of existing zones, as shown in Exhibit 14.

Exhibit 14: Existing Zones by Study Area

Source: MIG|APG using City of Bend zoning data

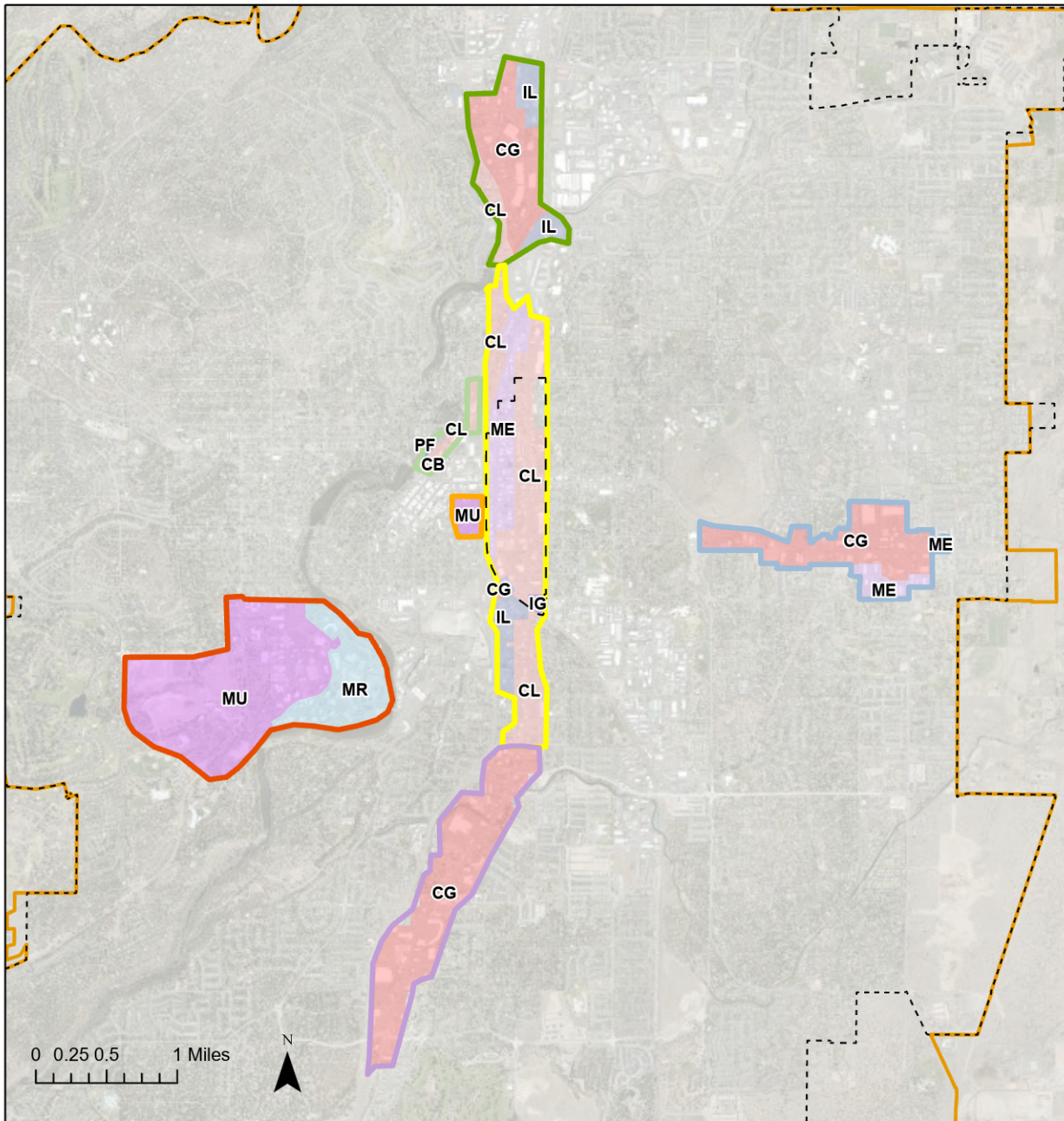


Exhibit 15 summarizes the key zoning considerations that are addressed by CFA requirements and this analysis (allowance of residential uses, with or without ground floor commercial, and maximum height limits) for each of the zones represented within the CFA study areas. Note

that minimum residential densities may need to be addressed as well but were not a constraint for the prototypes evaluated.

Exhibit 15: Current Zone Residential Allowances and Maximum Heights

Zone	Allows New Residential?	Max Height
Bend Central District (BCD) ²	Yes (BDC 2.7.3220)	65' (up to 85' if 10% min of units are affordable). 45' for 4th street subdistrict. (BDC 2.7.3230)
Commercial General (CG)	As part of mixed-use (BDC 2.2.300)	55' (65' if vertical mixed-use) (BDC 2.2.400)
Central Business (CB)	As part of mixed-use (BDC 2.2.300)	35' to 70' subject to 2.2.800 (may be increased by 10' for vertical mixed-use, except along west side of Brooks St) (BDC 2.2.800)
Commercial Limited (CL)	As part of mixed-use (BDC 2.2.300)	55', except within 100' of the Deschutes River where height may be limited subject to WOZ Review (10' increase for VMU) (BDC 2.2.400)
Mixed Urban (MU)	Yes (BDC 2.3.200)	65' (75' if vertical mixed-use and not abutting a residential zone) (BDC 2.3.300)
Mixed Employment (ME)	As part of mixed-use (BDC 2.3.200)	45' (BDC 2.3.300)
Mixed Riverfront (MR)	Yes (BDC 2.3.200)	45' or 35' if within 100' of the Deschutes River (BDC 2.3.300)
Industrial Light (IL)	No (BDC 2.4.300)	50' (BDC 2.4.600)
Primary CFA Requirements	Yes (can require ground floor nonresidential use)	85' or more
Secondary CFA Requirements	Yes (can require ground floor nonresidential use)	50' or more

Color key:

Blue = CFA-compliant (including for Primary CFA)

Purple = CFA-compliant (including for Primary CFA), but could be considered for a change to expand residential options

Yellow = meets secondary CFA standards but not primary CFA standards

Orange = not CFA-complaint

In sum, nearly all the zones allow the required mix of uses.³ The commercial zones only allow residential as part of a mixed-use development, but this is allowed under the CFA rules. However, the City may consider allowing stand-alone multiunit development in some of these areas to expand options for residential development. None of the zones allow maximum heights up to 85' (except BCD in limited circumstances), though the MU zone comes close to this standard by allowing 75' for vertical mixed use. Exhibit 16 illustrates how these zones relate to the development prototypes included in this analysis.

² The Bend Central District is an overlay zone that largely supersedes the underlying base zone designations and is treated as if it were a zone for purposes of this analysis.

³ Only the IL zone does not allow a mix of uses today; changing the zoning for areas currently zoned IL would create a much larger shift in the intended development and land uses for those areas and is considered in this study for exploratory purposes.

Exhibit 16: Development Prototypes Allowed by Zoning

Source: ECONorthwest analysis

	6-Story Mixed-Use Podium Apartments (Market Parking)	7-Story Mixed-Use Podium Apartments (Reduced Parking)	7-Story Mixed-Use Podium Apartments (Market Parking)	4-Story Mixed-Use Apartment (Reduced Parking)	4-Story Mixed-Use Apartments (No Parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments	Stand-Alone Commercial*
BCD	/**	X***	X***	✓	✓	✓**	✓	✓
CG	/	X	X	✓	✓	X	X	✓
CL	X	X	X	✓	✓	X	X	✓
CB	?	X	X	?	?	X	X	✓
ME	X	X	X	/	/	X	X	✓
IL	X	X	X	X	X	X	X	X
MU	/	/	/	✓	✓	✓	✓	✓
MR	X	X	X	?	?	X	✓	✓
Primary CFA	✓	✓	✓	✓	✓	Optional	Optional	✓
Secondary CFA	Optional	Optional	Optional	✓	✓	Optional	Optional	✓

* Stand-alone commercial was not analyzed quantitatively but was considered qualitatively.

** Not allowed within the 4th Street Subdistrict.

*** Allowed if at least 10% of units are affordable.

Key:

✓ = Allowed

/ = Not considered to be allowed under DLCD methodology, but may be possible in practice for some building designs.

X = Not allowed

? = Depends on location within the zone

Building Height Considerations

As noted above, CFEC rules require a maximum building height of at least 85' for a primary CFA for a city of Bend's size. However, there are multiple factors that influence the development possible within that height limit.

CFEC Requirements and Methods

A "Methods Guide" developed by the Department of Land Conservation and Development (DLCD) requires jurisdictions to translate heights to floors based on a specific formula: number of floors = allowed height minus 10' divided by 10. This is shown in Exhibit 17.

Exhibit 17: DLCD Building Height to Building Floors Crosswalk

Number of Floors	Building Height Required
3	At least 40'
4	At least 50'
5	At least 60'
6	At least 70'
7	At least 80'

The actual number of floors that is possible in practice within a given maximum building height varies depending on the site, the building design and roof shape, and how height is measured in a given development code.

Building Code

In addition to height limits in the development code, the building code limits building height (in feet and stories) based on the type of construction, occupancy classification, and use of sprinklers. These building code requirements tend to have a substantial impact on construction costs and development feasibility. Current building code requirements in Oregon allow a maximum of 85' for wood-frame construction, with a maximum of five stories of wood-frame construction over a concrete podium.⁴ The number of floors of concrete podium is not explicitly limited, but the total building height with the upper wood-frame stories may not exceed 85'. (Note that for building code purposes, height is measured from the lowest point surrounding the building to the average height of the highest roof surface.⁵ This is different than how the Bend Development Code measures building height.⁶)

Most developers and builders interviewed did not identify a meaningful difference between being allowed 75' vs. 85' for several reasons:

⁴ 2022 Oregon Structural Specialty Code, Chapters 5 and 6.

⁵ 2022 Oregon Structural Specialty Code, Chapter 2.

⁶ BDC Chapter 1.2.

- They did not see a 75' height limit in the development code as a barrier to building a seven-story building, though 85' would allow for greater flexibility regarding rooftop spaces and facilities.
- They would generally build no more than seven stories in a podium development given building code limitations and their implications for construction costs. To build an eight-story building, the additional story would be required to be part of the concrete podium, or the whole building would have to be built from a more expensive material, increasing construction costs. Most podium development in Oregon to date has one or two stories of concrete podium, and many developers believe or assume that is the maximum allowed or possible. However, in Seattle, buildings with five stories of wood-frame construction over a three-story concrete podium are increasingly common within the same 85' height limit.⁷ This suggests that the higher construction costs for the eighth story would likely not be justified by the rents for the additional units under current market conditions, although over the longer term, if market conditions and/or building code requirements change, an eighth story could potentially become both viable and valuable.

⁷ See, for example, recent multifamily and mixed-use projects by Jackson Main Architecture: <https://static1.squarespace.com/static/5b6881db7e3c3ad28f15d2ba/t/624741d09bc82f7b1bdd311c/1648837107895/JMA+Multifamily+Brochure.pdf>. Seattle's building code also has some differences from Oregon's, which could impact the viability of building eight-story podium buildings.

4. Analysis Results: Financial Feasibility and Capacity Impacts by Study Area

This section summarizes results of the feasibility and development capacity analysis for each CFA study area. Market Areas 1 (North Study Area), 3 (South 3rd Study Area), and 5 (Eastside Study Area) are discussed together because of their commonalities in being more highway-oriented commercial areas.

Market Areas 1, 3, and 5: North Hwy 97, South 3rd St, and Eastside Commercial Areas

Market Conditions

Residential rents in these areas are lower than in more central locations. Among the three, the North Study Area (Market Area 1) rents for new apartments are anticipated to be slightly higher than other highway-oriented commercial areas included in this study, while the South 3rd St Study Area (Market Area 3) rents are the lowest of the areas studied.

Feasibility Results

Few of the tested development prototypes are likely to be feasible in any of these areas, even with unusually low development costs, as shown in Exhibit 18 and Exhibit 19.

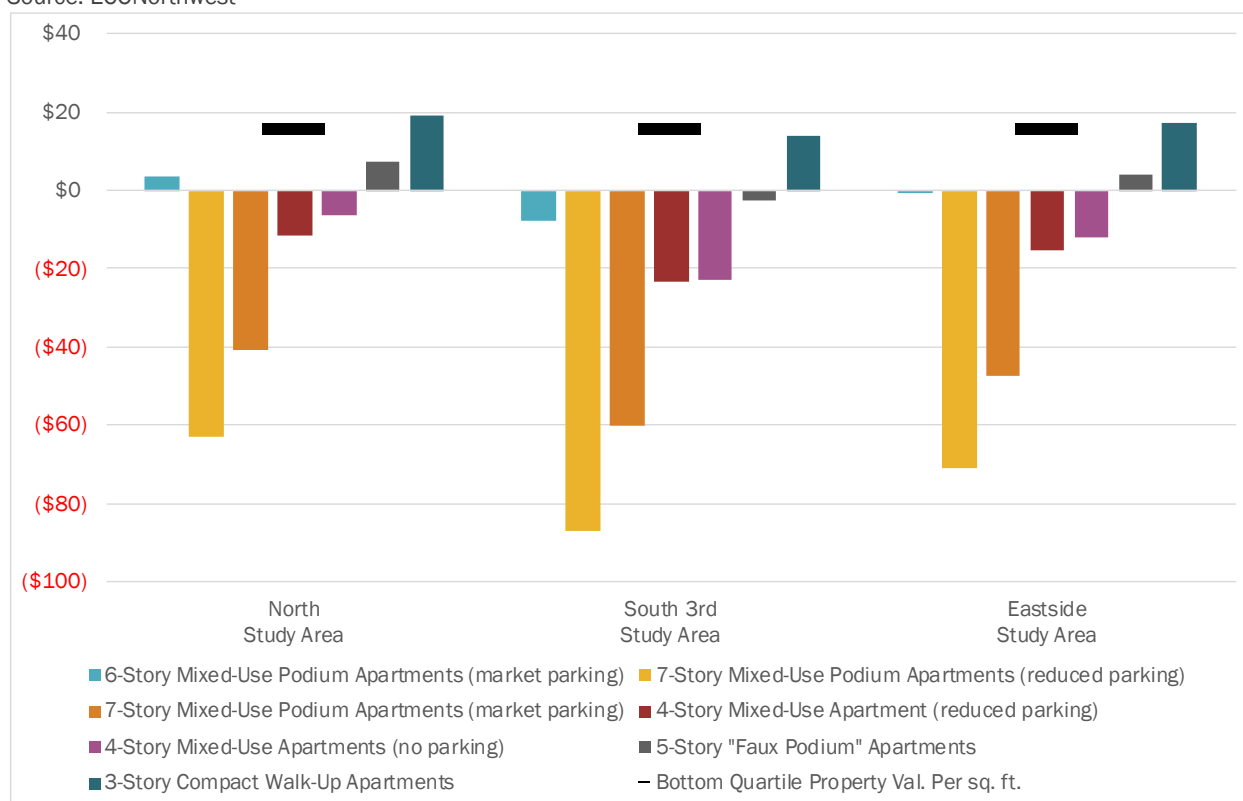
Exhibit 18: Market Feasibility of Tested Prototypes in Highway-Oriented Commercial Study Areas

Source: ECONorthwest analysis

	6-Story Mixed-Use Podium Apartments (market parking)	7-Story Mixed-Use Podium Apartments (reduced parking)	7-Story Mixed-Use Podium Apartments (market parking)	4-Story Mixed-Use Apartment (reduced parking)	4-Story Mixed-Use apartments (no parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-up Apartments
Feasibility Rating							
Market Area 1: North HWY 97	⚡	🔴	🔴	⬇️	⬇️	⚡	⬆️
Market Area 3: South HWY 97/3rd St	⬇️	🔴	🔴	🔴	🔴	⬇️	⚡
Market Area 5: East HWY 20/Greenwood	⬇️	🔴	🔴	🔴	⬇️	⚡	⬆️
Rating	Explanation						
🔴	Highly unlikely to be feasible						
⬇️	Not feasible in current market conditions, but could become feasible in future						
⚡	Possibly feasible with unusually low-cost land/construction						
⬆️	Likely feasible on vacant/low-cost sites, possibly feasible for redevelopment on underutilized sites						
🟢	Likely feasible for redevelopment on underutilized sites						

Exhibit 19: RLV per Sq. Ft. by Prototype, Highway-Oriented Commercial Areas

Source: ECONorthwest



In Market Areas 1 (North Study Area), 3 (South 3rd St Study Area), and 5 (Eastside Study Area), the three-story apartments are most likely to be feasible but may still only be viable in situations where land and/or construction costs are below what's typical for redevelopment in the current market. This is because rents in these areas are generally not high enough to support higher-cost construction types. However, in the North and Eastside Study Areas, five-story apartments may be viable. Six-story mixed-use development may also be viable in the North Study Area in limited circumstances. However, developments with reduced parking and mixed uses do not appear to be feasible, in part due to the lack of transportation options and lack of street parking options in those areas, which would mean a greater impact to achievable rents if development did not provide parking.

These areas also have relatively strong demand for commercial development, and highly desirable commercial sites (e.g., sites with good visibility located at major intersections) could potentially see commercial development outcompete all the residential and mixed-use prototypes tested.

Impacts to Residential Development Potential

Estimated maximum market-feasible development capacities for Market Areas 1 (North Study Area), 3 (South 3rd Study Area), and 5 (Eastside Study Area) are shown in Exhibit 20. This reflects redevelopment only on sites with very low value given relatively low residual land

values and primarily three-story apartment densities. As shown in Exhibit 20, the South 3rd Study Area has more market-feasible development capacity than the other areas due to the presence of several relatively large, low-value sites that may be financially feasible to redevelop, despite the weaker market conditions in this area.

Exhibit 20: Potential Residential Development Capacity, Market Areas 1 (North Study Area), 3 (South 3rd Study Area), and 5 (Eastside Study Area) Highway-Oriented Commercial Areas

Source: ECONorthwest and MIG | APG analysis

	Market Area 1: North HWY 97	Market Area 3: South 97/3rd	Market Area 5: East HWY 20/ Greenwood
Total Acres	148.9	209.2	151.3
Total Vacant Acres	4.8	10.7	6.4
Total Redevelopable Acres	5.2	9.9	
Est. Maximum Market-Feasible Capacity (Units)	433	782	256
% of Units Allowed Under Existing Zoning	4%	0%	0%
Est. Market-Feasible Capacity under existing zoning (units)	18	0	0
Expected (Re)Development as % of Market-Feasible Capacity	29%	31%	50%
Expected (Re)Development with CFA zoning (Units)	126	240	127
Expected (Re)Development with Existing Zoning (Units)	5	0	0
Net Increase (Units)	121	240	127

These three study areas are primarily zoned CG, as shown in Exhibit 14. Other zones include CL, ME, and IL. (See the appendix for a detailed breakdown of capacity by existing zone.) Potential changes to zoning in these areas would generally allow taller buildings (five to seven stories) and could also potentially allow stand-alone residential uses, though this is not required. In the IL zone, none of the prototypes tested are currently allowed.

Because six- and seven-story mixed-use buildings do not appear to be feasible in this area (particularly for seven-story buildings), a height increase alone would have limited impact on what is viable in the majority of the area for the foreseeable future. While six-story buildings could be feasible in very limited circumstances in Market Area 1 (North Study Area), because the CG zone already allows 65' for mixed-use development, and this zone covers most of these areas, the change to allow heights above 65' would have an even smaller impact. One exception to this could be for CL-zoned areas adjacent to the river that may be able to command higher rents than the surrounding areas.

Allowing stand-alone residential uses would have a bigger impact in these areas because these development types are more likely to be financially feasible, at least on low-cost sites. In areas currently zoned IL, allowing both commercial and residential uses would represent a major change to policy and could allow stand-alone commercial development on desirable sites in addition to allowing residential and mixed-use development.

Market Area 2: Bend Central District (BCD) Expanded Study Area

Market Conditions

Rents in the BCD Expanded Study Area are difficult to predict given the lack of development activity within the area. However, given the input from local industry experts and the development interest in this area, ECONorthwest estimated rents in this area to fall between the Central Westside Study Area and the North Study Area based on its proximity to downtown and other central areas and the anticipated public investments in the area. This is a very large study area and has a wide range of site conditions, which could lead to a wide range of market rents; for example, sites located adjacent to the railroad tracks may have lower rents than sites with more prime, midblock locations on streets with future public improvements planned. Given these uncertainties, results for this area should be interpreted with additional caution.

Feasibility Results

In the BCD Expanded Study Area, multiple types of development may be feasible on lower-cost sites, including three- and five-story apartments and six-story mixed-use buildings. In addition, in this area, there is greater tolerance for lower parking ratios due to better availability of transportation options, proximity to downtown, street parking, and rents that are somewhat lower than in the Central Westside Study Area or other premium locations. However, this is a large area and variation within the study area could mean that in the most desirable locations redevelopment could be more feasible than shown and in less desirable locations residential and mixed-use development may not be feasible at all.

Exhibit 21: Market Feasibility of Tested Prototypes in the BCD Expanded Study Area

Source: ECONorthwest analysis













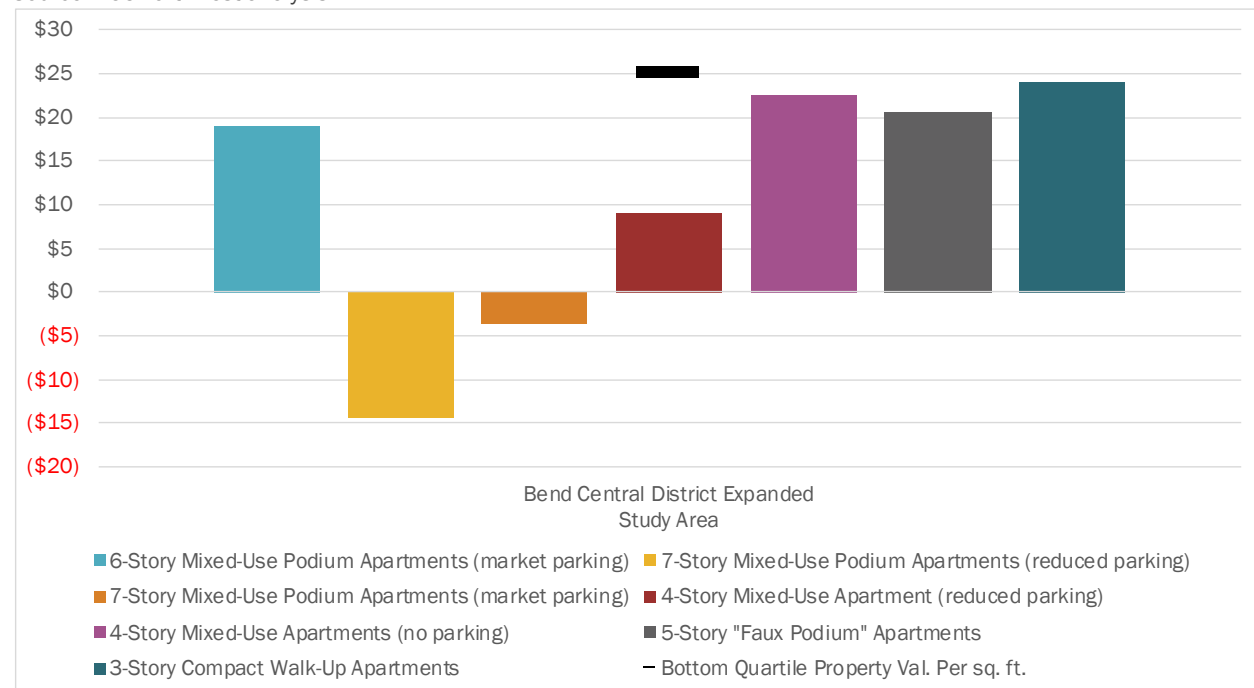
	6-Story Mixed-Use Podium Apartments (market parking)	7-Story Mixed-Use Podium Apartments (reduced parking)	7-Story Mixed-Use Podium Apartments (market parking)	4-Story Mixed-Use Apartment (reduced parking)	4-Story Mixed-Use apartments (no parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-up Apartments
Feasibility Rating							
Market Area 2: BCD Expanded							
Rating	Explanation						
	Highly unlikely to be feasible						
	Not feasible in current market conditions, but could become feasible in future						
	Possibly feasible with unusually low-cost land/construction						
	Likely feasible on vacant/low-cost sites, possibly feasible for redevelopment on underutilized sites						
	Likely feasible for redevelopment on underutilized sites						

Exhibit 22: RLV per Sq. Ft. by Prototype, BCD Expanded Study Area

Source: ECONorthwest analysis



Also note that the City offers a partial property tax abatement (the Multiple Unit Property Tax Exemption Program, or MUPTE) in portions of this area. This incentive program could make qualifying development feasible that would not otherwise be feasible. Development must provide public benefits identified by the City to qualify. All tested prototypes could potentially be eligible for MUPTE if located in a qualifying area and if they provide the required public benefits.

Impacts to Residential Development Potential

Estimated change in development capacity for Market Area 2 (BCD Expanded Study Area) is shown in Exhibit 23. As noted previously, the wide range of site conditions in this area makes it difficult to accurately estimate (re)development potential, and these results could be based on site-specific factors to an even greater extent than the other areas.

Exhibit 23: Potential Residential Development Capacity, Market Area 2 (BCD Expanded Study Area)

Source: ECONorthwest and MIG | APG analysis

Market Area 2: BCD Expanded	
Total Acres	116.0
Total Vacant Acres	6.6
Total Redevelopable Acres	6.7
Est. Maximum Market-Feasible Capacity (Units)	2,845
% of Units Allowed Under Existing Zoning	69%
Est. Market-Feasible Capacity under existing zoning (units)	1969
Expected (Re)Development as % of Market-Feasible Capacity	30%
Expected (Re)Development with CFA zoning (Units)	847
Expected (Re)Development with Existing Zoning (Units)	586
Net Increase (Units)	261

While much of the BCD Expanded Study Area is subject to the BCD overlay, there are also substantial areas of CL, ME, and IL zoning included, as shown in Exhibit 14.

Potential changes to zoning in these areas vary by zone. Impacts are more subtle in the BCD Expanded Study Area and most dramatic in the IL zone, with differences in the CL and ME zones based on allowing taller mixed-use buildings and potentially stand-alone residential.

While seven-story mixed-use buildings may be feasible in this area in very limited circumstances, the increase from six stories to seven stories in the BCD Expanded Study Area (assuming that the current height limit allows six stories in at least some circumstances) likely makes development less feasible in this area given the estimated rents and development costs. This is because the additional story must be concrete, as discussed on page 17, which increases overall development costs without increasing revenues. For the specific prototypical developments used in this analysis, the seven-story prototype substitutes some surface parking for more structured parking, which increases density but is only helpful if the savings on land costs outweighs the increase in construction costs, which is not likely in this area.

In the CL, ME, and IL areas, changes would be more impactful. Allowing six stories could have value in some areas where localized rents are high enough to support this form of development, but allowing stand-alone residential uses would likely have the greatest impact.

Details of estimated capacity and changes by zone are provided in the appendix.

Market Area 4: Central Westside Study Area

Market Conditions

Market Area 4 (Central Westside Study Area) commands the highest rents of the study areas analyzed due to its higher surrounding home sales prices and proximity to local amenities. Relatively dense development has already taken place recently in this area, such as The Hixon and The Eddy, proving a market for this type of development exists.

Feasibility Results

In Market Area 4 (Central Westside Study Area), all development types tested are likely to be feasible at least on vacant or low-cost sites, as shown in Exhibit 24. The most feasible forms of development are likely to be six-story mixed-use, seven-story mixed-use with market parking, or 5-story apartments, depending on site conditions. While all three forms are likely financially feasible, the six-story mixed-use development appears to offer the highest residual land value by a small margin, as shown in Exhibit 25.

Exhibit 24: Market Feasibility of Tested Prototypes in Central Westside Study Area

Source: ECONorthwest analysis













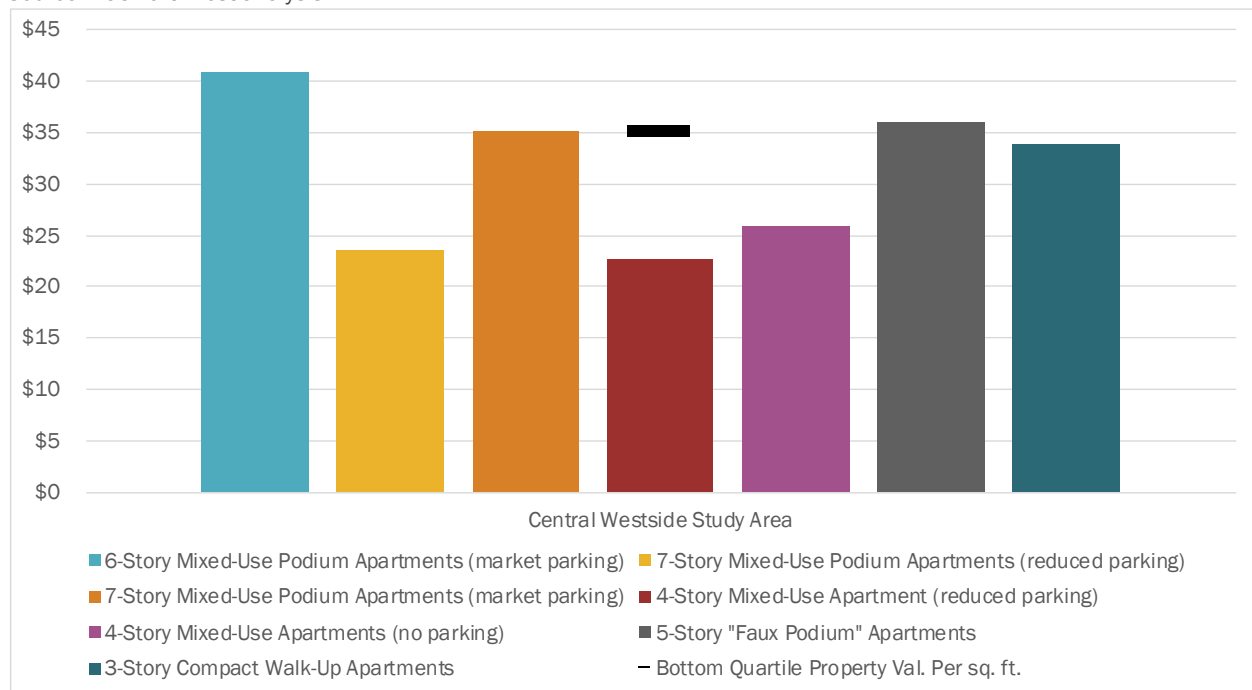
	6-Story Mixed-Use Podium Apartments (market parking)	7-Story Mixed-Use Podium Apartments (reduced parking)	7-Story Mixed-Use Podium Apartments (market parking)	4-Story Mixed-Use Apartment (reduced parking)	4-Story Mixed-Use apartments (no parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-up Apartments
Feasibility Rating							
Market Area 4: Central Westside							
Rating	Explanation						
	Highly unlikely to be feasible						
	Not feasible in current market conditions, but could become feasible in future						
	Possibly feasible with unusually low-cost land/construction						
	Likely feasible on vacant/low-cost sites, possibly feasible for redevelopment on underutilized sites						
	Likely feasible for redevelopment on underutilized sites						

Exhibit 25: RLV per Sq. Ft. by Prototype, Central Westside Study Area

Source: ECONorthwest analysis



Impacts to Residential Development Capacity

Estimated change in development capacity for Market Area 4 (Central Westside Study Area) is shown in Exhibit 26.

Exhibit 26: Potential Residential Development Capacity, Market Area 4 (Central Westside Study Area)

Source: ECONorthwest and MIG | APG analysis

Market Area 4: Central Westside	
Total Acres	438.9
Total Vacant Acres	31.8
Total Redevelopable Acres	43.7
Est. Maximum Market-Feasible Capacity (Units)	8,673
% of Units Allowed Under Existing Zoning	83%
Est. Market-Feasible Capacity under existing zoning (units)	7,216
Expected (Re)Development as % of Market-Feasible Capacity	27%
Expected (Re)Development with CFA zoning (Units)	2,328
Expected (Re)Development with Existing Zoning (Units)	1,937
Net Increase (Units)	391

* In this area, because the market-feasible capacity is so large, absorption (the pace of demand for new units) may limit (re)development further than shown because only a portion of the overall demand for apartments citywide is likely to be captured in any one area at any given time, and developers may avoid competing directly within the same submarket at the same time, which could slow the pace of development and mean that fewer units would be built within a twenty-year period.

Most of Market Area 4 (Central Westside Study Area) is currently zoned MU, as shown in Exhibit 14, which is the zone closest to meeting Primary CFA requirements. The remainder of the area is zoned MR, which has a much lower height limit in order to create a transition to the Deschutes River, but it also allows stand-alone residential. Impacts of CFA designation in the MU zone would be limited (primarily seven vs. six stories and providing greater flexibility for six-story development relative to height limits), but impacts in the MR zone would be more substantial given the difference in height limits.

While seven-story development does appear to be feasible in this area, because it does not appear to be more feasible than six-story development, the increase from six stories to seven stories in the MU zone (assuming that the current height limit does allow six stories in at least some circumstances) would likely have limited impact. As discussed for the BCD Expanded Study Area, the addition of another floor of structured parking, rather than relying partially on surface parking, appears to increase construction costs more than the savings on land costs from building at higher density, even in this area.

In the MR zone, changes would be more impactful. Allowing six stories would likely be somewhat more feasible than the lower-intensity options that are allowed under existing zoning. This could depend on site-specific factors, but given the availability of river views from this area, the premium for building taller could be higher than in other areas.

5. Conclusions

This analysis suggests that CFA designation could have a marginal impact in areas where zoning is already largely compliant with CFA requirements and a variable impact in other areas.

- The MU zone and BCD overlay, which cover large portions of the Central Westside Study Area and BCD Expanded Study Area, respectively, would see effectively no difference in likely development outcomes as a result of allowing taller buildings. Developers may be able to build seven stories under the existing zoning already and the increased cost of building the additional level of structured parking to reach seven stories likely outweighs the financial benefits. However, these areas are more likely to support dense, mixed-use (re)development than other areas, so capturing the existing (re)development potential within a CFA may be appropriate, even if the designation does not have much impact.
- Allowing taller buildings could have value in the MR zone where policy direction to date has intentionally kept building heights lower if they were near the river, and also potentially in the CL-zoned parcels adjacent to the river on the east side.
- In highway-oriented commercial areas, the primary impact would come from a policy choice to allow stand-alone residential development, which is not required for CFA designation, because rents are generally not yet high enough to support taller vertical mixed-use development given current construction costs. (One exception to this could be for CL-zoned areas that are adjacent to the river that may be able to command higher rents than the surrounding areas.)
- If areas currently zoned industrial were designated as CFAs, this would represent a major policy shift and would potentially open these areas to a mix of residential and commercial uses.

The key factors driving feasibility include rents, development costs, building code, and parking demand.

- **Rents:** Differences in market rents due to proximity to amenities and employment centers, among other factors, drive differences in the scale and amount of development that is likely to be financially feasible. Areas that can command premium rents can more readily absorb the cost of building higher-density developments. Some of the discrepancy in rents could change if less desirable areas see increased investment and placemaking (e.g., BCD Expanded Study Area, which is part of a larger effort to reinvest in Bend's Central Area). Higher rents on a per-square-foot basis would likely be offset by a shift toward smaller units, as is generally the pattern across new construction in Bend.

- **Costs:** Construction costs as well as SDCs and other fees are high in Bend compared to other parts of the state. The costs of development (excluding land) are relatively constant across the different market areas analyzed (though they can vary substantially based on site-specific factors). However, development costs vary substantially based on building height because building code requires different materials (e.g., concrete podiums) and fire safety elements as buildings get taller, which generally increases construction costs.
- **Parking:** Perceived demand for parking makes it difficult to economize by building apartments with little or no parking. The cost of building structured parking means that only areas with higher rents can generally justify this cost. Rocky soils make building underground parking virtually impossible in many cases, which limits developers' ability to maximize development potential within a seven-story building. Improved transit service (including to top recreation destinations) and investments in making areas more walkable and bikeable could reduce perceived need for parking over time. Given the cost of structured parking, making buildings with less or no parking viable in the market could meaningfully impact these results.

This analysis suggests that the efforts the City has already made to designate and invest in mixed-use opportunity areas have created development conditions and regulations similar to those intended for CFAs, and these areas could support substantial (re)development with or without CFA designation. However, over the longer term, additional density and redevelopment may be possible based on changing rents, costs, parking demand, or building code requirements that could increase the value of building above six stories.

In other areas that the City is considering for potential CFA designation, there are important policy choices to consider and trade-offs associated with allowing stand-alone residential uses, increasing heights, or shifting away from industrial zoning. This analysis does not address those trade-offs, but they merit evaluation through an update to the City's Economic Opportunities Analysis and community and stakeholder engagement. These areas have less (re)development potential under current market conditions because they are not yet desirable places to build higher-density mixed-use development. However, if the City chose to invest in one or more of these areas similar to other mixed-use opportunity areas, over time the rents and parking demand could change, potentially expanding residential (re)development potential.

The City could also impact these results through expanding tax abatement programs to encompass any of the highway commercial areas selected (Market Areas 1 [North Study Area], 3 [South 3rd Study Area], and 5 [Eastside Study Area]), either using a Vertical Housing Development Zone (VHDZ), which specifically incentivizes multistory mixed-use development, or by extending the City's existing MUPTE program, which can apply to mixed-use or stand-alone residential development that provides qualifying public benefits. Preliminary sensitivity testing suggests that the incentive provided by either VHDZ or MUPTE could be enough to meaningfully increase feasibility for higher-density mixed-use development where it is not feasible today. Placemaking investments could also boost the achievable rents, making more development financially feasible.

Technical Appendix: Detailed Assumptions and Results

The appendix provides additional details regarding assumptions and results for the analysis of financial feasibility, market-feasible capacity, and expected (re)development.

Financial Feasibility Assumptions and Details

Exhibit 27: Prototype Financial Assumptions and Feasibility Results by Market Area

Source: ECONorthwest analysis

Description	6-Story Mixed-Use Podium Apartments (Market Parking)	7-Story Mixed-Use Podium Apartments (Reduced Parking)	7-Story Mixed-Use Podium Apartments (Market Parking)	4-Story Mixed-Use Apartment (Reduced Parking)	4-Story Mixed-Use Apartments (No Parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments
Stories	6	7	7	4	4	5	3
Estimated Height (ft)	65	75	75	45	45	55	30
Use	Mixed	Mixed	Mixed	Mixed	Mixed	Residential	Residential
Parking Location/Configuration	Surface, 1-level podium with some parking and some retail	2-level podium (1 parking, 1 parking/retail)	2-level podium (extends beyond wood "tower")	Surface and tuck under	None	Surface and tuck under	Surface
Assumed Site Size (acres)	2.24	0.92	0.92	0.34	0.34	1.38	1.36
Total Unit Count	232	215	169	40	58	130	60
Density (DU/net acre)	104	234	184	116	168	95	44
Parking Ratio (per unit, avg)	1.0	0.75	1.0	0.5	0	0.75	1.08
Ground Floor Retail (gross sq. ft.)	5,710	14,824	11,638	5,615	5,100	0	0
Average Unit Size (sq. ft.)	675	675	675	675	675	675	790

Building Details

Unit Mix

Studio	25%	25%	25%	25%	25%	25%	15%
1-BR	50%	50%	50%	50%	50%	50%	50%
2-BR	25%	25%	25%	25%	25%	25%	25%
3-BR	0%	0%	0%	0%	0%	0%	10%

Description	6-Story Mixed-Use Podium Apartments (Market Parking)	7-Story Mixed-Use Podium Apartments (Reduced Parking)	7-Story Mixed-Use Podium Apartments (Market Parking)	4-Story Mixed-Use Apartment (Reduced Parking)	4-Story Mixed-Use Apartments (No Parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments
Unit Size							
Studio	500	500	500	500	500	500	550
1-BR	675	675	675	675	675	675	700
2-BR	850	850	850	850	850	850	950
3-BR	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Surface Parking Spaces	142	-	23	7	-	77	64
Structured Podium Spaces	90	162	122	13	-	-	-
Structured (above ground, not within building) or Tuck Under (open-air)			23			20	
Gross Sq. Ft. of Residential	184,614	170,476	133,839	31,819	45,900	103,359	55,568
Gross Sq. Ft. of Retail	5,710	14,824	11,638	5,615	5,100	-	-
Landscaping (sq. ft.)	14,625	6,000	6,000	2,250	2,250	9,000	11,875
Hard Costs							
Total Hard Cost per Gross Sq. Ft. Residential	\$269	\$292	\$298	\$294	\$259	\$250	\$217
Total Hard Cost per Unit	\$214,308	\$231,178	\$235,965	\$233,727	\$205,061	\$198,691	\$201,242
Soft Costs							
Soft Costs as a % of Hard Costs	26%	25%	26%	27%	27%	26%	27%
Total Dev. Costs (excl. land) per Gross Sq. Ft. Residential	\$366	\$396	\$405	\$404	\$357	\$341	\$298
Total Dev. Costs (excl. land) per Unit	\$291,161	\$313,706	\$320,366	\$321,262	\$282,217	\$271,158	\$276,221

Description	6-Story Mixed-Use Podium Apartments (Market Parking)	7-Story Mixed-Use Podium Apartments (Reduced Parking)	7-Story Mixed-Use Podium Apartments (Market Parking)	4-Story Mixed-Use Apartment (Reduced Parking)	4-Story Mixed-Use Apartments (No Parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments
Revenue							
Rent Reduction for No Parking (BCD)	0%	-2%	0%	-4%	-8%	-2%	0%
Rent Reduction for No Parking (other areas)	0%	-3%	0%	-5%	-10%	-3%	0%
Blended Average Monthly Residential Rent per Unit (with escalation)							
Market Area 1: North HWY 97	\$1,979	\$1,930	\$1,979	\$1,880	\$1,781	\$1,930	\$2,078
Market Area 2: BCD Expanded	\$1,979	\$1,942	\$1,979	\$1,905	\$1,831	\$1,942	\$2,078
Market Area 3: South HWY 97/3rd St	\$1,949	\$1,900	\$1,949	\$1,851	\$1,754	\$1,900	\$2,046
Market Area 4: Central Westside	\$2,040	\$1,989	\$2,040	\$1,938	\$1,836	\$1,989	\$2,143
Market Area 5: East HWY 20/Greenwood	\$1,969	\$1,920	\$1,969	\$1,871	\$1,772	\$1,920	\$2,068
Blended average Monthly Residential Rent per sq. ft. (with escalation)							
Market Area 1: North HWY 97	\$2.93	\$2.86	\$2.93	\$2.79	\$2.64	\$2.86	\$2.63
Market Area 2: BCD Expanded	\$2.93	\$2.88	\$2.93	\$2.82	\$2.71	\$2.88	\$2.63
Market Area 3: South HWY 97/3rd St	\$2.89	\$2.81	\$2.89	\$2.74	\$2.60	\$2.81	\$2.59
Market Area 4: Central Westside	\$3.02	\$2.95	\$3.02	\$2.87	\$2.72	\$2.95	\$2.71
Market Area 5: East HWY 20/Greenwood	\$2.92	\$2.84	\$2.92	\$2.77	\$2.63	\$2.84	\$2.62

Description	6-Story Mixed-Use Podium Apartments (Market Parking)	7-Story Mixed-Use Podium Apartments (Reduced Parking)	7-Story Mixed-Use Podium Apartments (Market Parking)	4-Story Mixed-Use Apartment (Reduced Parking)	4-Story Mixed-Use Apartments (No Parking)	5-Story "Faux Podium" Apartments	3-Story Compact Walk-Up Apartments
Op Ex (with taxes) as a % of Gross Rent							
Market Area 1: North HWY 97	29%	30%	30%	31%	30%	29%	29%
Market Area 2: BCD Expanded	29%	30%	30%	31%	30%	29%	29%
Market Area 3: South HWY 97/3rd St	30%	30%	30%	31%	30%	29%	29%
Market Area 4: Central Westside	29%	30%	30%	30%	30%	29%	29%
Market Area 5: East HWY 20/Greenwood	29%	30%	30%	31%	30%	29%	29%
RLV per Sq. Ft. Based on Target ROC							
Market Area 1: North HWY 97	\$3	(\$63)	(\$41)	(\$11)	(\$7)	\$7	\$19
Market Area 2: BCD Expanded	\$19	(\$14)	(\$4)	\$9	\$23	\$21	\$24
Market Area 3: South HWY 97/3rd St	(\$8)	(\$87)	(\$60)	(\$23)	(\$23)	(\$2)	\$14
Market Area 4: Central Westside	\$41	\$24	\$35	\$23	\$26	\$36	\$34
Market Area 5: East HWY 20/Greenwood	(\$0)	(\$71)	(\$47)	(\$15)	(\$12)	\$4	\$17

Market-Feasible Capacity Assumptions

The market-feasible capacity analysis is based on the following assumptions:

- Properties in each study area were assumed to be financially feasible to redevelop if the existing property value is less than the highest estimated RLV (per square foot of site area) of the prototypes in that study area. Vacant land is assumed to be market feasible to develop regardless of current value. Properties excluded from the Buildable Lands Inventory (public properties, etc.) were also excluded from this analysis.
- All identified properties were assumed to develop with the residential or mixed-use development prototypes analyzed for this study, with the exception of properties at high-visibility corners. These were assumed to (re)develop with commercial uses (if at all), based on input from brokers and developers in the area indicating these locations would be highly desirable for certain commercial uses that could outcompete residential development. In reality, other types of nonresidential development that were not the focus of this study (e.g., hotel/hospitality, self-storage, medical office, etc.) may also occur on some of the sites identified as market feasible for residential or mixed-use development.
- All properties assumed to be market feasible for residential or mixed-use development were assumed to develop at weighted average residential densities that reflect the mix of prototypes most likely to be financially feasible within each area.⁸

Given that these assumptions generally represent the most optimistic reasonable assumption, the results should be interpreted as an estimate of the maximum market-feasible residential development capacity of each study area—a “reasonable best-case” scenario of how much residential and mixed-use development could be accommodated on sites that are estimated to be financially feasible for (re)development under current or reasonably foreseeable market conditions.

⁸ While the analysis did not explicitly evaluate a traditional garden-style walk-up apartment prototype, its financial feasibility is likely similar to the three-story walk-up apartment but with somewhat higher costs for landscaping and shared amenities. To account for this, the weighted average densities factor in an assumption of some of this form of development (typically built at roughly 30 units per acre).

Exhibit 28: Detailed Assumptions for Market-Feasible Capacity Analysis by Study Area

Source: MIG|APG and ECONorthwest analysis

Study Area	Total Acres	Non-developable Acres*	Acres Assumed for Commercial Uses **	Maximum Land Budget ("Strike Price")	Acres Assumed for Future ROW and Public Facilities ***	CFA Density (Net DU/AC)
1. North HWY 97 Market Study Area	150.2	19.2	8.2	\$19	0.9	43
2. BCD Expanded Market Study Area	252.2	6.0	17.7	\$28	3.8	94
3. South 97/3rd Market Study Area	227.4	15.2	10.2	\$14	2.7	38
4. Central Westside Market Study Area	438.9	193.0	0.0	\$41	4.7	115
5. East HWY20/Greenwood	154.2	3.2	5.2	\$17	0.0	40

Expected Redevelopment Assumptions

Key assumptions include:

- In addition to excluding land at key commercial corners, 50% of the remaining vacant land is assumed to develop with other uses other than those modeled.
- On sites identified as financially feasible to redevelop with residential or mixed use, 10% are assumed to redevelop.

For each area, these factors were weighted based on the share of the capacity from vacant land vs. redevelopment.

Comparison to Existing Zoning

To estimate how much of the capacity would be allowed under existing zoning, the share of the units coming from prototypes that would be allowed under the existing zoning was calculated for each zone and each market area. This share varies between market areas, even if the existing zoning is the same, because the estimated development densities are weighted based on which prototypes are most likely to be financially feasible. Where a prototype is shown as “not considered to be allowed under DLCD methodology, but may be possible in practice for some building designs” in Exhibit 16 on page 16, the potential development from that prototype was counted as allowed under the existing zoning, consistent with the input from developers, to avoid overestimating the true impact of a CFA designation.

Exhibit 29: Detailed Breakout of Market-Feasible Capacity by Study Area and Existing Zoning

Source: MIG|APG and ECONorthwest analysis

Zone		Market Area 1: North HWY 97	Market Area 2: BCD Expanded	Market Area 3: South 97/3rd	Market Area 4: Central Westside	Market Area 5: East HWY 20/ Greenwood	Total
Commercial General (CG)	Total Acres	98.5		209.2		125.7	433.4
	Vacant Acres	4.3		10.7		5.4	20.4
	Est. Acres Redevelopable with Residential/Mixed Use	1.6		9.9			11.5
	Est. Maximum Market-Feasible Capacity (Units)	255		782		215	1252
	% of Units Allowed under Existing Zoning	7%		0%		0%	7%
	Est. Market-Feasible Capacity under Existing Zoning	18		0		0	18
Bend Central District Overlay (BCD)	Total Acres		133.3				133.3
	Vacant Acres		8.7				8.7
	Est. Acres Redevelopable with Residential/Mixed Use		8.6				8.6
	Est. Maximum Market-Feasible Capacity		1612				1612
	% of Units Allowed under Existing Zoning		100%				100%
	Est. Market-Feasible Capacity under Existing Zoning		1612				1612
Commercial Limited (CL)	Total Acres	23.7	71.2				94.9
	Vacant Acres	0.3	4.1				4.4
	Est. Acres Redevelopable with Residential/Mixed Use		4.1				4.1
	Est. Maximum Market-Feasible Capacity (Units)	11	762				773
	% of Units Allowed under Existing Zoning	0%	47%				47%
	Est. Market-Feasible Capacity under Existing Zoning	0	356				356
	Total Acres		17.7			25.6	43.3
	Vacant Acres		1.9			1.0	2.9

Zone		Market Area 1: North HWY 97	Market Area 2: BCD Expanded	Market Area 3: South 97/3rd	Market Area 4: Central Westside	Market Area 5: East HWY 20/ Greenwood	Total
Mixed Employment (ME)	Est. Acres Redevelopable with Residential/Mixed Use		1.8				1.8
	Est. Maximum Market-Feasible Capacity (Units)		344			41	385
	% of Units Allowed under Existing Zoning		0%			0%	0%
	Est. Market-Feasible Capacity under Existing Zoning					0	0
Industrial Light (IL)	Total Acres	26.8	27.0				53.8
	Vacant Acres	0.3	0.6				0.8
	Est. Acres Redevelopable with Residential/Mixed Use	3.6	0.8				4.4
	Est. Maximum Market-Feasible Capacity (Units)	166	126				293
	% of Units Allowed under Existing Zoning	0%	0%				0%
	Est. Market-Feasible Capacity under Existing Zoning	0					0
Mixed Residential (MR)	Total Acres				111.3		111.3
	Vacant Acres				14.6		14.6
	Est. Acres Redevelopable with Residential/Mixed Use				6.0		6.0
	Est. Maximum Market-Feasible Capacity				2369		2369
	% of Units Allowed under Existing Zoning				38%		38%
	Est. Market-Feasible Capacity under Existing Zoning				912		912
Mixed Use (MU)	Total Acres				327.6		327.6
	Vacant Acres				17.2		17.2
	Est. Acres Redevelopable with Residential/Mixed Use				37.7		37.7
	Est. Maximum Market-Feasible Capacity				6304		6304
	% of Units Allowed under Existing Zoning				100%		100%

Zone	Market Area 1: North HWY 97	Market Area 2: BCD Expanded	Market Area 3: South 97/3rd	Market Area 4: Central Westside	Market Area 5: East HWY 20/ Greenwood	Total
	Est. Market-Feasible Capacity under Existing Zoning					6304
Residential (RL, RS, RM, RH)	Total Acres	2.7	11.5			14.2
	Vacant Acres		3.4			3.4
	Est. Acres Redevelopable with Residential/Mixed Use		4.4			4.4
	Est. Maximum Market-Feasible Capacity (Units)		298			298
	% of Units Allowed under Existing Zoning	4%	35%			39%
	Est. Market-Feasible Capacity under Existing Zoning		105			105
Totals	Total Acres	148.9	118.7	220.8	438.9	1078.6
	Total Vacant Acres	4.8	6.6	14.1	31.8	63.6
	Total Redevelopable Acres	5.2	6.7	14.3	43.7	69.9
	Est. Maximum Market-Feasible Capacity (Units)	433	2845	1080	8673	13286
	% of Units Allowed under Existing Zoning	4%	69%	10%	83%	70%
	Est. Market-Feasible Capacity under Existing Zoning	18	1969	105	7216	9308
	Expected (Re)Development as % of Market-Feasible Capacity	29%	30%	30%	27%	50%
	Expected (Re)Development with CFA Zoning	126	847	322	2328	127
	Expected (Re)Development with Existing Zoning	5	586	31	1937	0
	Net increase	121	261	291	391	127

Appendix B – CFA Candidates Scoring Evaluation Matrix

Evaluation Summary Matrix	Bend Central District	Central Westside	Eastside	Far South	Greenwood	KorPine	Mid 3rd	Near South	North	North Downtown
Size (in gross acres)	202	501	187	155	22	32	62	125	144	183
Score in Connectivity Model	High	Low	Low	Medium	Medium	Medium	High	Medium	Low	Medium
Score in Opportunity Model	High	Low	Medium	Medium	High	Medium	Medium	Medium	Low	Medium
Score in Combined Model	High	Low	Low	Medium	High	Medium	Medium	Medium	Low	Medium
Overlap with High-Risk Displacement Areas ¹	Medium	High	Low	Low	Medium	Medium	Low	Low	High	High
Overlap with existing Federal and State Supportive Policies	High Enterprise Zone and Opportunity Zone	Medium Enterprise Zone	High Enterprise Zone and Opportunity Zone	Medium Enterprise Zone	High Enterprise Zone and Opportunity Zone	Medium Opportunity Zone	High Enterprise Zone and Opportunity Zone	High Enterprise Zone and Opportunity Zone	Medium Enterprise Zone	High Enterprise Zone and Opportunity Zone
Overlap with existing Local Supportive Policies	High Core Area TIF, MUPTE	Low No Local Supportive Policies	Medium MUPTE, HB 3450	High Murphy Crossing TIF, HB 3450	High Core Area TIF, MUPTE	High Core Area TIF, MUPTE	High Core Area TIF, MUPTE, HB 3450	Medium MUPTE, HB 3450	Medium MUPTE, HB 3450	High Core Area TIF, MUPTE, HB 3450
Located in a TIF	High Entirely in the Core Area TIF	Low Not in a TIF	Low Not in a TIF	High Mostly in the Murphy Crossing TIF	High Entirely in the Core Area TIF	High Entirely in the Core Area TIF	High Entirely in the Core Area TIF	Medium Area south of Wilson and north of Cleveland is in the Core Area TIF	Low Not in a TIF	High Primarily in the Core Area TIF
Performance in Market Study ²	High <ul style="list-style-type: none"> 6-Story Mixed-Use podium, 4-Story mixed-use, 5-Story apartments and 3-Story walkups are all feasible in current market conditions Anticipated redevelopment with CFA zoning is 847 units, as opposed to 547 with current zoning 	High <ul style="list-style-type: none"> All building prototypes are currently feasible or could become feasible on vacant or low-cost sites 	Low <ul style="list-style-type: none"> Only 3-Story walkups feasible in current market conditions 5-Story apartments could become feasible with low-cost land/construction 	Low <ul style="list-style-type: none"> No building prototypes feasible in current market conditions 3-Story walkups could become feasible with low-cost land/construction 	N/A	N/A	High <ul style="list-style-type: none"> This area was included in the expanded BCD market area which has higher degrees of site-specific variation therefore results should be interpreted with additional caution. 	Low <ul style="list-style-type: none"> No building prototypes feasible in current market conditions 3-Story walkups could become feasible with low-cost land/construction 	Medium <ul style="list-style-type: none"> Only 3-Story walkups feasible in current market conditions 5-Story apartments and 6-Story mixed-use podium apartments could become feasible with low-cost land/construction 	High <ul style="list-style-type: none"> This area was included in the expanded BCD market area which has higher degrees of site-specific variation therefore results should be interpreted with additional caution.
VMT ³	High Low VMT - average trip length between 2.1-6 miles	Medium Medium VMT – average trip length between 2.1-6.7 miles	Medium Medium VMT – average trip length between 2.1-6.7 miles	Low High VMT – average trip length between 6.8 -8.3 miles	High Low VMT - average trip length between 2.1-6 miles	High Low VMT - average trip length between 2.1-6 miles	High Low VMT - average trip length between 2.1-6 miles	Medium Medium VMT – average trip length between 2.1-6.7 miles	Medium Medium VMT – average trip length between 2.1-6.7 miles	High Low VMT - average trip length between 2.1-6 miles

¹ Does the CFA overlap with or exist within areas with displacement risk? Lowest scoring CFAs have portions located in areas with displacement risk, medium scoring CFAs border or have slight overlap, highest scoring CFAs are far from the strategy area.

² Some study areas, specifically BCD, Mid 3rd, and North Downtown, have wider ranges of site conditions, which could lead to a wide range of market rents and therefore results for those areas should be interpreted with additional caution. Variation within the study area could mean that in the most desirable locations (e.g. close to the river) redevelopment could be more feasible than shown and in less desirable locations (e.g. abutting the train tracks) residential and mixed-use development may not be feasible at all.

³ Is the CFA in a low VMT area? Lowest scoring are CFAs in areas with higher VMT, highest scoring CFAs are in areas with low VMT.

Evaluation Summary Matrix	Bend Central District	Central Westside	Eastside	Far South	Greenwood	KorPine	Mid 3rd	Near South	North	North Downtown
Community Outreach ⁴	<p>High</p> <ul style="list-style-type: none">BCD scored the second highest in the questionnaire with 67% of respondents answering that it should be prioritized for CFA designation.Discussion in the equity focus group that BCD has lower land costs, but is in need of amenities. Barriers like 3rd street and the railroad make it hard to navigate as a pedestrian or cyclist, and also add to air and noise pollution. They also stated that it needs a public gathering space and could benefit from closing some streets to cars.	<p>Medium</p> <ul style="list-style-type: none">The questionnaire results showed that 41% of respondents favored the Central Westside as an area that should be prioritized for CFA designation.Discussion in the equity focus group and community popups focused on the fact that this area is already developing as if it is a CFA. Very little development code changes needed to designate.Equity focus group pointed out that high value land creates barriers to affordable housing	<p>High</p> <ul style="list-style-type: none">Eastside scored the highest in the questionnaire with 71% of respondents answering that this area should be prioritized for CFA designation.Eastside also came up repeatedly in community popups as a favored location for designationEquity focus group felt that this area could benefit from additional growth, though some existing housing could be a barrier	<p>Low</p> <ul style="list-style-type: none">Far South 3rd was the lowest scoring primary CFA in the questionnaire with 25% of respondents answering that it should be prioritized for CFA designation.Far South 3rd did generate excitement in the equity focus group outreach due to its low land costs, which would make it easier for providers to build affordable housing, and the potential for better pedestrian connections	<p>High</p> <ul style="list-style-type: none">Greenwood was the highest scoring secondary CFA in the questionnaire.	<p>Low</p> <ul style="list-style-type: none">KorPine was the second lowest scoring secondary CFA in the questionnaire.	<p>High</p> <ul style="list-style-type: none">Mid 3rd was the second highest scoring secondary CFA in the questionnaire.	<p>Low</p> <ul style="list-style-type: none">Near South was the second lowest scoring primary CFA in the questionnaire with 38% of respondents answering that it should be prioritized for CFA designation.	<p>High</p> <ul style="list-style-type: none">North scored highly in the questionnaire.Equity focus group added that it may be difficult to develop at this point due to a lack of infrastructure and barriers	<p>High</p> <ul style="list-style-type: none">The areas comprising the North Downtown CFA all scored high as options for a secondary CFA. They were later combined into one CFA.

⁴ Did the community support this becoming a CFA in our outreach and questionnaire? There were over 400 responses to the questionnaire.

Evaluation Summary Matrix	Bend Central District	Central Westside	Eastside	Far South	Greenwood	KorPine	Mid 3rd	Near South	North	North Downtown
Impact ⁵	<ul style="list-style-type: none"> BCD would only need an increase from 65’ to 85’ in maximum bldg. height to be compliant Per the market feasibility study, BCD expanded is expected to produce 586 units from redevelopment in 20 years under existing zoning. With CFA zoning, this number would change to 847 – a difference of 261 units. 	<ul style="list-style-type: none"> Increase in building height from 65’ to 85’ in MU to be a primary CFA Increase in building height from 45’ to 55’ in MR to be compliant as a secondary CFA Per the market feasibility study, Central Westside is expected to produce 1,937 units from redevelopment in 20 years under the existing zoning. With CFA zoning, this number would change to 2,328 – a difference of 391 units. 	<ul style="list-style-type: none"> CG would need to allow standalone residential and an increase in bldg. height from 55’ to 85’ to be a primary CFA Increase in building height from 45’ to 55’ in ME 55’ feet to be compliant as a secondary CFA, and ME would need to allow standalone residential Per the market feasibility study, Eastside/Greenwood is expected to produce 0 units from redevelopment in 20 years under the existing zoning. With CFA zoning, this number would change to 127 units. 	<ul style="list-style-type: none"> CG would need to allow standalone residential and an increase in bldg. height from 55’ to 85’ to be a primary CFA Per the market feasibility study, Far South 3rd is expected to produce 0 units from redevelopment in 20 years. With CFA zoning, this number would change to 240 units. 	<ul style="list-style-type: none"> This CFA is not large enough to be a primary CFA on its own, but MN would need to be increased to from 45’ to 55’ to meet the requirements for a secondary CFA There is one CG zoned parcel that would need to be rezoned to allow standalone residential to be a secondary CFA CL would need to allow standalone residential 	<ul style="list-style-type: none"> Increase in building height from 65’ to 85’ in MU 	<ul style="list-style-type: none"> CL would need to allow standalone residential and increase building height from 55’ to 85’ to be a primary CFA IL would need to be rezoned entirely as it does not allow residential or mixed use 	<ul style="list-style-type: none"> CL would need to allow standalone residential and increase building height from 55’ to 85’ to be a primary CFA CG would need to allow standalone residential and an increase in bldg. height from 55’ to 85’ to be a primary CFA 	<ul style="list-style-type: none"> CG would need to allow standalone residential and an increase in bldg. height from 55’ to 85’ to be a primary CFA IL would need to be rezoned entirely as it does not allow residential or mixed use Per the market feasibility study, North is expected to produce 5 units from redevelopment in 20 years under the existing zoning. With CFA zoning, this number would change to 126 units – a difference of 121 units. 	<ul style="list-style-type: none"> Comprised of MU, ME, PF, CB, and RM Would need to rezone most of the area, but MU is largely compliant CB and ME would need to allow standalone residential and increase heights – CB is 35’-70’ depending on where, ME is 45’ PF does not allow residential, commercial or mixed use Small portions of RM would need to be rezoned to mixed use

High = Best, Medium = Medium, Low = Worst

⁵ How much will CFA designation change or impact the current zoning? Will CFA designation change the number of housing units expected from the area over a twenty year period?

Appendix C – Capacity Analysis of CFA Candidates

City of Bend – Climate Friendly Area Candidates Capacity Analysis

November 14, 2023

This analysis calculates the capacity of the [10 CFA candidate areas](#) using the Prescriptive Method (OAR 660-012-0315(2)). Cities with populations of over 10,000 must designate one or more CFAs large enough to accommodate 30% of current and projected housing needs. This number is determined by calculating zoned building capacity as described in OAR 660-012-0315(1) and the adopted projection of housing need. Using this method, the current and projected housing need for Bend is 15,366 units.

Two of the candidate areas studied, Bend Central District and Central Westside, have zoning that is mostly compliant with CFA requirements with the exception of maximum building height. The other candidate areas have a mix of zoning districts and are calculated based on the assumption that the underlying zone will change to Mixed-Use Urban (MU). Mixed-Use Urban is compliant with the CFA land requirements with the exception of height (see the Development Code Audit for reference) As a result, the capacity analysis utilizes the MU zoning with an increase in maximum height from 65 to 85 feet.

The Prescriptive Method for calculating housing unit capacity in CFA candidate areas following OAR 660-012-0315(2) uses these variables or factors:

1. The net developable area of all parcels in square feet (A)
2. The maximum number of building floors (F)
3. The assumed percentage of buildings in residential use (R)
4. The average size of a housing unit in square feet (U)

These factors yield the housing unit capacity (C)

$$C = \frac{AFR}{U}$$

The prescriptive rules set the values of F = 7 (Eighty-five feet allows for seven floors); R = 30%; U = 900 sq. ft.

Primary CFAs

Local governments with a population greater than 25,000 must adopt at least one CFA with a minimum size of 25 acres which includes the most intensive development standards as provided in OAR 660-012-0320(8).

Additional CFAs may be identified using different rules and designated as Secondary and Abutting CFAs. For this analysis the assumption is that any of the candidates could be a Primary CFA. Abutting CFAs were also calculated for portions of the Bend Central District and Central Westside based on existing underlying zoning.

Secondary CFAs

In addition to the Primary CFA/s, the City may designate Secondary CFA/s that are less than 25 acres in size, have zoning that allows at least 20 dwelling units per acre and at least 20 jobs per acre, and allows a maximum building height of no less than 50 ft.

Abutting CFAs

Local governments may count toward their CFA requirements portions of areas whose existing level of development contains high-density employment uses, or whose existing level of development contains high-density residential uses, or where residential zoning requires certain minimum residential densities. Those areas must also abut (be contiguous with) the proposed CFA and must be within a half-mile walking distance of a mixed-use area.

Calculation of the total household unit capacity for abutting areas, per OAR 660-012-0320(3), is performed in the same way as described above for CFAs.

It is important to note that capacity calculations are done regardless of existing development (OAR 660-012-0315(2)(a)). This means that the area for each parcel was calculated as if the parcel was not developed.

Capacity Analysis – PRESCRIPTIVE PATH

Bend Central District – Special Plan Area – 203 gross acres; 139 block acres

Assumptions

- Setbacks: 5' on 3rd Street ; 0' on 1st, 2nd and 4th Street
- Open Space: 5%
- Lot coverage after set-asides: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85' on 1st, 2nd, 3rd Street) (OAR 660-012-0315(2)(b))(Primary CFA)

3 stories (50' on 4th Street) (Abutting CFA)

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-01200315(2)(e))

Existing ROW – 32% (Downtown is 35%/Mixed Urban (MU) projection is 29%¹)

Step 1: Net Developable Area

Assumption - existing ROW meets the rules

Step 2: Zoned Building Capacity for Residential

5, 409,934 sq. ft. x 7 stories x 30% residential = 11,360,861 sq. ft. (primary CFA)

577,773 sq. ft. x 3 stories x 30% residential = 519,995 sq. ft. (abutting CFA)

TOTAL: 11,880,857 net sq. ft.

Step 3: Dwelling Unit Capacity

11,880,857 sq. ft. / 900 sq. ft. = 13,201 units

Net residential density

13,201 units / 137 net acres = approx. 96 DU/acre

Step 4: Percent of Needed Housing

13,201 Dwelling Units / 15,366 needed Dwelling Units = 86%

Conclusion: As a primary CFA, the Bend Central District CFA Candidate can accommodate 13,201 dwelling units, or 86% of Bend's needed capacity.

¹ Bend Urbanization Report, July 18, 2016, Attachment D, Table 1

KorPine – Mixed-Use Urban (MU) – 32 gross acres

Assumptions

- Set-backs: 0%
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$32 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 906,048 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$906,048 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 1,902,701 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$1,902,701 \text{ sq. ft.} / 900 \text{ sq.ft.} = 2,114 \text{ units}$

Net residential density

$2,114 / 21 \text{ net acres} = \text{approx. } 101 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$2,114 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 14\%$

Conclusion: As a primary CFA, the KorPine CFA Candidate can accommodate 2,114 dwelling units, or 14% of Bend's needed capacity.

Central Westside – Mixed-Use Urban (MU) – 187 block acres

Assumptions

- Set-backs: 0%
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU projection is 29%)

Parks land - 8 acres

Step 1: Net Developable Area

Gross to net

100% - 35% ROW = 65% of gross

Net developable area

187 MU block acres – 8 park acres

179 acres x 43,560 sq.ft. x 65% gross = 5,068,206 net sq.ft.

Step 2: Zoned Building Capacity

5,068,206 sq. ft. x 7 stories x 30% residential = 10,643,233 net sq. ft.

Step 3: Dwelling Unit Capacity

10,643,233 sq. ft. / 900 sq. ft. = 11,826 units

Net residential density

11,826 units / 116 net acres = approx. 102 DU/acre

Step 4: Percent of Needed Housing

11,826 Dwelling Units/ 15,366 needed Dwelling Units = 77%

Conclusion: As a primary CFA, the Central Westside CFA Candidate (without the Mixed-Use Riverfront and OSU Cascades Master Plan area) can accommodate 11,826 dwelling units, or 77% of Bend's needed capacity.

Central Westside – Mixed-Use Riverfront (MR) – 109 block acres

Assumptions

- Subject to design review: Set-backs, open space, lot coverage, landscaping – 10%
- Parking: 0%

Maximum Floors – 3 stories (45') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Park and public land – 28 acres

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

109 MU block acres – 28 park acres

$81 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 2,293,434 \text{ net sq.ft.}$

$2,293,434 \text{ net sq.ft.} \times 90\% \text{ (less 10\% set-asides)} = 2,064,091 \text{ developable sq. ft.}$

Step 2: Zoned Building Capacity

$2,064,091 \text{ sq. ft.} \times 3 \text{ stories} \times 30\% \text{ residential} = 1,857,681 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$1,960,886 \text{ sq. ft.} / 900 \text{ sq.ft.} = 2,064 \text{ units}$

Net residential density

$2,064 / 47 \text{ net acres} = \text{approx. } 44 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$2,064 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 13\%$

Conclusion: As an abutting area, the Central Westside's Mixed-Use Riverfront area can accommodate 2,064 dwelling units, or 13% of Bend's needed capacity.

Central Westside – Mixed Urban/OSU Cascades Overlay – 128 gross acres

Not calculated at this time.

North –Mixed-Use Urban (MU) – 144 gross acres; 123 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$123 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 3,482,622 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$3,482,622 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 7,313,506 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$7,313,506 \text{ sq. ft.} / 900 \text{ sq.ft.} = 8,126 \text{ units}$

Net residential density

$8,126 / 80 \text{ net acres} = \text{app8rox. } 101 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$8,126 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 53\%$

Conclusion: As a primary CFA, the North CFA Candidate can accommodate 8,126 dwelling units, or 53% of Bend's needed capacity.

Eastside – Mixed-Use Urban (MU) – 187 gross acres; 153 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$153 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 4,332,042 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$4,332,042 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 9,097,288 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$9,097,288 \text{ sq. ft.} / 900 \text{ sq.ft.} = 10,108 \text{ units}$

Net residential density

$10,108 / 99 \text{ net acres} = \text{approx. } 102 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$10,108 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 66\%$

Conclusion: As a primary CFA, the Eastside CFA Candidate can accommodate 10,108 dwelling units, or 66% of Bend's needed capacity.

Near South – Mixed-Use Urban (MU) – 125 gross acres; 99 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$99 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 2,803,086 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$2,803,086 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 5,886,481 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$5,886,481 \text{ sq. ft.} / 900 \text{ sq.ft.} = 6,540 \text{ units}$

Net residential density

$6,540 / 64 \text{ net acres} = \text{approx. } 102 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$6,540 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 43\%$

Conclusion: As a primary CFA, the Near South CFA Candidate can accommodate 6,540 dwelling units, or 43% of Bend's needed capacity.

Far South – Mixed-Use Urban (MU) – 156 gross acres; 135 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$135 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 3,822,390 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$3,822,390 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 8,027,019 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$8,027,019 \text{ sq. ft.} / 900 \text{ sq.ft.} = 8,919 \text{ units}$

Net residential density

$8,919 / 88 \text{ net acres} = \text{approx. } 101 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$8,919 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 58\%$

Conclusion: As a primary CFA, the Far South CFA Candidate can accommodate 8,919 dwelling units, or 58% of Bend's needed capacity.

Mid 3rd – Mixed-Use Urban (MU) – 63 gross acres; 47 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 35% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Gross to net

$100\% - 35\% \text{ ROW} = 65\% \text{ of gross}$

Net developable area

$47 \text{ acres} \times 43,560 \text{ sq.ft.} \times 65\% \text{ gross} = 1,330,758 \text{ net sq.ft.}$

Step 2: Zoned Building Capacity

$1,330,758 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 2,794,592 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$2,794,592 \text{ sq. ft.} / 900 \text{ sq.ft.} = 3,105 \text{ units}$

Net residential density

$3,105 / 30 \text{ net acres} = \text{approx. } 103 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$3,105 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 20\%$

Conclusion: As a primary CFA, the Mid 3rd CFA Candidate can accommodate 3,105 dwelling units, or 20% of Bend's needed capacity.

North Downtown – Mixed-Use Urban (MU) – 184 gross acres; 110 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 32% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

Assumption - existing ROW meets the rules

Step 2: Zoned Building Capacity

$3,994,187 \text{ sq. ft.} \times 7 \text{ stories} \times 30\% \text{ residential} = 8,387,793 \text{ sq. ft.}$

Step 3: Dwelling Unit Capacity

$8,387,793 \text{ sq. ft.} / 900 \text{ sq.ft.} = 9,319 \text{ units}$

Net residential density

$9,319 / 92 \text{ net acres} = \text{approx. } 101 \text{ DU/acre}$

Step 4: Percent of Needed Housing

$9,319 \text{ Dwelling Units} / 15,366 \text{ needed Dwelling Units} = 61\%$

Conclusion: As a primary CFA, the North Downtown CFA Candidate can accommodate 9,319 units, or 61% of Bend's needed capacity.

Greenwood – Mixed-Use Urban (MU) – 22 gross acres; 14 block acres

Assumptions

- Rezone to Mixed-Use Urban (MU)
- Set-backs: 0%; 10' abutting residential zones (RS, RM, RH)
- Step-backs: 1' for every 1' over abutting residential max. height
- Open Space: 0%
- Lot coverage: 100%
- Landscaping: 0%
- Parking: 0%

Maximum Floors – 7 stories (85') (OAR 660-012-0315(2)(b))

Residential Use – 30% of net developable sq. ft. (OAR 660-012-0315(2)(d))

Average Dwelling Unit Size – 900 sq. ft. (OAR 660-012-0315(2)(e))

ROW – 32% (Downtown is 35%/MU assumption 29%)

Step 1: Net Developable Area

100% - 35% ROW = 65% of gross

Net developable area

14 acres x 43,560 sq.ft. x 65% gross = 396,396 net sq.ft.

Step 2: Zoned Building Capacity

396,396 sq. ft. x 7 stories x 30% residential = 832,432 sq. ft.

Step 3: Dwelling Unit Capacity

832,432 sq. ft. / 900 sq.ft. = 925 units

Net residential density

925/ 9 net acres = approx. 103 DU/acre

Step 4: Percent of Needed Housing

925 Dwelling Units/ 15,366 needed Dwelling Units = 6%

Conclusion: As a primary CFA, the Greenwood CFA Candidate can accommodate 925 dwelling units, or 6% of Bend's needed capacity.

Appendix D – Evaluation of Existing Development Standards

Table 3. Evaluation of Existing Development Standards

	Allows New Residential?	Allows Townhomes?	Allows office-type uses; non-auto dependent retail, services, other commercial uses; childcare, schools, other public uses and public facing government services?	Max Height?	Max density limit?	Minimum density of 25 du/na or minimum FAR of 2.0 for nonresidential and mixed-use development? (min. 25 acres)	General Description of Changes Necessary to Comply with CFA requirements (prescriptive method)
Bend Central District (BCD)²	Yes (BDC 2.7.3220)	Yes (BDC 2.7.3220)	Yes (BDC 2.7.3220)	65' (up to 85' if 10% min of units are affordable). 45' for 4th street subdistrict. (BDC 2.7.3230)	No (BDC 2.7.3230)	No. No minimum density or FAR.	Maximum height increase to 85' would be required for a minimum of 25 acres to be compliant as a primary CFA. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development for minimum of 25 acres for a primary CFA. Secondary CFA would require minimum density of 15 dwelling units per acre.
Commercial General (CG)	As part of mixed-use (BDC 2.2.300, 3.6.200.I)	No (BDC 3.6.200(I))	Yes (BDC2.2.300)	55' (65' if vertical mixed use) except within 100' of the Deschutes River where height may be limited subject to WOZ Review (BDC 2.2.400)	No (BDC 3.6.200)	No. No FAR. No minimum density for vertical mixed use, but horizontal mixed use may be subject to RM minimum density (7.3 du/ga).	CFA-compliant for secondary CFA with some code changes. Could be considered for a change to expand residential options. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development for minimum of 25 acres for a primary CFA. Secondary CFA would require minimum density of 15 dwelling units per acre.
Central Business (CB)	As part of mixed-use (BDC 2.2.300, 3.6.200.I)	No (BDC 3.6.200(I))	Yes (BDC2.2.300)	35' to 70' subject to 2.2.800 (may be increased by 10' for vertical mixed use except along west side of Brooks St) (BDC 2.2.800)	No (BDC 3.6.200)	Min FAR of 2:1. No minimum density for vertical mixed use, but horizontal mixed use may be subject to RM minimum density (7.3 du/ga).	Portions of CB zones with maximum buildings heights up to 55' are CFA-compliant for secondary CFAs. Portions with height limits under 55' are not compliant. CB zone could be considered for a change to expand residential options. Would require change to include a minimum density of 25 du/na for minimum of 25 acres for a primary CFA. Secondary CFA would require minimum density of 15 dwelling units per acre. Changes to clarify townhomes as an outright permitted use would be required.
Commercial Limited (CL)	As part of mixed-use (BDC 2.2.300, 3.6.200.I)	No (BDC 3.6.200(I))	Yes (BDC2.2.300)	55' except within 100' of the Deschutes River where height may be limited subject to WOZ Review (10' increase for VMU) (BDC 2.2.400)	No (BDC 3.6.200)	No. No FAR. No minimum density for vertical mixed use, but horizontal mixed use may be subject to RM minimum density (7.3 du/ga).	CL zoned land located 100' or further from the Deschutes River is CFA-compliant for secondary CFAs. CL zoned land within 100' of the Deschutes River may have height limits under 55' are therefore may not be permitted outright and is not CFA-compliant. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development. Secondary CFA would require minimum density of 15 dwelling units per acre. CL zone could be considered for a change to expand residential options.
Mixed Urban (MU)	Yes (BDC 2.3.200)	Yes (BDC 2.3.200)	Yes, except for government and schools with limitations (CUP) (BDC 2.3.200)	65' (75' when located in the Timber Yards MP area per B 2.7.4740 or if vertical mixed use and not abutting a residential zone) (BDC 2.3.300)	No (BDC 2.3.300)	No FAR. Minimum density of 7.3 du/ga. No minimum density for vertical mixed-use. (BDC 2.3.300)	Maximum height increase to 85' would be required for a minimum of 25 acres to be compliant as a primary CFA. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development. Secondary CFA would require minimum density of 15 dwelling units per acre.
Mixed Employment (ME)	As part of mixed use (BDC 2.3.200), with size limitations.	As part of mixed use (BDC 2.3.200), with size limitations.	Yes (BDC 2.3.200)	45' (BDC 2.3.300)	No (BDC 2.3.300)	No FAR. No minimum density if part of vertical mixed use or mixed-use development where nonres occupies floor area equivalent to ground floor, unless within 660 of transit, then minimum of 7.3 du/ga. If part of mixed use development where nonres occupies less than ground floor equivalent, minimum of 7.3 du/ga. (BDC 2.3.300)	Maximum height increase to 55' would be required to be compliant as a secondary CFA. Residential is only permitted as part of a mixed-use development in which nonresidential uses occupy at least the floor area equivalent to the entire ground-floor area. Residential uses that are part of a mixed-use development in which nonresidential uses occupy less than the floor area equivalent to the entire ground-floor area of the development are conditional. Could be considered for a change to expand residential options. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development. Secondary CFA would require minimum density of 15 dwelling units per acre.

Table 3. Evaluation of Existing Development Standards

	Allows New Residential?	Allows Townhomes?	Allows office-type uses; non-auto dependent retail, services, other commercial uses; childcare, schools, other public uses and public facing government services?	Max Height?	Max density limit?	Minimum density of 25 du/na or minimum FAR of 2.0 for nonresidential and mixed-use development? (min. 25 acres)	General Description of Changes Necessary to Comply with CFA requirements (prescriptive method)
Mixed-Use Neighborhood (MN)	Yes (BDC 2.3.200)	Yes (BDC 2.3.200)	Yes, except for government services and schools with limitations (BDC 2.3.200)	45' (BDC 2.3.300)	No (BDC 2.3.300)	No. No FAR. Minimum density of 7.3 du/ga. No minimum density for vertical mixed-use. (BDC 2.3.300)	Maximum height increase to 55' would be required to be compliant as a secondary CFA. Would require change to include a minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development. Secondary CFA would require minimum density of 15 dwelling units per acre.
Mixed Riverfront (MR)	Yes (BDC 2.3.200)	Yes (BDC 2.3.200)	Yes (BDC 2.3.200)	45' or 35' if within 100' of the Deschutes River (BDC 2.3.300)	No (BDC 2.3.300)	No. No FAR or minimum density. (BDC 2.3.300)	
Industrial Light (IL)	No (BDC 2.4.300)	No (BDC 2.4.300)	No, except that childcare is permitted as a CUP (BDC 2.4.300)	50' (BDC 2.4.600) increased height allowed with Conditional Use Permit.	N/A (CFA compliant residential uses are not permitted)	No. No minimum density or FAR. (BDC 2.4)	Substantial change. Rezone to MU or similar district would be required.
Industrial General (IG)	No (BDC 2.4.300)	No (BDC 2.4.300)	No, except that childcare is permitted as a CUP (BDC 2.4.300)	50' (BDC 2.4.600) increased height allowed with Conditional Use Permit.	N/A (CFA compliant residential uses are not permitted)	No. No minimum density or FAR. (BDC 2.4)	Substantial change. Rezone to MU or similar district would be required.
Public Facility (PF)	No (BDC 2.6.200)	No (BDC 2.6.200)	Permitted and conditional uses limited to public facilities and accessory uses. (BDC 2.6.200)	35' or 55' with a setback of 100' (BDC 2.6.300)	N/A (CFA compliant residential uses are not permitted)	No. No minimum density or FAR. (BDC 2.6)	Substantial change. Changes to outright permitted uses would be needed, including permitting multi-family residential, non-auto dependent retail, services and other commercial uses, and child-care.
Primary CFA Requirements	Yes (can require ground floor nonresidential use)	Yes	Yes	85' or more	No maximum density limit	Minimum density of 25 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development	
Secondary CFA Requirements	Yes (can require ground floor nonresidential use)	Yes	Yes	50' or more	No maximum density limit	Minimum density of 15 du/na and minimum FAR of 2.0 for nonresidential and mixed-use development	

Color Key:

Blue	CFA-compliant (including for Primary CFA)
Purple	CFA-compliant (including for Primary CFA), but could be considered for a change to expand residential options
Yellow	Meets secondary CFA standards but not primary
Orange	not CFA-compliant

Evaluation of Existing Maximum Block Length Standards

Per OAR 660-12-0320(5): *Local governments shall establish maximum block length standards as provided below. For the purpose of this rule, a development site consists of the total site area proposed for development, absent previously dedicated rights-of-way, but including areas where additional right-of-way dedication may be required.*

- (a) For development sites less than 5.5 acres in size, a maximum block length of 500 feet or less. Where block length exceeds 350 feet, a public pedestrian through-block easement shall be provided to facilitate safe and convenient pedestrian connectivity in climate-friendly areas. Substantial redevelopment of sites of two acres or more within an existing block that does not meet the standard shall provide a public pedestrian accessway allowing direct passage through the development site such that no pedestrian route will exceed 350 feet along any block face. Local governments may grant exceptions to street and accessway requirements as provided in OAR 660-012-0330(2).*
- (b) For development sites of 5.5 acres or more, a maximum block length of 350 feet or less. Local governments may grant exemptions to street requirements as provided in OAR 660-012-0330(2).*

BDC 3.1.200 Lot, Parcel and Block Design regulates block length standards. Per BDC 3.1.200(D)(2), the following block length maximums are in place (with the option of a Discretionary Track):

- (b) Four hundred feet block length and 1,500 feet block perimeter in the Central Business District, Convenience Commercial, Mixed-Use Riverfront and Professional Office Districts;*
- (c) Six hundred sixty feet block length and 2,640 feet block perimeter for all other districts;*

None of the districts evaluated meet the CFA requirements for maximum block length standards. Changes would be needed for all zoning districts to either decrease the maximum length or include the requirement for a pedestrian through-block easement, or both, depending on the zoning district.

Appendix E – Anti-Displacement Analysis

City of Bend CFA Study Anti-Displacement Analysis

Community and Economic Development Department | Growth Management Division

November 2023

Introduction

This analysis is broken down into two parts – a spatial analysis and a planning analysis. The anti-displacement spatial analysis explains the data and mapping process that was completed to spatially analyze the city for risk of displacement of vulnerable residents. The planning analysis explains the efforts and actions that the city is currently taking to promote affordable and new housing, as well as actions to mitigate or avoid potential displacement.

Anti-Displacement Spatial Analysis

An anti-displacement spatial analysis was completed to determine which areas of Bend are most at risk of displacement in the event of a change in land value due to CFA designation. CFA designation may increase development potential, particularly in areas of the City with residents vulnerable to housing change.

The purpose of this analysis was to spatially examine the City of Bend and differentiate areas of the city based on their risk of displacement, which was categorized by neighborhood typology. Neighborhood typology is a rating system which characterizes areas based on a number of factors that could increase risk of displacement for residents. This is accomplished by assigning a stage of gentrification to each area, ranging from Stage 1 (areas that may be very susceptible to displacement) to Stage 6 (areas with high home prices that are not susceptible to displacement).

Guidance from Department of Land Conservation and Development's (DLCD) Anti-Displacement and Gentrification Toolkit and Cascadia Partners' Displacement Assessment Toolkit for the City of Sacramento helped complete this analysis. These steps included demographic mapping, the creation of neighborhood typologies to visualize where spatial disparities are most prevalent, and the identification of which potential Climate Friendly Areas are most in need of displacement mitigation strategies.

MAPPING

For this approach, several different maps were produced based on the following factors:

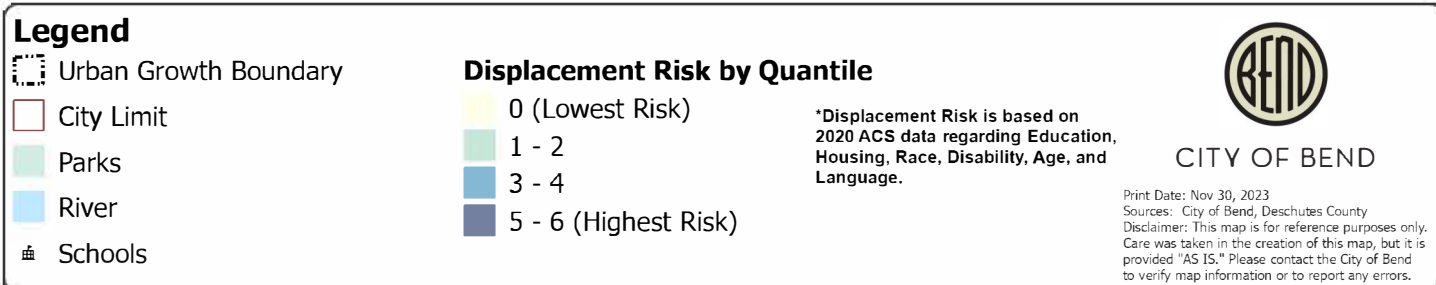
- Displacement Risk
- Income Profile
- Housing Market Activity
- Neighborhood Demographic Change

Displacement Risk

First, the displacement risk of residents was mapped. Displacement risk is a purely demographic lens to examine where populations vulnerable to housing change currently live in Bend. It is the first step to learn which areas are most at risk. Demographic data needs to be layered with market information to fully understand risk. The methods for this map are largely based on the [Bates' Vulnerability Index](#). Utilizing American Community Survey (ACS) data from 2017-2021, the following categories were mapped:

- Education: Percentage of the population without a bachelor's degree
- Housing Vulnerability: Percentage of the population that rents their home
- Race: Percentage of the population that belongs to a community of color
- Disability: Percentage of the population experiencing a disability
- Age: Percentage of the population that is over the age of 65
- Language: Percentage of the population that do not speak English at home

The median percentages across the city for each category were then examined. Any census tract that contained higher than the median value in that category received a score of one indicator. Census tracts that had between 5-7 indicators (or demographic categories) scored the highest for risk of displacement. Generally, the east and southwest sides of the city were found to have the highest displacement risk, as illustrated in Figure 1, Displacement Risk Map.



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Income Profile

The income profiles of residents were mapped using median incomes from the 2017-2021 ACS across citywide census tracts. The Area Median Income (AMI) of Bend, per the ACS, is \$80,400 per year. AMI mapping was used to identify tracts with a greater proportion of City of Bend households with incomes below the AMI. Because income is such a significant factor in vulnerability, it garnered its own map, rather than being included in the displacement risk map. The displacement analysis examples that were used, including DLCD’s toolkit, require an assignment of income profile to each census tract. Based on the area, the definition of who is considered to be experiencing lower-than-average income varies. Funding sources in Bend are limited to providing affordable housing for those who make 80% of AMI for homeownership, or 60% of AMI for rental housing. However, the median price of a single-family home in Bend is \$735,000¹, far beyond what is attainable for many Bend residents. Based on Bend’s median home price, a household would need to make 251% of the AMI (or \$201,804 gross income per year) in order to afford a home.

As a result, income profile values that consider the high cost of housing were assigned as follows:

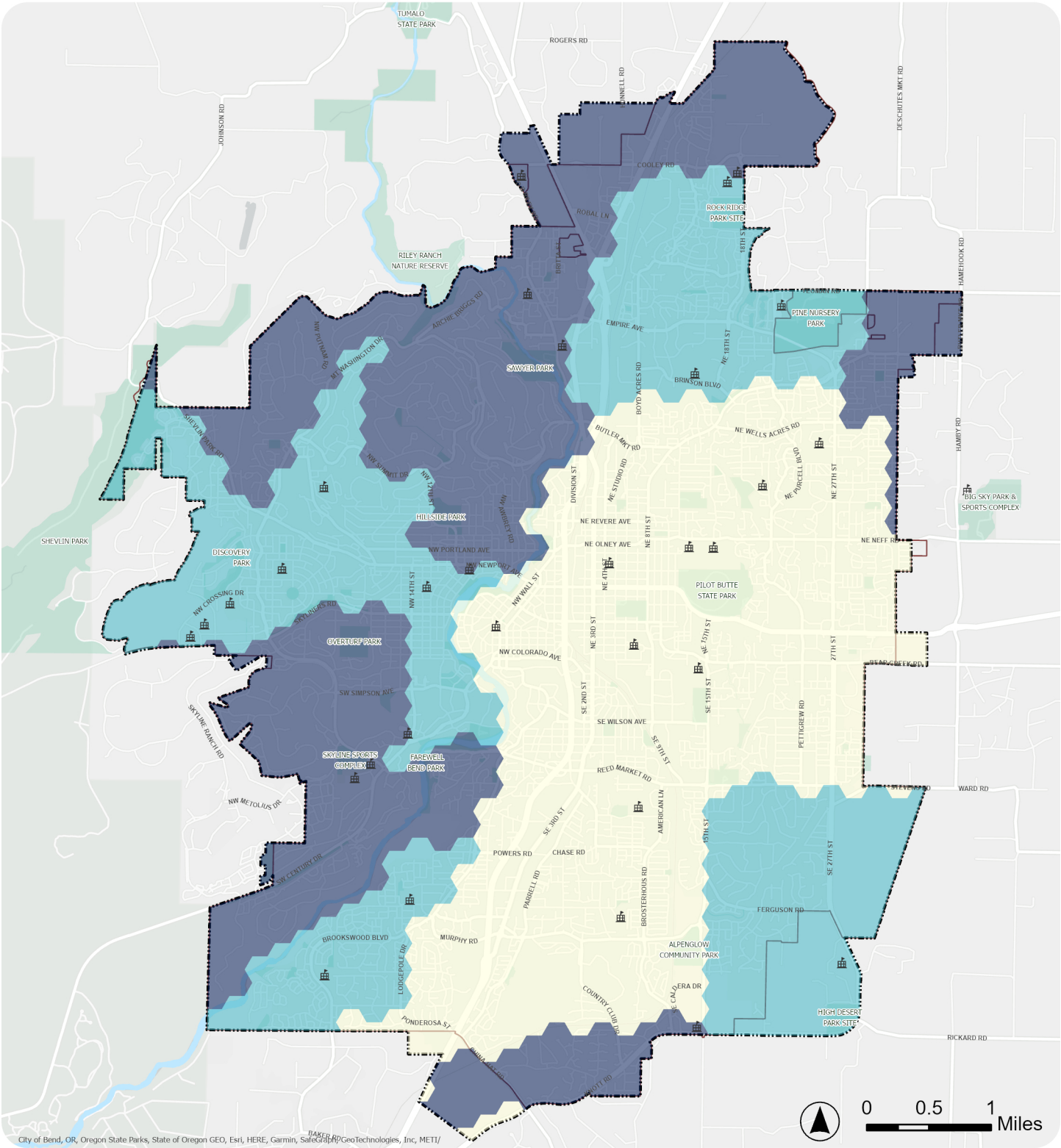
Table 1. Income Profile based on Area Median Income (AMI)

Median AMI	Relationship to AMI	Income Profile
\$96,480 and above	120% AMI and above	High
\$80,400 - \$96,480	100% AMI – 120%	Leans High
0 - \$80,400	Below 100% AMI	Low

Source: 2017-2021 American Community Survey

Census tracts with a median income below 100% AMI were considered low. Census tracts between 100% - 120% AMI were considered to lean high. Census tracts that had a median above 120% AMI were considered high. This determination was based on the range of values across census tracts, and the consideration of AMI compared to median home value.

¹ As of November 2023, per the [Beacon Report](#)



Legend

- Urban Growth Boundary
- City Limit
- Parks
- River

- Schools
- Income Profile**
 - Low
 - Medium
 - High



CITY OF BEND

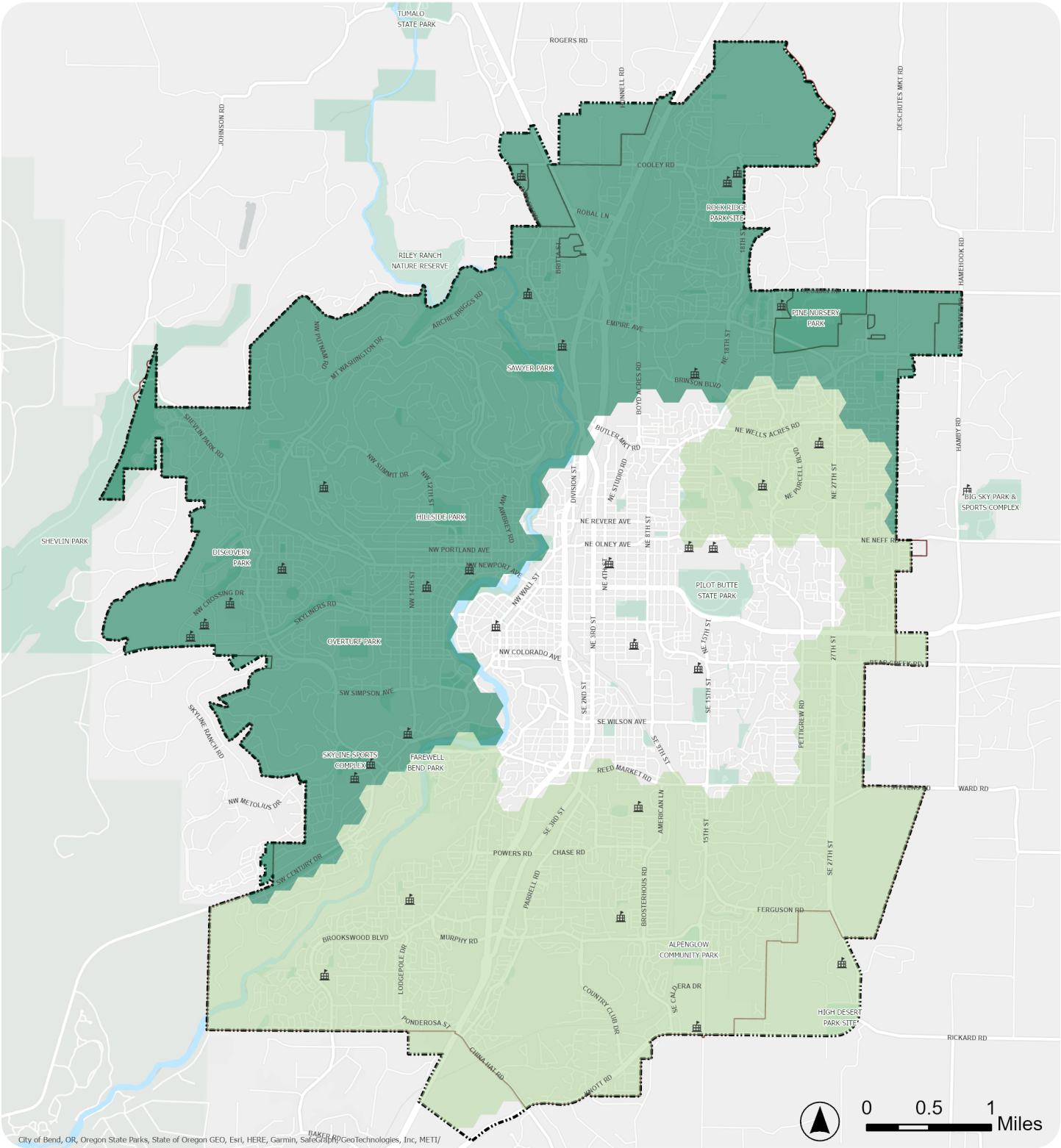
Print Date: Nov 30, 2023
Sources: City of Bend, Deschutes County
Disclaimer: This map is for reference purposes only. Care was taken in the creation of this map, but it is provided "AS IS." Please contact the City of Bend to verify map information or to report any errors.

Figure 2 – Income Profile Map

Housing Market Activity

Changes in the housing market were examined to determine where the cost of housing is rising. The average cost of rent and the average value of homes from two ACS periods – 2010 – 2014 and 2017-2020 were compared. The goal was to identify census tracts where either one or both of the housing markets (rentals and home values) have risen at a higher pace. This metric is an indicator of whether or not displacement is already taking place.

Rather than compare the difference in cost over 10 years to the median in Bend, Deschutes County's median was used as the benchmark to determine if a market was rising rapidly. This was based on the understanding that rising housing costs are a regional issue for Central Oregon, and the effect is not limited to just the City of Bend. The median rise in cost for Deschutes County was lower than Bend's, so more census tracts were found to be over the median using this approach. The north and west sides of the city generally had a higher rise than the median rise in both the rental and for sale markets. In other words, housing prices were rising more rapidly in these areas. On the east and south sides of Bend, only the for-sale market was seen as rising rapidly. The census tracts within the core of the City did not show a higher rise in cost for either market, as shown in Figure 3, Housing Market Change Map (2010-2020).



Legend

- Urban Growth Boundary
- City Limit
- Parks
- River
- Schools

Housing Market Change Index (2010-2020)

- Only One Market Rapidly Increasing
- Both Rapidly Increasing Housing Values and Rental Costs



CITY OF BEND

Print Date: Nov 30, 2023
Sources: City of Bend, Deschutes County
Disclaimer: This map is for reference purposes only. Care was taken in the creation of this map, but it is provided "AS IS." Please contact the City of Bend to verify map information or to report any errors.

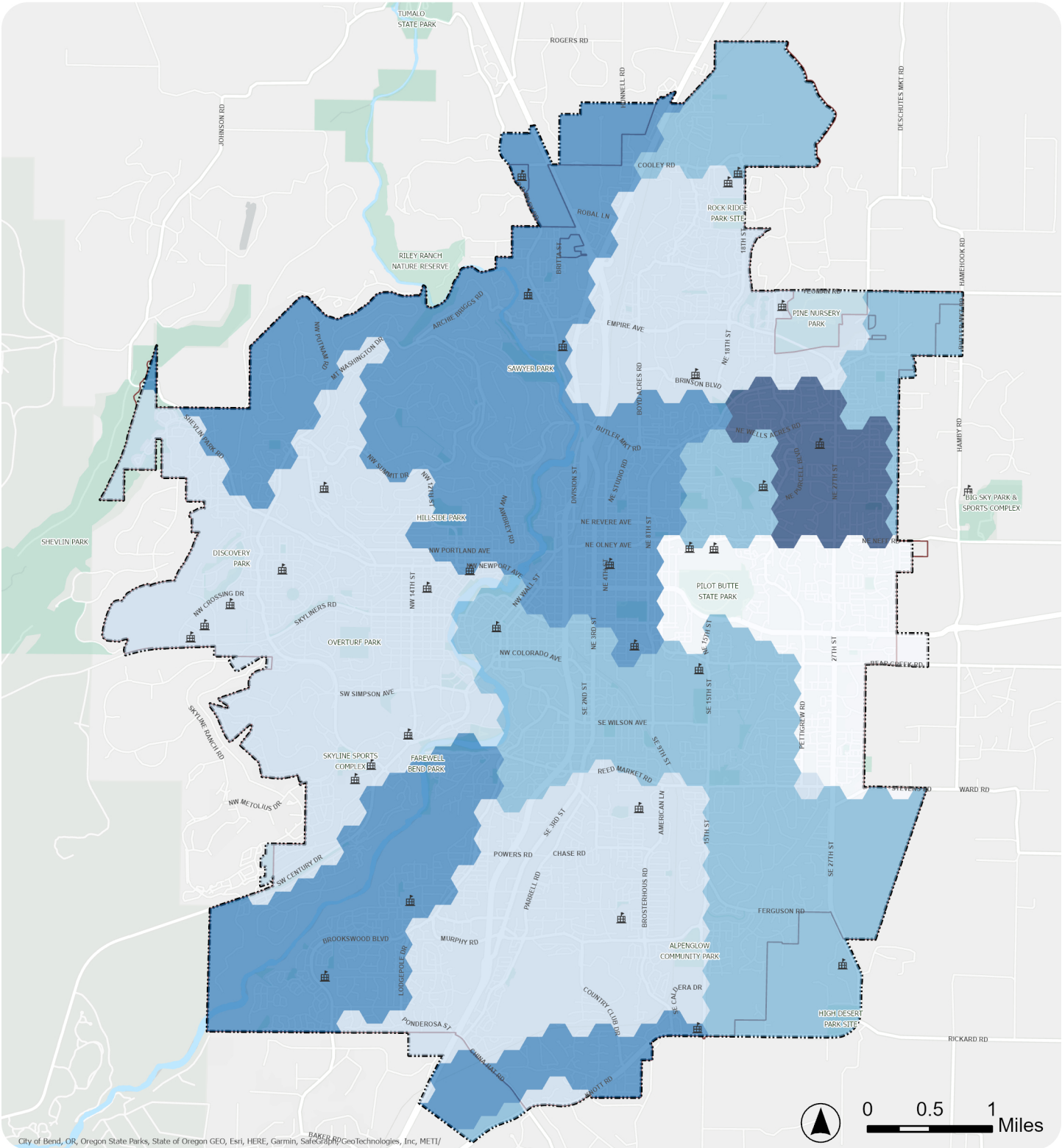
Figure 3 - Housing Market Change Map

Neighborhood Demographic Change

Finally, maps were created to identify where neighborhood demographics have changed over a 10-year period. Demographic change, similar to housing market activity, is an indicator of whether or not displacement has already happened. The change in several demographic factors were studied, including:

- Race and Ethnicity – Has the percentage of residents who identify as white risen?
- Education Attainment – Has the percentage of residents with a bachelor’s degree increased?
- Homeownership – Has the percentage of residents who own a home increased?
- Income – Has the median household income (adjusted for inflation to the last year of the ACS) risen higher than the median value of change in income across the city?

Similar to the displacement risk map, the median value of change for all of these factors across the city was examined. If a census tract had a higher rate of change than the median, it received a score of one indicator. One census tract on the northeast side of the city scored highest with all four indicators. This category shows the rate of change, so the indicators do not represent whether or not the census tracts have an above average percentage of residents who are white, have a bachelor’s degree, or own a home. It is simply showing whether those residents with these demographic factors have increased rapidly (compared to the median across the city) within the last 10 years. These trends are shown in Figure 4 - Neighborhood Demographic Change (2010-2020).



Legend

Urban Growth Boundary

City Limit

Parks

River

Schools

Demographic Change Index (2010-2020)*

0 Indicators (Least Change)

1

2

3

4 Indicators (Most Change)

CITY OF BEND

***Demographic Change Index is based on 4 indices derived from 2010 & 2020 ACS data. Metrics include Education, Home Ownership, Income, and Race.**

Print Date: Nov 30, 2023
Sources: City of Bend, Deschutes County
Disclaimer: This map is for reference purposes only. Care was taken in the creation of this map, but it is provided "AS IS." Please contact the City of Bend to verify map information or to report any errors.

Figure 4 - Neighborhood Demographic Change Map Page 79

Neighborhood Typologies

The next phase of the analysis was to designate neighborhood typologies within Bend based on the maps outlined above. ‘Neighborhood typologies’ are categories that differentiate areas based on their vulnerability to displacement and stage of gentrification. The basis for these typologies comes from DLCD’s Anti-Gentrification Toolkit. The following seven typologies are used to describe the vulnerability of people, housing, demographic change, and market conditions:

- **Stage 1** – These areas generally are characterized by residents with lower household incomes, who live in rental housing, and are vulnerable to displacement when compared to the rest of Bend. However, the cost of both rental and owned housing has not risen more than the median across the city. In addition, the neighborhood demographics have not changed dramatically in the last 10 years. As a result, these areas are still the most affordable in the city, but its residents are the most vulnerable to being displaced.
- **Stage 2** – These areas are considered to be in the early stages of gentrification. The area still contains a high percentage of vulnerable residents and renters, but the price of housing has started to change, and the cost of housing is rising.
- **Stage 3** – Compared to the other stages, areas in active gentrification have experienced substantial increases in rents and home values. Additionally, demographics have shifted considerably. These areas still have a portion of vulnerable residents, but they may be actively being priced out.
- **Stage 4** – At this stage, there are still residents considered vulnerable to displacement in these areas, but the population is generally characterized by higher incomes than in previous years. Home values and rents have risen considerably, and demographic change has already taken place.
- **Stage 5** – These areas are high-income tracts with a population that is not vulnerable to displacement. There is little rental housing, but demographic change is still taking place.
- **Stage 6** – These areas are high-income with a low percentage of vulnerable residents. These areas have rising home values and rents, but little demographic change has occurred in the last 10 years.
- **Unassigned** – Unassigned tracts are areas that do not fit neatly into one of the neighborhood typologies identified above. For example, a neighborhood that has high-

income residents, but little demographic change, and a large number of residents with one or more displacement risk categories (like a percentage of the population that is over the age of 65) and does not meet any of the above categories. This does not mean that people aren't priced out of this area, or that this area doesn't need additional housing options. It also does not mean that this area wouldn't benefit from citywide displacement mitigation strategies. It means that engagement with communities citywide is needed to ensure that these neighborhoods are stable.

The scores from the demographic mapping were put into a model to assign neighborhood typologies to each census tract in the city. Table 2 below represents the scores that produced each typology. Applying a range of scores (rather than a specific score) worked best in the assignment of typologies. The City of Bend's rapid growth renders a unique case when looking at displacement. For example, there are census tracts that have experienced extreme demographic change in the last 10 years, simply because there were very few people living in those areas 10 years ago. Large swaths of some of these census tracts were undeveloped at the time of the 2010-2014 ACS. This doesn't necessarily indicate displacement.

The determination was also made to leave the income profile of census tracts between 100 – 120% of the AMI as 'Unassigned'. This only applied to two census tracts in the city. DLCD's description of neighborhood typologies, or areas in some stage of gentrification, are primarily high or low income. This is because middle income neighborhoods, depending on other demographic factors and rates of change, may not be experiencing early or late gentrification. Additionally, tracts between 100 – 120% of AMI do not neatly fit into the categories of high or low income based on the cost of housing in Bend.

The lowest median income in any census tract was \$43,177 and the highest was \$118,265 – a range that equates to 53% - 147% of AMI. Table 2 below captures the disparity between that range by eliminating middle values.

Table 2. Neighborhood Typology Index

Neighborhood Typology By Stage	Income Profile (Income Change Score)	Displacement Risk Score	Housing Market Activity (Housing Market Change Index)	Neighborhood Demographic Change (Demographic Score Index)
1	Low	5-6	0	0-2
2	Low	4-5	1	0-2
3	Low	3-4	1-2	3-4
4	High	3	2	3-4
5	High	1-2	2	2-3
6	High	0-2	2	0-2
Unassigned	Leans High	N/A	N/A	N/A

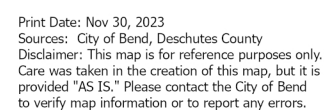
Using this methodology, the following map of Neighborhood Typologies was produced, shown in Figure 5 – Neighborhood Typology Map.

The neighborhood typology map shows that the eastern side of the city, specifically along south 3rd Street, is most at risk for displacement. This is consistent with the income profiles of those census tracts – the lowest median income census tract at 53% of AMI is located in this area and was assigned a neighborhood typology of Stage 1.

The most granular demographic information available is at the census tract level. Bend only has 14 census tracts and they cover relatively large areas. Compared to a bigger, denser city with a large number of small census tracts, it is difficult to fully understand the kind of change happening in Bend’s established neighborhoods. Additionally, many of Bend’s neighborhoods are defined by borders that do not align with census tract borders. It should also be noted that historically, the census has undercounted minorities².

² Taken from the Census website: <https://www.census.gov/newsroom/press-releases/2022/2020-census-estimates-of-undercount-and-overcount.html>

Qualitative research through community engagement is unquestionably the best way to fill the gaps in this map and to gain a better understanding of what is occurring on a neighborhood level. Understanding and considering the lived experience of vulnerable residents is essential to examining displacement risk in the City of Bend.

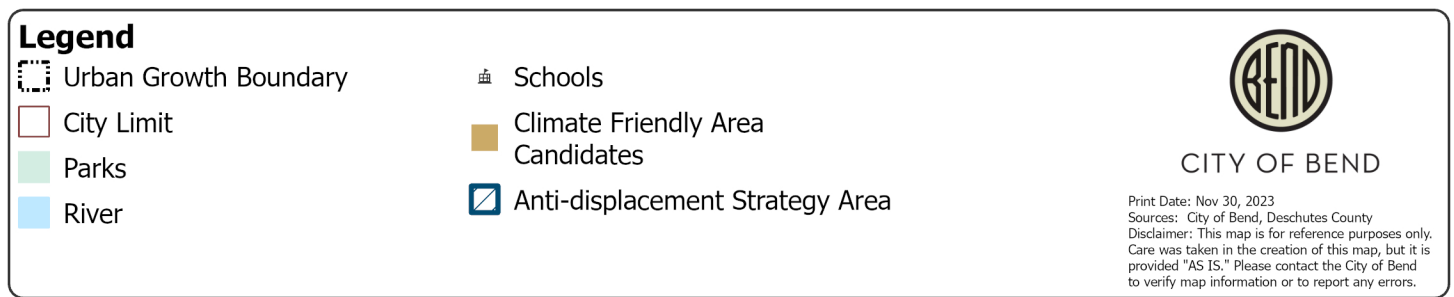


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Relationship to CFAs

In the final step of this analysis, CFA candidates were overlayed with the areas of Bend that are most in need of mitigation strategies. This specifically includes the areas in Stages 1 and 2. This analysis did not show any areas in Stages 3 or 4, only additional tracts in Stages 5 through 6. Citywide mitigation efforts are still needed to produce additional housing in those areas where people are priced out.

However, the purpose of this overlay was to determine the areas most at risk of displacement in the event of a CFA designation. The census tracts do not perfectly align with CFA candidate borders, but several CFA candidates overlap or border these areas, as shown in Figure 1 – Displacement Risk Map.



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In conclusion, the anti-displacement spatial analysis verified that the following CFA candidates overlap with areas that are most at risk of displacement:

- Bend Central District
- Eastside
- Far South
- Mid 3rd
- Near South

Additionally, the following CFA candidates directly border areas most at risk of displacement:

- KorPine
- Greenwood

Mitigation strategies are identified for both CFA candidates with direct overlap and CFA candidates that border these areas in the Anti-Displacement Planning Analysis.

Anti-Displacement Planning Analysis

The purpose of the anti-displacement spatial analysis was to identify where Climate Friendly Area candidates overlap with populations that are vulnerable to displacement. The next step is to explore and identify actions to mitigate potential displacement. This section will cover:

1. Actions the City of Bend is currently taking to mitigate displacement, and how those plans fulfill the requirements identified in OAR 660-008-0050.4.a-f, including:
 - a. Location of Housing
 - b. Fair Housing
 - c. Housing Choice
 - d. Housing options for residents experiencing homelessness
 - e. Affordable homeownership and rental housing
 - f. Gentrification, Displacement and Housing stability
2. Additional actions that the City could take to mitigate future displacement

Plans identified in this section reference content, goals, and objectives from the City of Bend's 2023-27 Draft Consolidated Plan, which establishes goals and funding options for housing.

The Consolidated Plan identifies five goals:

1. **Assist Homeless with Shelter and Services**
2. **Create and Preserve Affordable Rental Housing** – produce and preserve rental affordable housing through creation of new rental units, providing land for development of rental units, and obtaining rental units to keep them affordable. Affordable Housing is defined as deed-restricted affordable housing.
3. **Provide Support to Necessary Public Services** – provide assistance to necessary and prioritized public services, particularly services that increase community capacity for Permanent Supportive Housing (PSH) and “Housing First” model programs.
4. **Homeownership** – produce and preserve owner occupied affordable housing through creation of new homes, development of new homes, and obtaining homes to keep them affordable.
5. **Infrastructure Improvements** – develop affordable housing infrastructure and economic development infrastructure in low to moderate-income neighborhoods with a focus on increasing affordable housing and childcare facilities with public infrastructure improvements.

The Consolidated Plan was developed by the City of Bend Housing Department through a series of community engagement processes and guides the City's housing and community development priorities.

ACTIONS THE CITY IS TAKING TO MITIGATE DISPLACEMENT

The City already uses a number of tools to promote the production of new and affordable housing. Below are descriptions of the tools currently in use, separated into three categories: Financial Incentives, Code or Permitting Changes, and Programs and Actions.

Financial Incentives

Affordable Housing Fund

In 2006, the City of the Bend was the first city in Oregon to implement an Affordable Housing Fee. The fee is collected from permit revenue in the amount of one-third of one percent of the cost of a permit. Proceeds from this fund have been employed to develop a wide variety of deed-restricted affordable housing throughout Bend. Applicants for the Affordable Housing Fund are permitted to provide deed-restricted housing for households making up to 100 percent of the Area Median Income (AMI). Since 2015, the City has assisted in the construction, preservation, or acquisition of 659 units at or below 80 percent of AMI using the Affordable Housing Fund. The Affordable Housing Fund is typically able to provide support for affordable housing development with approximately \$1 million in loans annually. Development funded by the Affordable Housing Fund is disbursed geographically throughout the City.

The City of Bend does not have public housing. Instead, the City partners with housing providers who provide Housing Choice Vouchers, Veterans Affairs Supportive Housing, and Emergency Housing Vouchers from HUD to address the housing needs of the City's low-income community. The Central Oregon Regional Housing Authority, dba Housing Works, has the largest portfolio of affordable housing in Bend. In addition, there are several other partners that utilize the Affordable Housing Fund to provide housing.

Community Development Block Grant

The City uses the Community Development Block Grant (CDBG) program to fund a number of shelter and service projects, as well as subsidies and other incentives. The City is allocated CDBG funding from the US Department of Housing and Urban Development (HUD). CDBG funding has been utilized to fund land acquisition, pre-development expenses for affordable housing, and down payment assistance for first-time home buyers of affordable housing. This includes design, engineering, legal, review and permitting related expenses for Kor Community Land Trust, an affordable housing provider in Bend. The City has also provided financial assistance for homeownership for low and moderate income households for Crescita, one of Kor Community Land Trust's developments. The Consolidated Plan estimates that 30 homeownership opportunities will be developed as part of this funding. When allocated by Congress, the City deploys CDBG emergency assistance under the same Consolidated Plan goals. In 2020, the City received CARES Act CV (CDBG), and supported development and needed services.

The City has also utilized CDBG funding to assist shelters and services for those experiencing homelessness. Bethlehem Inn, NeighborImpact, Grandma's House, and Cascade Youth and Family Center are four service providers that are projected to receive funding in the 2023-2027 Consolidated Plan.

Through the AHF and CDBG, the City has allocated over \$14 million in loans or grants for affordable housing development since 2015.

Construction Excise Tax (Commercial and Industrial Construction Tax (CICT))

The CICT was created in 2020 and is collected from permit revenue in the amount of one-third of one percent of the cost of commercial and industrial permits. The fee is limited by state law passed in 2016. Fifty percent of the revenue is dedicated to development activities and incentives for housing affordable to those making no more than 30 percent AMI. The other fifty percent is for services benefitting households making no more than 30 percent AMI.

Property Tax Exemptions for Qualified Rental Housing and Multi-Unit Projects

To assist developers of affordable housing, the City of Bend has adopted a policy to provide property tax exemptions for multi-family housing developments that are affordable to households earning up to 60 percent of AMI, higher with Income Averaging approved by

Oregon Housing and Community Services, under the City’s definition of Affordable Rental Housing. These exemptions require City Council approval, and then are in place for 20 years.

Additionally, the City has recently implemented two other tax exemptions. First, an exemption for non-profits providing affordable housing. Second, a [multi-unit property tax exemption](#) (known as MUPTE) for multi-unit developments which may opt to provide the public benefit of offering at least ten percent of their units as affordable housing, or 20 percent as middle income housing (affordable to households making no more than 120 percent of AMI).

System Development Charge (SDC) Exemptions

In 2017, the City adopted a blanket exemption of SDCs for affordable housing developments. SDCs are also exempted in part for childcare facilities. The City has requested the Bend Park and Recreation District, the other public entity assessing SDCs, to participate in exempting SDCs for affordable housing or other community needs.

Middle Income Housing Pilot Project

The Bend City Council allocated \$500,000 during the 2021-23 biennium to incentivize the development (or preservation) of housing for middle income households earning up to 120 percent of AMI. Eligible middle housing projects and activities include:

- Acquisition of real property by purchase
- Construction, reconstruction, and rehabilitation of housing
- Direct homeownership assistance to middle-income households
- Construction and permanent financing of both rental and homeownership projects
- Necessary infrastructure

Code or Permitting Changes

Expedited Permitting for Affordable Housing

The City provides expedited permitting for affordable housing. When an affordable housing building, planning, or engineering application has been submitted to the City’s Online Permit Center, it is flagged and moved to the top of the queue. The timeframe for these reviews is streamlined to 15-20 days for a complete application, providing an incentive for affordable housing developers.

Density and Height Bonuses for Affordable Housing

Section 3.6.200.C of the Bend Development Code offers a density bonus for developments providing affordable units. The density bonus provided correlates with the percentage of affordable units. As a result, the developer has the ability to add additional affordable or market-rate units to balance the cost of development. Height bonuses also apply in certain districts. The City's density bonus is more progressive than Oregon's adaptation in Senate Bill 8.

HB 2001 Code Changes

Since 2015, Bend has actively worked towards encouraging higher density housing types, such as duplexes, townhomes, and accessory dwelling units in low- and standard-density residential districts. In 2019, state legislation (HB 2001) accompanied the City's efforts with additional code updates that allowed greater housing density in low- and standard-density residential districts. Production of these units is expected to continue to increase.

Safe Parking Program

Council support and changes to City code made safe spaces for people experiencing houselessness to park and made it easier for providers to develop micro-shelters for houseless community members. City staff are exploring options to better streamline applications for managed parking programs, temporary managed outdoor shelters, emergency shelters, and transitional housing.

Shelter and Camping Code Changes

City Council supported and adopted changes to the Bend Development Code to allow shelters in more areas of the city. Additionally, a recently adopted camping code will give greater clarity to Bend's community members regarding where, when, and how camping can occur in Bend's public rights-of-way. In the meantime, the City has processed numerous shelter siting applications under HB 2006 or equivalent legislation. The City has supported the development of seven new shelters since 2020.

Programs and Actions

Fair Housing Education

The City actively furthers fair housing education by partnering with the Fair Housing Council of Oregon for presentations and trainings. As identified in the Consolidated Plan, the Fair Housing Council of Oregon will offer at least two fair housing trainings for the benefit of low- and moderate-income households in 2024. In addition, the City has partnered with Legal Aid Services of Central Oregon on issues related to fair housing, substandard housing, and tenant rights.

In 2019, the City completed the Analysis of Impediments to Fair Housing, which is a guiding document for the Housing Department. The City will complete another Analysis of Impediments to Fair Housing in 2024.

Pre-Approved Plan Sets for Accessory Dwelling Units (ADUs)

In 2023, the City implemented a pre-approved ADU plan program. The program enables applicants to use an ADU plan set that has already been through building plan review and meets building code, reducing the time needed for issuing a permit. The plan submittal still requires Bend Development Code review for standards related to siting, such as setbacks and lot coverage, but the review timeline is significantly shorter. The purpose of the program is to make it easier and simpler for the construction of ADUs, which are considered a needed middle housing type. Future phases of the program will include single-unit to middle housing conversions and other middle housing types.

Shelter Purchases

In 2022, the City of Bend purchased three properties to add 178 shelter beds to the community. Two of the properties purchased are for permanent use, and one is for temporary use. The City is responsible for administering state and federal funding to support their operations and social service partners manage day-to-day facility operations. The three new shelters are low-barrier shelters which have less restrictions for entry, making the new shelters accessible to a wider population. In addition, the City owns the only low-barrier walk up shelter in the region. City shelters provided over 38,000 bed nights in FY 2022-2023 and transitioned over 230 individuals to more stable housing.

FULFILLMENT OF OAR 660-008-0050.A-F

The Climate Friendly and Equitable Communities rules require that the CFA Study address how the City fulfills the requirements of OAR 660-008-0050.a-f. Below is a description of each item from Oregon Administrative Rules, Division 8, which covers Goal 10 – Housing. This section references the actions described above, in addition to other efforts.

a. Location of Housing

How the city is striving to meet statewide greenhouse gas emission reduction goals, established under Executive Order No. 20-04, by creating compact, mixed-use neighborhoods available to people who are members of state and federal protected classes. Cities subject to this rule and OAR 660-012-0310(2) shall describe actions taken by the city to promote the production of regulated affordable units, as defined in ORS 456.586(1)(b); to promote the production of accessible dwelling units; to mitigate or avoid the displacement of members of state and federal protected classes; and to remove barriers and increase housing choice for members of state and federal protected classes within climate-friendly areas. An accessible dwelling unit is a dwelling unit constructed to accommodate persons with disabilities, in compliance with the Americans with Disabilities Act and applicable construction requirements in adopted building codes;

As described above, the City has taken a number of actions, including the adoption of programs and policies, to promote the production of regulated affordable and accessible units, and has taken actions to mitigate or avoid the displacement of members of state and federal protected classes as well as to remove barriers and increase housing choice for members of state and federal protected classes citywide. The majority of these actions apply citywide, including the CFA Candidate areas.

The Central Westside CFA Candidate area (a mixed-use district) includes an affordable housing project being developed by Kor Community Land Trust and Housing Works, located at 19755 Simpson Avenue. The City's support of the acquisition, pre-development, and construction of this development meets this requirement by supporting affordable housing within existing mixed-use neighborhoods. The City is striving to increase housing choice within the core of Bend in areas with existing amenities, parks, schools, and transit.

b. Fair Housing

How the city is affirmatively furthering fair housing for all state and federal protected classes. Affirmatively furthering fair housing means addressing disproportionate housing needs, patterns of integration and segregation, racially or ethnically concentrated areas of poverty, and disparities in access to housing opportunity;

The Fair Housing Education program fulfills this requirement. The City has completed an Analysis of Impediments to Fair Housing, and actively works to remove them. Partnering with organizations like Fair Housing Council of Oregon and Legal Aid Services of Central Oregon is essential to addressing these impediments. In addition, the City requires funding recipients to submit an equity statement which is reviewed along with other criteria. The City has adopted its own protected classes list which is similar to Oregon's.

c. Housing Choice

How the city is facilitating access to housing choice for communities of color, low-income communities, people with disabilities, and other state and federal protected classes. Housing choice includes access to existing or new housing that is located in neighborhoods with high-quality community amenities, schooling, employment and business opportunities, and a healthy and safe environment.

As described above, the City facilitates access to housing choice through a number of programs including financial assistance to fill funding gaps that developers face in building affordable housing. The incentives cover a wide array of housing types – rentals, owner-occupied homes, multi-unit properties with some affordable housing, and middle-income housing which can be more difficult to fund federally. All of these projects are distributed geographically throughout the City of Bend in existing neighborhoods with access to employment, schools, parks, and amenities.

The HB 2001 Bend Development Code changes also provided additional housing choice by expanding multi-unit development to all low and standard density residential districts in the City of Bend. While development up to a quadplex was permitted in these districts in the City prior to 2019, the Bend Development Code changes streamlined the permitting process and reduced the fees. This ensures that zoning is not a barrier to making all residential districts accessible to everyone.

The City of Bend has recently created scoring criteria for affordable housing to include bonus points for accessible housing. The City has surplussed numerous properties for affordable

housing in the City's higher income areas, and has started outlining equity strategies in infrastructure development.

d. Housing options for residents experiencing homelessness

How the city is advocating for and enabling the provision of housing options for residents experiencing homelessness and how the city is partnering with other organizations to promote services that are needed to create permanent supportive housing and other housing options for residents experiencing homelessness.

As described above, the City advocates for and enables housing for residents experiencing homelessness by partnering with and assisting organizations that provide housing options for those experiencing homelessness. The City's CDBG program provides funding for shelters and services for those experiencing homelessness. In addition, it funds other service providers, including those who provide assistance for victims of domestic violence and non-profits providing medical care. Since 2020, the City has purchased three facilities that are currently being operated as low-barrier shelters, and has a lease on an additional services site. The City supported over 38,000 "bed nights" of shelter in FY 23, while providing over 100,000 meals and overseeing 230+ transitions to more permanent housing solutions. The City also supported the creation and operations of Central Oregon Villages, the City's first managed outdoor shelter, made of twenty pallet structures and focused on the elderly, infirmed, and women with children.

Additionally, the Safe Parking Program and Shelter and Camping Code Changes both contribute to offering temporary solutions for those experiencing homelessness. The act of constructing new housing is lengthy, and while it's important to commit to pro-housing policy, it's also not a quick fix. Allowing those experiencing homelessness a place to camp or park in a vehicle legally is a temporary alleviation of a larger problem. The State of Oregon has created a series of shelter "super siting" laws that allow shelters to be sited within a UGB if they meet certain safety and operational standards. The City of Bend has permitted over five new shelters since 2019 using these laws, and more than five new safe parking sites.

e. Affordable homeownership and rental housing

How the city is supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership, primarily for state and federal protected classes that have been disproportionately impacted by past housing policies;

All of the financial incentives described in detail above help to fulfill this requirement. Without these incentives, the barriers to constructing affordable housing in the City of Bend are nearly impossible to resolve. These incentives cover both rental housing and homeownership options, and make these projects possible within Bend.

f. Gentrification, displacement, and housing stability

How the city is increasing housing stability for residents and mitigating the impacts of gentrification, as well as the economic and physical displacement of existing residents resulting from investment or redevelopment.

The anti-displacement spatial analysis identified areas of Bend that are gentrifying the most quickly, but it's clear from the data that housing costs are beyond what most people are able to afford regardless of location in the city. In July 2022, the median home sale price in Bend was \$743,000 according to the Central Oregon Association of Realtors. A household would need to earn about \$245,000, or 251 percent of Median Family Income (MFI) to afford this price. The biggest barrier to the development of affordable housing in Bend is the cost of land. The Affordable Housing Fund offers some housing stability by subsidizing these costs so that affordable housing is possible.

POTENTIAL FUTURE ACTIONS TO MITIGATE DISPLACEMENT

City staff regularly coordinates to streamline code and processes affecting affordable housing development throughout Bend so that all Bend community members can find housing in the neighborhood of their choice. Given the astronomical rise in the cost of housing in Bend, this is difficult and requires both citywide pro-housing strategies, as well as mitigation strategies specific to a Climate Friendly Area CFA) to prevent displacement. The following are potential actions the City could take to mitigate displacement.

Citywide Strategies

Permit Alternative Housing Types on Wheels

One option to alleviate some of the pressure in Bend's housing market could be to legally permit alternative housing types, including those on wheels. Currently, the Bend Development Code requires that all dwellings, including manufactured homes, be placed on a foundation.

The City has considered permitting alternative types of housing, including those on wheels, in the past.

The City could consider adopting 2021 International Building Code regulations for Tiny House provisions, which offer regulations for both movable tiny homes and recreational vehicles as dwelling units.

Updates to the System Development Charges (SDC) Methodologies

The City is currently updating its SDC methodology. Bend SDCs were last revised over a decade ago and need to be evaluated for synergy with current City Council goals – several of which are specific to housing affordability. The new SDC methodology will include consideration of restructuring SDCs to account for different types and sizes of developments based on estimated use and impact on the system. The update will also include reviewing administrative policies that may impact financing and other costs to developers, like deferrals and credits for public improvements.

To complete this project, the City has an SDC stakeholder group with representatives from twenty-five local organizations that are impacted or have interest in the outcome of the update. This group will provide feedback on options. It is anticipated that the new fees will be adopted and implemented by the end of 2024.

Information on Converting Detached Single-Units to Duplexes

Similar to pre-approved plan sets, the City could encourage the conversion of existing detached single-unit developments to duplexes by providing information or a guide on how to complete a conversion. Since 2019, the process to construct a duplex has been streamlined to only require a building permit. Duplexes are allowed in all residential districts where single-unit developments are allowed. This is anticipated as part of the Middle-Income Housing Program as a future phase to the pre-planned ADU program.

Fund Off-Site Infrastructure Requirements for Affordable Housing

The cost to construct necessary infrastructure (sidewalks and street improvements) has been identified as an additional barrier to development. If a funding source was established, the City could fund or construct these improvements for affordable housing developments, helping offset some of the cost for developers. Waiving these requirements entirely is not an option,

because it's important to ensure that affordable housing is equipped with the same improvements as market rate development.

CFA Specific Strategies

Low-Interest Loans / Revolving Loan Fund

The development of a revolving loan fund that is specifically tied to the boundaries of a CFA could assist those looking to develop affordable housing. A revolving loan fund is a gap financing measure that is primarily used for small businesses. It is a self-replenishing pool of money, utilizing the interest and principal payments on old loans to issue new ones.

This program could be structured a number of ways. It could provide funding for the development of affordable housing, as well as the acquisition and preservation of naturally occurring affordable housing within a CFA. Naturally occurring affordable housing is housing where rents are below the median monthly costs for the area, but are not subsidized through government programs and do not have income requirements to rent. Additionally, it could fund improvements to acquired affordable housing. While this could be developed in any part of the City, the designation of a CFA that already has a funding source could enable this program to start sooner. As part of the mapping completed to study CFA candidates, CFAs that have federal, state, and local funding sources have been identified. These include the Bend Central District, KorPine, Mid 3rd, North Downtown, and Greenwood CFA candidates. Consideration of existing financial incentives already available for specific areas is one lens with which to evaluate the CFA candidates.

Site Acquisition

Within a CFA, the City could take specific steps to publicly purchase vacant or underutilized sites in order use them for affordable housing. While the term 'land banking' tends to imply that these will be saved or preserved for future use, the housing crisis in Bend is an immediate problem. Acquiring sites as quickly as possible would be ideal. These sites could be given to developers for low or no cost. Doing so would ensure that groups at risk of displacement within a designated CFA would have the option of remaining within their neighborhood, even if the land values within a CFA rise. The City does not have control over rising land values, but careful planning and a commitment to ensuring that there is ample affordable housing within a CFA could ensure that residents remain in place.

Employment of this strategy may be a consideration in the selection of one of the CFA candidates. Per the completed CFA Market Analysis, land values vary significantly within each CFA. It would be most beneficial to employ this strategy in a CFA which has vacant or underutilized sites identified. Similar to the low-interest loan / revolving loan fund option, a CFA that already has an existing funding source (like a TIF) would be able to utilize this strategy quickly.

Appendix F – Community Engagement Report, Engagement Themes, and Online Questionnaire Summary

City of Bend Climate Friendly Areas Study

Community Engagement Report

June 30, 2023

I. Introduction

By the end of 2024¹, communities – including Bend - are required by state law to study, identify, and designate “Climate Friendly Areas” (CFAs). CFAs are intended to be places where people can meet most of their daily needs without having to drive. These places may be urban mixed-use areas such as downtowns and main streets.

The CFA process requires centering voices of historically underserved populations and working towards equitable outcomes. While some may see Climate Friendly Area designation as a benefit, others may fear gentrification-caused displacement. As this planning effort may generate significant public interest, the Oregon Department of Land Conservation and Development (DLCD) enlisted a consultant to provide public engagement assistance to these jurisdictions and help ensure the public is engaged in the decision-making process and the voices of historically underserved populations are heard.

This report describes the community engagement efforts carried out for the CFAs project by the City of Bend with support from 3J Consulting. The report summarizes the outreach between January and June 30, 2023 and reflects the first six months of equity focused outreach. It is not a comprehensive summary of the community engagement for the project which continues through designation and adoption. This document outlines the methodologies employed to engage historically underserved populations and the broader community, the approach for communicating information, the methods for gathering feedback, and the plans for integrating input into the study.

II. Objectives

The objectives of the study’s community engagement program were to:

- Identify preferred location(s) of climate-friendly areas through community involvement.
- Center the voices of historically underserved populations, particularly those disproportionately harmed by past land use and transportation decisions and engage with those populations to develop key community outcomes.
- Give all potentially affected interests an opportunity for input.
- Actively seek participation of potentially affected and/or interested individuals, agencies, businesses, and organizations.
- Provide meaningful community engagement opportunities and demonstrate through a reporting back process how their input has influenced the decisions.
- Clearly articulate the process for decision-making and opportunities for input.
- Explore partnerships between the city, county, and other agencies and organizations for overcoming potential barriers to plan implementation.
- Develop communication tools to increase public understanding of how the CFA study and designation fit into other planning processes the city is undertaking.
- The outreach process will promote the fair and meaningful involvement of all people regardless of race, color, national origin, disability, gender, sexual orientation, housing status, primary

¹ The City of Bend has been approved for an extension to the end of 2025

City of Bend CFA Engagement Report

language, immigration status, age, or income. No person shall be excluded from participation or subjected to discrimination.

- Ensure the community engagement process is consistent with applicable state and federal laws and requirements, and is sensitive to local policies, goals, and objectives.

III. Scope and Approach

The project scope outlined the creation of a community engagement plan to guide this first phase of the Climate Friendly Area study and designation work, and to support the city in conducting meaningful community involvement.

Outreach activities and materials were planned according to a three-round schedule:

Round 1

The key engagement goals of this round included informing participants about the process and timeline for Climate Friendly and Equitable Communities, and explaining how individuals could provide general feedback on CFA designations. Additionally, the aim was to gather input from the community by understanding their priorities and criteria for selecting Climate Friendly Areas, as well as capturing their lived experiences. Another objective was to identify individuals interested in participating in equity-based focus groups. To achieve these goals, the activities consisted of conducting one-on-one phone and in-person interviews with community leaders and organizations representing vulnerable populations. This first round of engagement was focused on equity participants and did not include the wider community.

City staff also coordinated a winter curriculum with Central Oregon Community College Avanza program centered on the CFA study. The Avanza program is a Latinx college prep program for student leaders. Students from Bend and Caldera High Schools studied the CFA requirements and applied it to their lived experience to provide feedback on the CFA study. Over 30 students presented their ideas at City Hall to City staff, the City Manager and the Mayor.

Round 2

The key engagement goals of this round were to inform participants about community priorities and criteria for potential Climate Friendly Areas, which were obtained through Round 1 interviews and reported back to the community. Additionally, the other goals were to present a revised map showing the possible locations for Climate Friendly Areas and gather input by discussing the benefits and burdens associated with each potential CFA location. To facilitate these goals, the engagement activities included an equity Focus Group meeting as the first step. This was followed by meetings with City Boards, Committees and Commissions and Community-Based Organizations to further engage and gather input from various stakeholders.



City of Bend booth at Juneteenth, Round 3

City of Bend CFA Engagement Report

Round 3

The third round of engagement is planned to be continued by the City of Bend over the next several months. The community will be informed about various next steps regarding Climate Friendly and Equitable Communities by tabling at community events. This will include providing information on the process and timeline for establishing CFAs and explaining how people can offer feedback on CFA designations. Community priorities and criteria from historically underserved communities will also be shared, incorporating insights from both Round 1 and Round 2. Furthermore, a revised map displaying potential CFA locations will be presented.

In terms of gathering input, discussions will be conducted to consider the benefits and burdens of each potential location. Engagement activities over the summer will involve tabling at community events, Park and Library events, and Downtown pop-ups. The engagement process will also include follow-up meetings with the Focus Group, as well as convening a CFA Working Group comprised of volunteers from City Boards, Committees and Commissions. Staff will continue to meet with interested Community-Based Organizations and neighborhood groups. Two online questionnaires will be made available to gather input from the broader community.

Fall activities are planned to include, a community open house, Spanish-language specific outreach and meetings of the CFA Working Group.

IV. Key Findings

Round 1

In February 2023, Community Leader and Stakeholder Interviews were conducted to better understand community priorities and criteria for choosing Climate Friendly Areas. The interviewees were asked two categories of questions: general engagement and Climate Friendly Area specific discussion. The following highlights some key findings from these conversations:

- Housing affordability is critical in ensuring Climate Friendly Areas are equitable.
- Transportation options and accessibility should be prioritized when designating a Climate Friendly Area.
- Groceries, medical services, and daycare facilities for lower income households would best serve the community in these designated areas.
- Designating these areas could provide the community with opportunities to connect with one another, and potentially create more inclusive options including higher density affordable housing alongside market-rate.

Round 2

The second round of engagement focused on the question, “how do we ensure vulnerable population groups benefit from these changes and what strategies can be employed to mitigate the potential risk of displacement and gentrification?”

An in-person focus group was held in May with members representing Embrace Bend, Habitat for Humanity, City of Bend Accessibility Advisory Committee, and Central Oregon Intergovernmental Council/Cascades East Transit to discuss a variety of topics lead by the following questions:

1. What community or population groups would benefit from this area being designated as a CFA?
2. What community or population groups would be burdened by this area being designated as a CFA?
3. Among all candidate Climate Friendly Areas, is there one Climate Friendly Area that provides better, more equitable outcomes?
4. For the community or population groups that may be disproportionately affected by changing development patterns, what strategies or actions should the city consider mitigating potential displacement and/or gentrification?
5. Did we miss any areas you think should be considered a Climate Friendly Area?



City of Bend booth at Pride Event

During the general discussion, feedback included:

- A request to map transit routes and mobility hubs
- To better define City investment and incentives in potential CFA areas.
- Participants raised concerns about the relationship between gathering spaces and safety
- Concerns related to the mapping of vulnerable populations were voiced. Solutions were proposed, such as limiting data release and indicating potential vulnerabilities without specific locations.
- The importance of continued outreach and relationship building with historically underserved groups
- Planning and services for houseless community members and the potential for displacement was emphasized.
- The discussion also explored affordable housing options, including locating subsidized affordable housing, work force housing and market rate in CFA areas, and the significance of affordable homeownership as well as rental options within CFAs.

Subsequently, the mapping exercise revealed the potential benefits and burdens of each proposed area. In the South 97 and Eastside areas key benefits included opportunities for new investment, availability of vacant land, and the potential for new affordable housing. On the other hand, key burdens included a lack of existing bike and ped infrastructure and limited existing walkable amenities.

City of Bend CFA Engagement Report



COCC Avanza students work on CFA mapping

Opportunity Areas such as the Central Westside and Bend Central District (BCD) were recognized as having the benefit of already functioning in many ways as CFAs. Both have existing walkable amenities and good bike, ped, and transit infrastructure. Burdens include a lack of affordable land (with BCD having better affordability comparatively). BCD has good opportunities and existing incentive programs. Burdens of BCD included potential pollution and noise pollution for new residents on 3rd Street and vulnerable “naturally occurring” affordable housing. The Central Westside was seen as an area where growing density makes sense and has the potential for an innovation district with the OSU campus.

The North area was thought to have the least existing benefits for a CFA with a lack of infrastructure and comfortably walkable amenities.

In addition to the focus group, City staff presented to the following City Boards, Committees and Commissions:

- City of Bend Accessibility Advisory Committee
- Bend Economic Advisory Board
- Environment and Climate Committee
- MPO TAC
- Core Area Advisory Board
- Affordable Housing Advisory Committee
- Human Rights and Equity Commission
- City of Bend Planning Commission

V. Conclusion

As a result of the community-based input received during the first two rounds of engagement, there has been interest in increasing access, amenities and potentially incentives in areas that are perceived

(or actually) getting less attention from the city. Additionally, the City of Bend's Opportunity Areas are already on their way to being high-amenity areas with the zoning for walkable mixed-used.

Staff will continue technical analysis as well as community input to determine the best options for using CFA designation as a tool to further community goals related to equity, housing and transportation. For the potential Climate Friendly Areas with less infrastructure, additional studies will be conducted to assess additional tools most appropriate to location and context.

VI. Attachments

- A. Community Leader Interview Summary
- B. Focus Group Presentation
- C. Climate Friendly Areas Focus Group - Discussion Summary
- D. Climate Friendly Areas Student Outreach - Project Summary
- E. Caldera High School Presentation
- F. Bend High School Presentation

Climate-Friendly and Equitable Communities – Bend

Community Leader Interview Summary

February 2023

Background and Purpose

The Oregon Land Conservation and Development Commission adopted the Climate-Friendly and Equitable Communities (CFEC) rules on July 21, 2022. As part of these new rules, local governments are required to study, identify, and designate climate-friendly areas by December 31, 2025. The CFEC rules provide the following definition of climate friendly areas:

“Climate-friendly areas” are intended to be places where people can meet most of their daily needs without having to drive by having housing located near a mix of jobs, businesses, and services. This means that some cities and urban areas across Oregon may see a higher intensity of development over time.”

In Bend, this will most likely occur adjacent to downtown, along corridors or in existing mixed-use zones where high-quality pedestrian, bicycle, and transit infrastructure can be implemented. For people living in Climate-Friendly areas, most housing, jobs, businesses, services, and schools could be accessed by walking, riding a bicycle, or taking a bus. The goal of these rules is to build cities in a way that reduce the need for a vehicle. Fewer cars on the road means less carbon emissions contributing to climate change.

The first phase of the process is to study and determine potential locations of climate-friendly areas by the end of 2023. The second phase is to adopt development standards for these areas by the end of 2025.

Due to the impacts that potential, redevelopment may have on gentrification and displacement in certain areas, the project includes a strong focus on ensuring the voices of historically underserved and vulnerable communities are centered in the engagement process.

The first step is conducting interviews with key community leaders to better understand community priorities and criteria for choosing these areas. These interviews will inform the activities we conduct with the community over the next two years to identify potential locations for these “climate-friendly areas” and discuss the burdens and benefits of each.

Key Themes

The initial round of community engagement offered feedback to help inform the upcoming engagement efforts. The stakeholder interviewees were asked two categories of questions: general engagement and Climate Friendly Area specific discussion. The following highlights some key findings from these conversations:

- Housing affordability is critical in ensuring Climate Friendly Areas are equitable.

- Transportation options and accessibility should be prioritized when designating a Climate Friendly Area.
- Groceries, medical services, and daycare facilities for lower income households would best serve the community in these designated areas.
- Designating these areas could provide the community opportunities to connect with one another, and potentially create more inclusive options including higher density affordable housing alongside market-rate.

Interview Summary

- **What are potential priorities or criteria for your community that should be considered when choosing an area to be designated as a “Climate Friendly Area”?**
 - Housing availability at all levels of income.
 - On a bus route.
 - Easy accessibility to services for all income groups.
 - Affordable housing.
 - Multi-generational housing.
 - Transit, biking/walking paths, and reducing travel time.
 - Affordable housing.
 - Creating a space for folks to be able to access services without a vehicle.
 - Walkability.
 - Ensuring designation of areas does not result in exclusionary practices.
 - Important to consider connectivity between centers. Bikeable to key destinations.
 - More public gathering places, parks, and childcare.
 - Better equity in planning for new neighborhoods and places.
 - Housing that is affordable to lower income levels is top priority.
 - Better accessibility and safe connections (example of eastside to downtown). Snow on sidewalks makes walking dangerous/inaccessible.
 - Electric bike stations expanded to other neighborhoods.
 - There is too much able-ist thinking.
 - There is good access to affluent neighborhoods but lacking easy access for lower income areas.
 - When there is snow, transit is on Sunday schedule and people can’t get to work.
 - Invest more in green energy solutions, solar, Wi-Fi hubs. Consider more innovative solutions.
- **What services, amenities, or development types would best serve your community? What does the community need from these designated areas?**
 - Grocery stores for lower income households.
 - Medical for lower income households.
 - Affordable daycare.
 - Parks and green spaces, free community space.
 - Shopping, food, and amenities that are not offered online.

- Mixed-use housing with groceries below housing.
- Childcare.
- Think about why people need to get out of the house (work, childcare, groceries).
- Multi-family access to groceries is important.
- Trash and water services for homeless community members.
- Increase transportation options.
- More dense, mixed-use development where people can live, work, and shop.
- Transit-oriented design and pedestrian only areas.
- Housing with parks is needed. Safer routes to parks. One car and no car families need to be able to access transit, parks, grocery stores on sidewalks with safe crossings.
- **What do you see/think are some of the benefits of mixed-use, walkable, compact development for your community?**
 - Reducing stigma of people in low-income housing if it is better mixed in with other income levels.
 - Generational housing and daycare options.
 - Ways to connect groups that don't necessarily connect otherwise.
 - Areas for people to get exercise and be outside.
 - This type of density is something that could benefit homeless folks in terms of being able to get what they need without walking as far.
 - Increase of safety and reduction of emissions.
 - Quality of life.
 - Denser housing near services that are a short, walkable distance. This would enable a car-less and community-oriented environment.
 - Housing would appeal to younger, new to Bend and provide options. Be sure to provide room for families and extended families. Consider shared storage for bikes, sleds, and other needs.
 - Storage for houseless and potentially shared kitchens.
- **What do you see/think are some of the burdens of this type of development on your community?**
 - If this is another high-end west end development, it won't change anything.
 - Use this as an opportunity to break the cycle of focusing on affluent development.
 - Convincing people that this type of affordable housing is beneficial.
 - Lack of connectivity to other parts of Central Oregon (without a personal vehicle).
 - Think meaningfully about how this type of development will impact folks that will be displaced.
 - The risk that these areas become oases within the community versus a model for the surrounding communities.
 - Apartments are all high-end/expensive.
 - Need to ensure does not spiral into gentrification.

- Lack of space and parking can cause conflict with street spaces, etc.
- Better pay for employees that must live further and further from jobs and lead to closures of local restaurants and retail (example of commuters from Prineville).
- Breweries need to pay for transit not parking.
- **What elements of this process might be of particular interest to your community?**
 - Where are these areas going to be?
 - What kind of development will this bring?
 - Being able to offer actual feedback on the areas proposed.
 - Engagement efforts based on the locations of the proposed areas.
 - Focus groups with homeless shelter providers and the folks they assist.
- **Who else should we talk to ensure an inclusive process?**
 - Environmental Center.
 - Neighborhood associations.
 - Neighbor Impact.
 - Including non-homeowners in the process.
 - Speak to people who would have interest in living or renting in these areas.
- **From the information we have shared today, what questions do you have, or do you think your community might have, about this new process for designating “climate-friendly areas” in Bend?**
 - Being completely forthcoming about this process early.
 - This will not be on the radar of people trying to make ends meet. But, if this process can offer better paying jobs, affordable housing, and better livability people will be engaged.
 - How much will the housing cost?
 - What are the amenities of these areas?
- **Would you or another representative of your organization want to be involved in a focus group? We are offering compensation and other accommodations to participants.**
 - Yes, reach out to FAN.
 - Habitat for Humanity staff may be interested.
 - Yes, reach out to COIC but there are some funding constraints.
 - Homeless leadership coalition meets first Friday of each month.
- **How can we make sure we have information that is easy to understand, access and easy for your community to provide comments about?**
 - Have casual conversations with people about what is going on.
 - Being clear about how this impacts communities.
 - Having a well-thought-out plan regarding next steps and impacts.
- **Any other ideas, suggestions, or recommendations as we plan for engagement on climate-friendly areas?**
 - Please keep FAN involved.
 - More details and information that can help people visualize this.
 - Financial incentive for folks that have lived experiences (homeless).
 - Include COCC students and Catholic Spanish Ministries.



Climate Friendly Areas Focus Group

Growth Management Division

Community and Economic Development Department

May 23rd, 2023

What is a Climate Friendly Area?

- A Climate Friendly Area (CFA) is an area where community members can live, work, and meet most of their daily needs without having to drive a vehicle
- CFAs must be served by high-quality pedestrian, bicycle and transit infrastructure
- CFAs will allow a mix of uses, including multi-unit residential development
- Underserved communities will be at the center of informing where and how CFAs are chosen



Why are we designating Climate Friendly Areas?

- These areas are a part of the state's Climate Friendly and Equitable Communities rules adopted by the Land Conservation and Development Commission in July 2022.
- Designing neighborhoods like this helps reduce carbon emissions and gives people the choice to not rely on a car.
- The goal of these rules is to make systemic changes in the way cities are developed to reduce carbon emissions and thus slow the pace of climate change.



Equity Based Engagement

- Equity based engagement will take place through CFA designation and adoption
- One-on-one interviews
- COCC Latinx student outreach
- Equity focus groups
- Upcoming community pop-ups, surveys, and open houses



COCC Latinx College Prep Program – Caldera High School

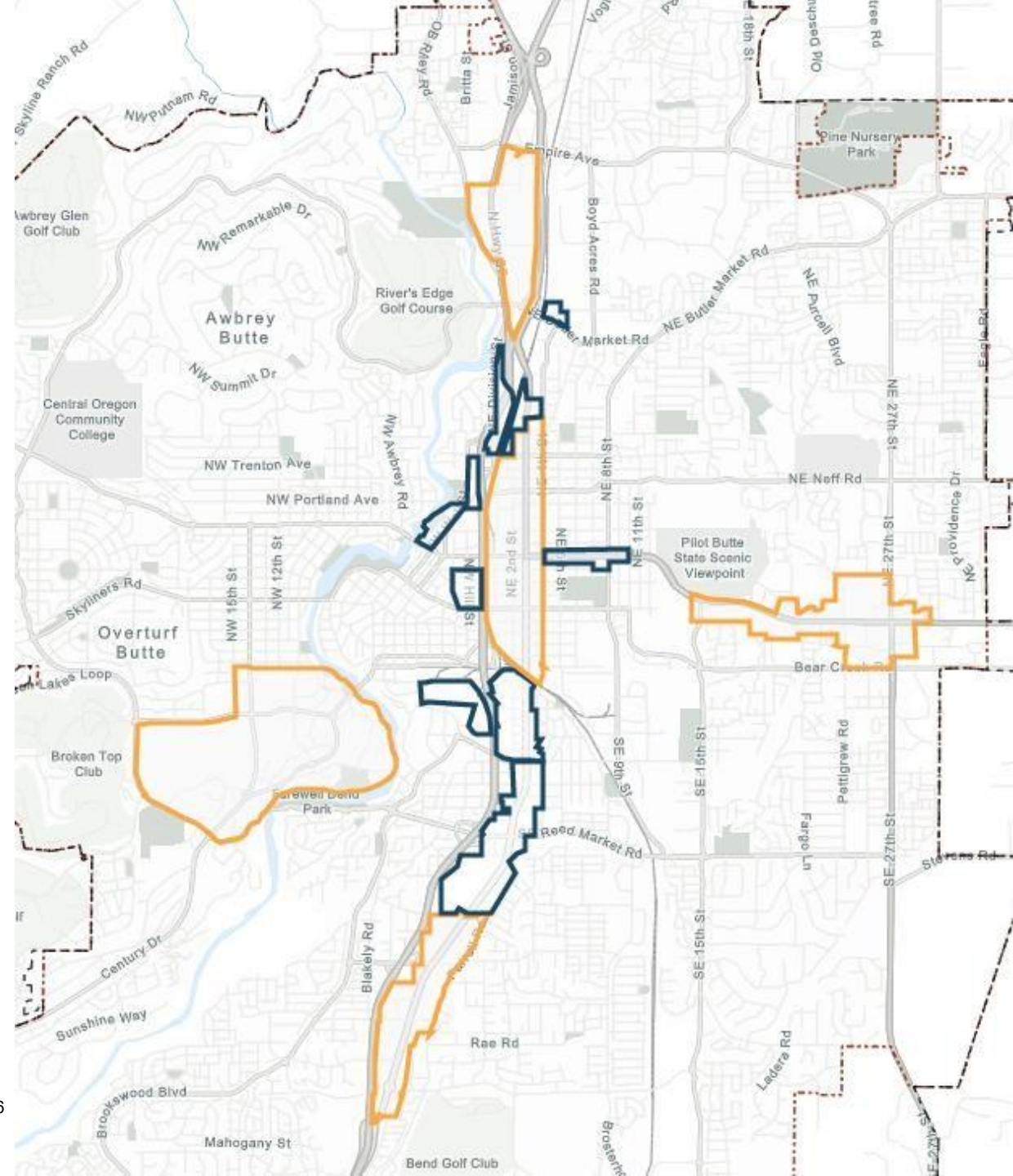
Where should a CFA go?

Identified examples of CFAs based on land use, size, and existing plans:

- Land use designations – commercial and mixed-use areas instead of low-density residential areas
- Existing employment centers
- Developed bike, ped and transit networks

Staff is developing a mapping tool to spatially analyze the City based on the following categories:

- Equity
- Connectivity
- Opportunity



Questions?

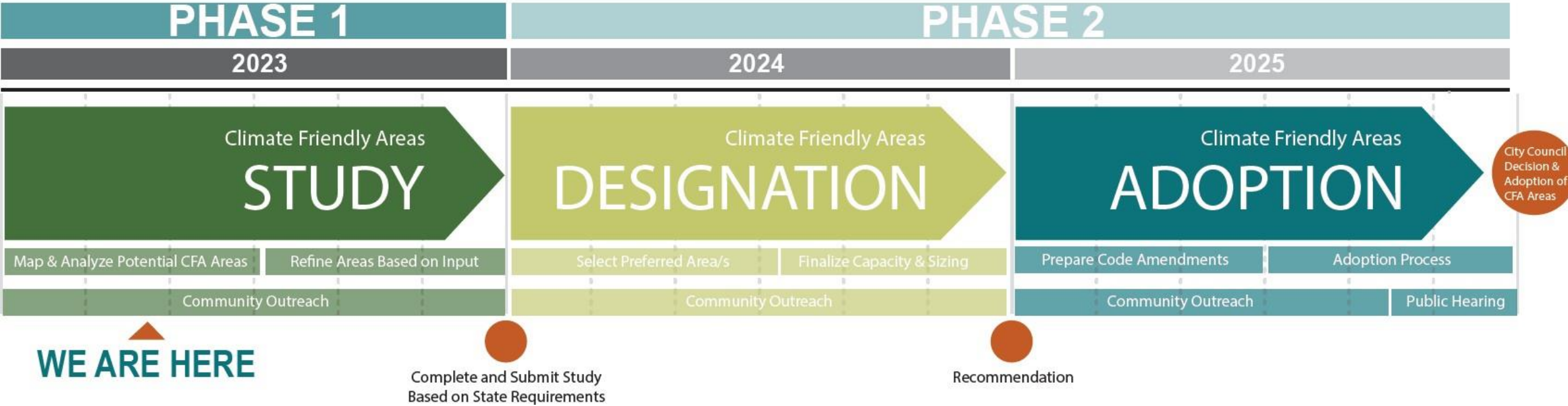
Resources

- Website
- For information on the CFA Study, reach out to Elyse Vukelich
- (evukelich@bendoregon.gov)
- For information on the CFA Study Engagement, reach out to Jennifer Knapp
- (jknapp@bendoregon.gov)



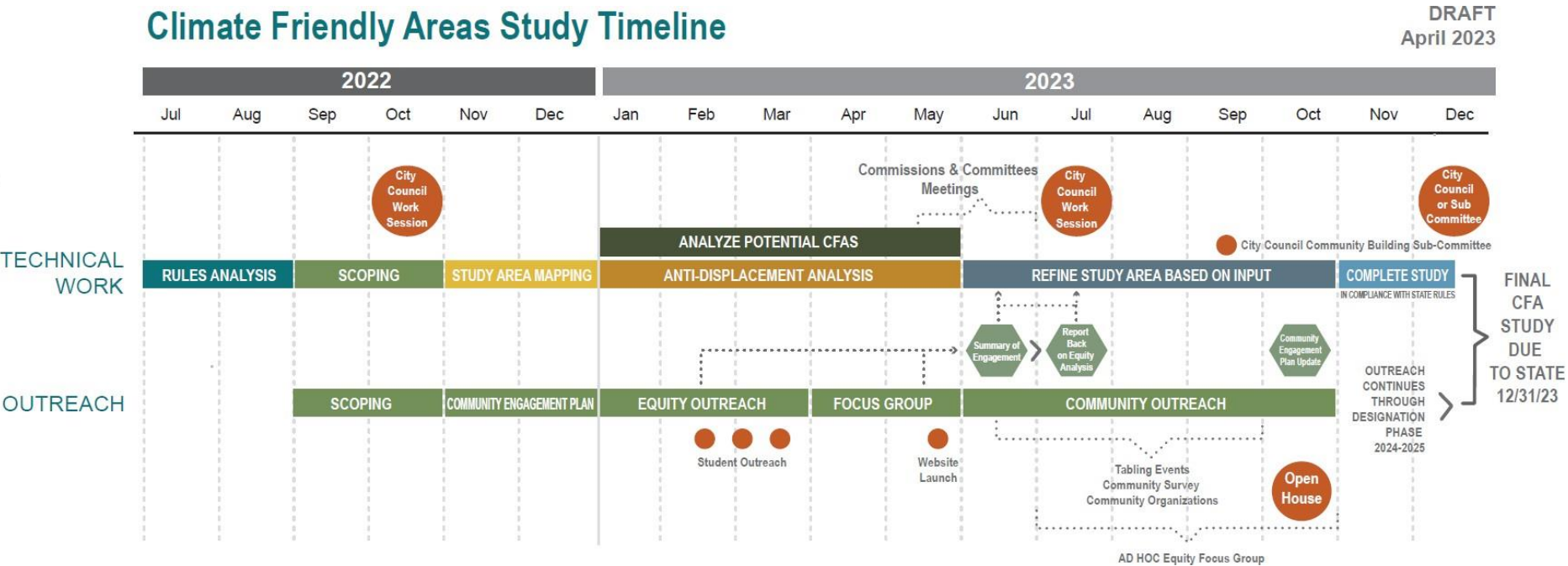
CFA Timeline

Climate Friendly Areas Project Phasing



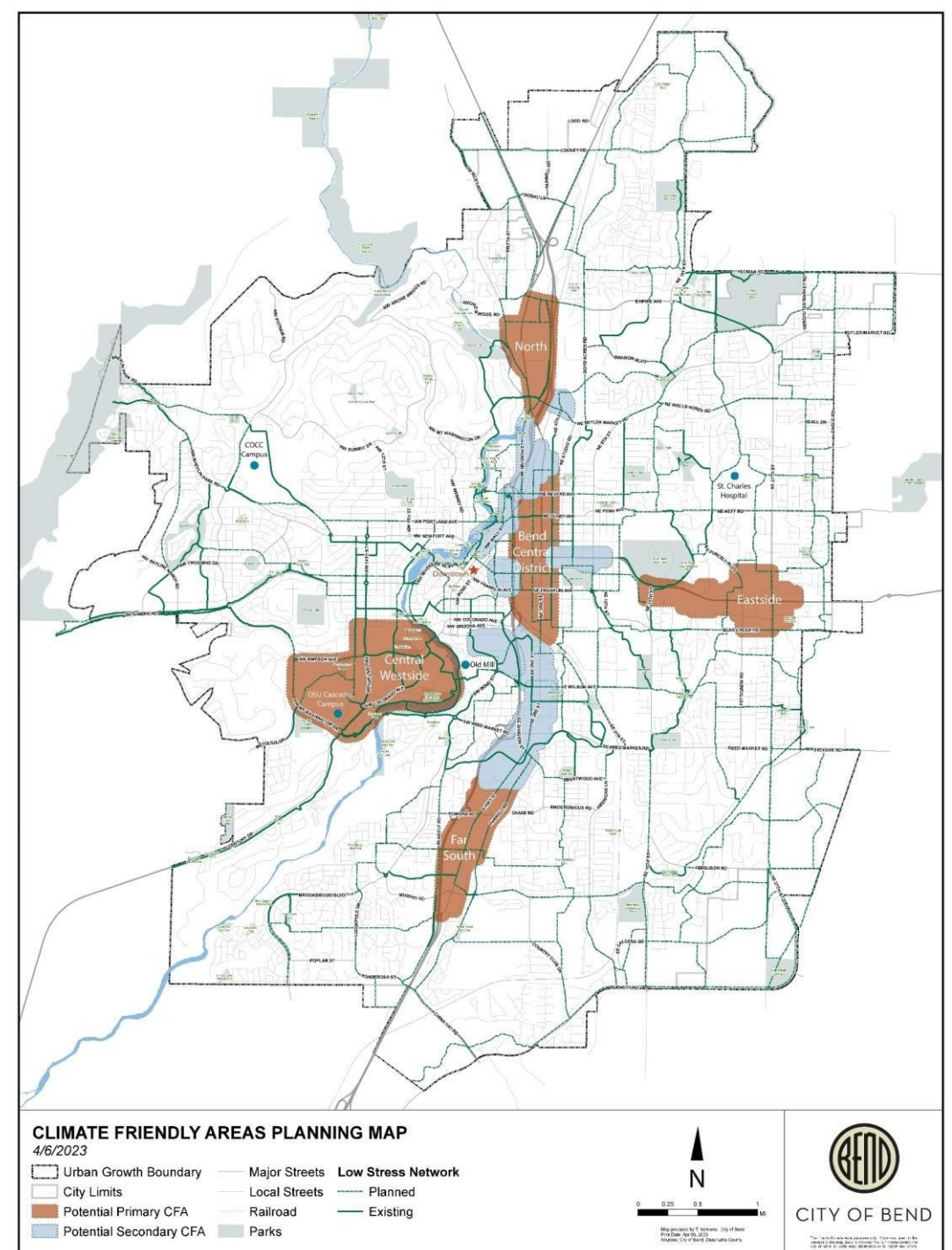
Next Steps

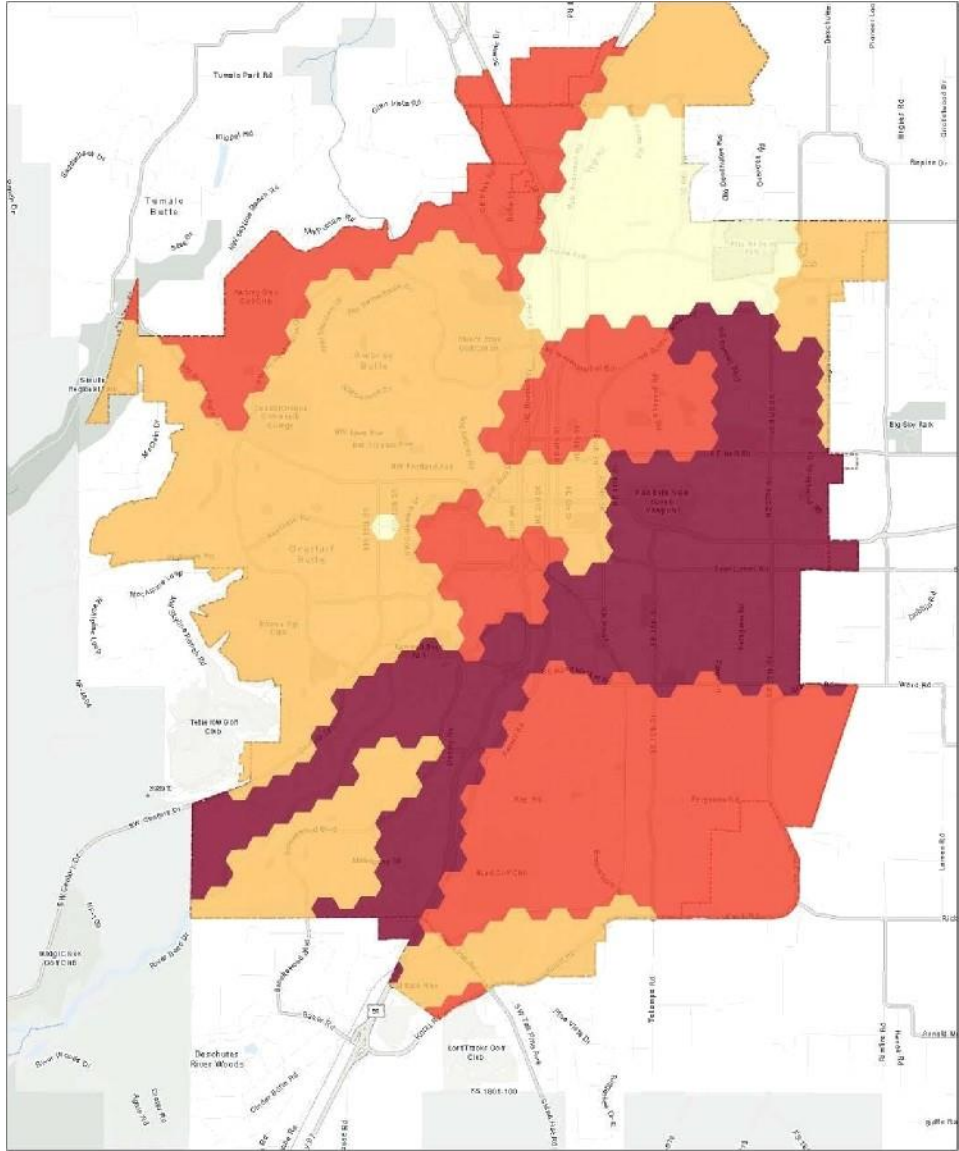
- Equity Outreach Summary – July 1st
- Anti-Displacement Analysis – Summer 2023
- On-going community engagement
- On-going technical analysis



Mapping Exercise

1. Discuss each Climate-Friendly Area Location:
 - What community or population groups would benefit from this area being designated as a CFA?
 - What community or population groups would be burdened by this area being designated as a CFA?
2. Among all candidate Climate-Friendly Areas, is there one Climate-Friendly Area that provides better, more equitable outcomes?
3. For the community or population groups that may be disproportionately affected by changing development patterns, what strategies or actions should the City consider to mitigate potential displacement and/or gentrification?
4. Did we miss any areas you think should be considered a Climate-Friendly and Equitable Community?





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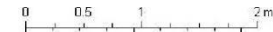
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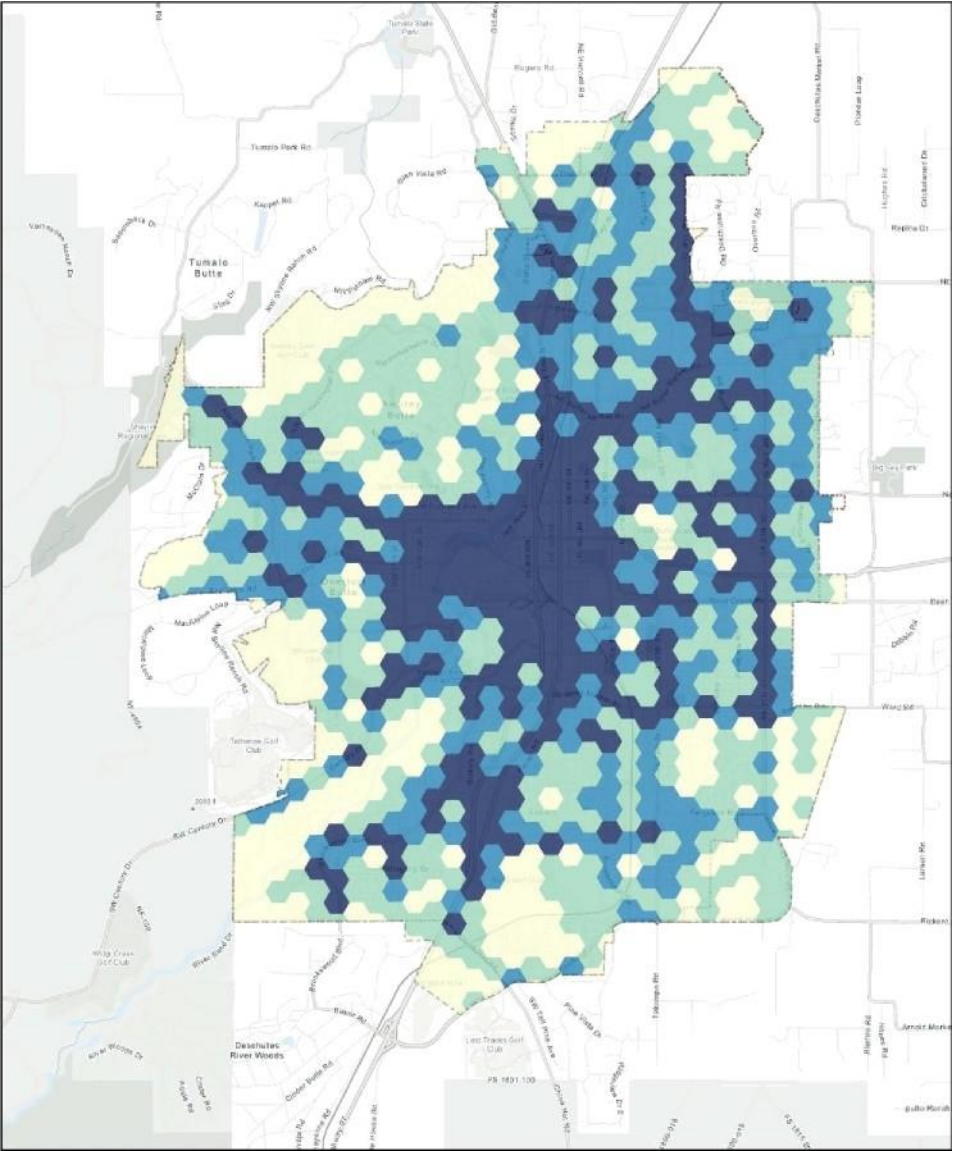
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3 - 4 Indicators

 City Limits

Urban Growth Boundary





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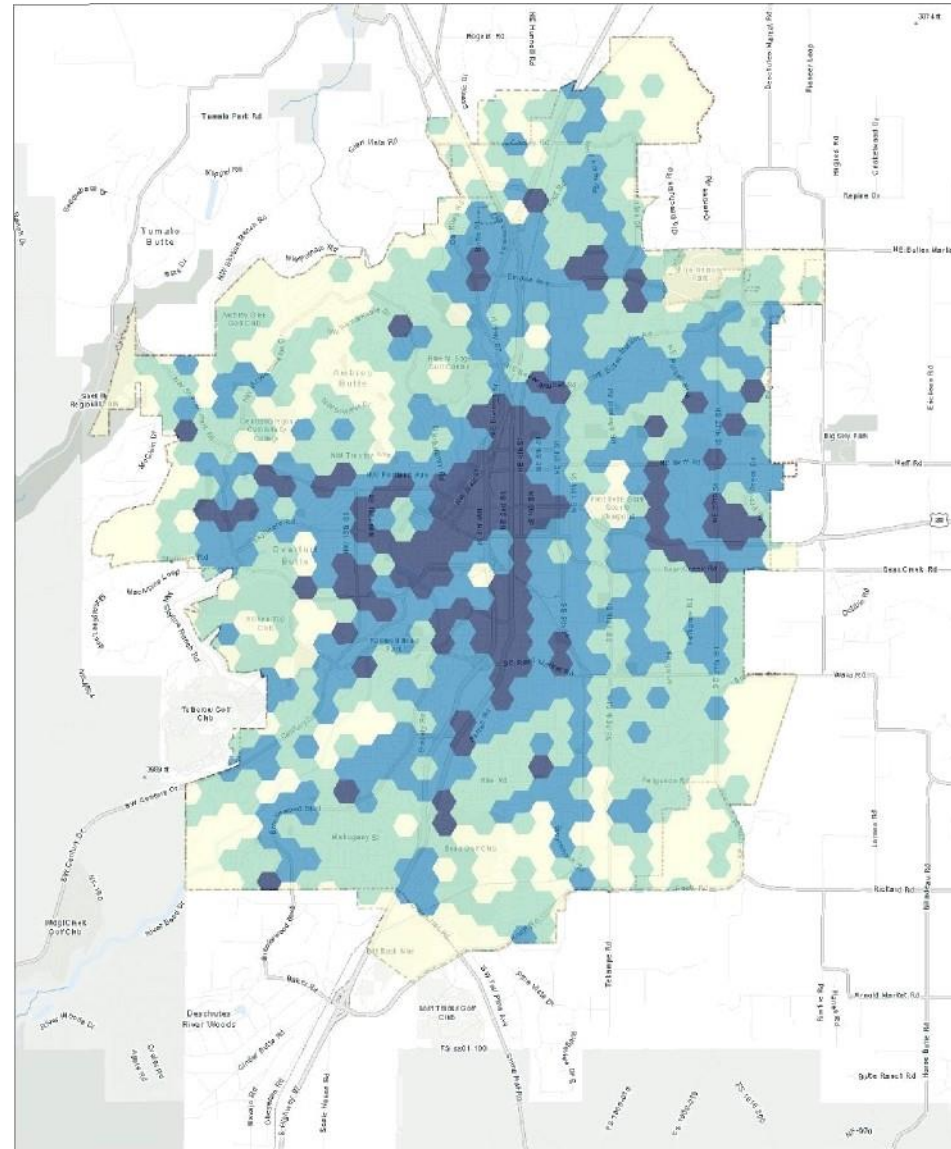
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Opportunity Model - Opportunity Model Score (By Quantile)

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- 5 - 7
- 8 - 10

City limits

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Climate-Friendly Areas Focus Group

Discussion Summary

May 2023

Context: Climate-Friendly Areas are intended to be places where people can meet most of their daily needs without having to drive. These areas would provide a greater variety of housing located near transit, jobs, and services in a compact, walkable urban environment. This means that some cities and metro areas across Oregon may see a higher intensity of development over time in their existing urban areas, such as downtowns and central business districts.

Given the potential for new, different, or increased development patterns in these areas, how do we ensure vulnerable population groups benefit from these changes and what strategies can be employed to mitigate the potential risk of displacement and gentrification?

Objective: Gather feedback on potential Climate Friendly Areas for Bend and discuss the benefits and burdens of each option.

Questions (see map for reference):

1. Discuss each Climate-Friendly Area Location:
 - What community or population groups would benefit from this area being designated as a CFA?
 - What community or population groups would be burdened by this area being designated as a CFA?
2. Among all candidate Climate-Friendly Areas, is there one Climate-Friendly Area that provides better, more equitable outcomes?
3. For the community or population groups that may be disproportionately affected by changing development patterns, what strategies or actions should the City consider to mitigate potential displacement and/or gentrification?
4. Did we miss any areas you think should be considered a Climate-Friendly and Equitable Community?

Participants:

Participants represented themselves as well as organizations. Participating organizations included: Embrace Bend, Habitat for Humanity, City of Bend Accessibility Advisory Committee, and Central Oregon Intergovernmental Council/Cascades East Transit. Staff: Brian Rankin, Planning Manager, Jennifer Knapp, Senior Planner, Elyse Vukelich, Associate Planner.

General feedback:

Show transit and stops on workshop map

Clarify how City is expected to invest in CFAs and programmatic support

Interconnection between providing gathering space and safety. Is there consideration for BIPOC and other groups in public spaces and potential racist attacks? More solutions need to be explored. Solutions discussed: Defensive training, access to safe spaces, staffed areas (?)

Concerns were voiced about mapping and placing people such as BIPOC and Spanish speaking homes in harms-way by identifying areas of residential concentration. Discussion included balancing the intent of not causing more harm to vulnerable populations through land use decisions and the dangers to those populations in identifying them and areas where they live. Solutions discussed: Not releasing certain mapping data layers, transparency on why data layers should not be readily available to the public, aggregate information with other layers indicating potentially vulnerable populations.

As focus on CFA areas begins to narrow (designation phase), continue outreach to organizations that represent historically underserved groups rather than individuals.

More information and planning is needed related to providing services for residents experiencing houselessness and considering vulnerability to displacement.

Preference for locating Affordable to market rate housing options both rental and ownership across spectrum in CFAs. Access to areas for all income levels.

Transportation options coming online: mobility hubs and sidewalk snow-sweeper

Consider how to create affordable homeownership options within a CFA, not just affordable rentals

Mapping Exercise Feedback:

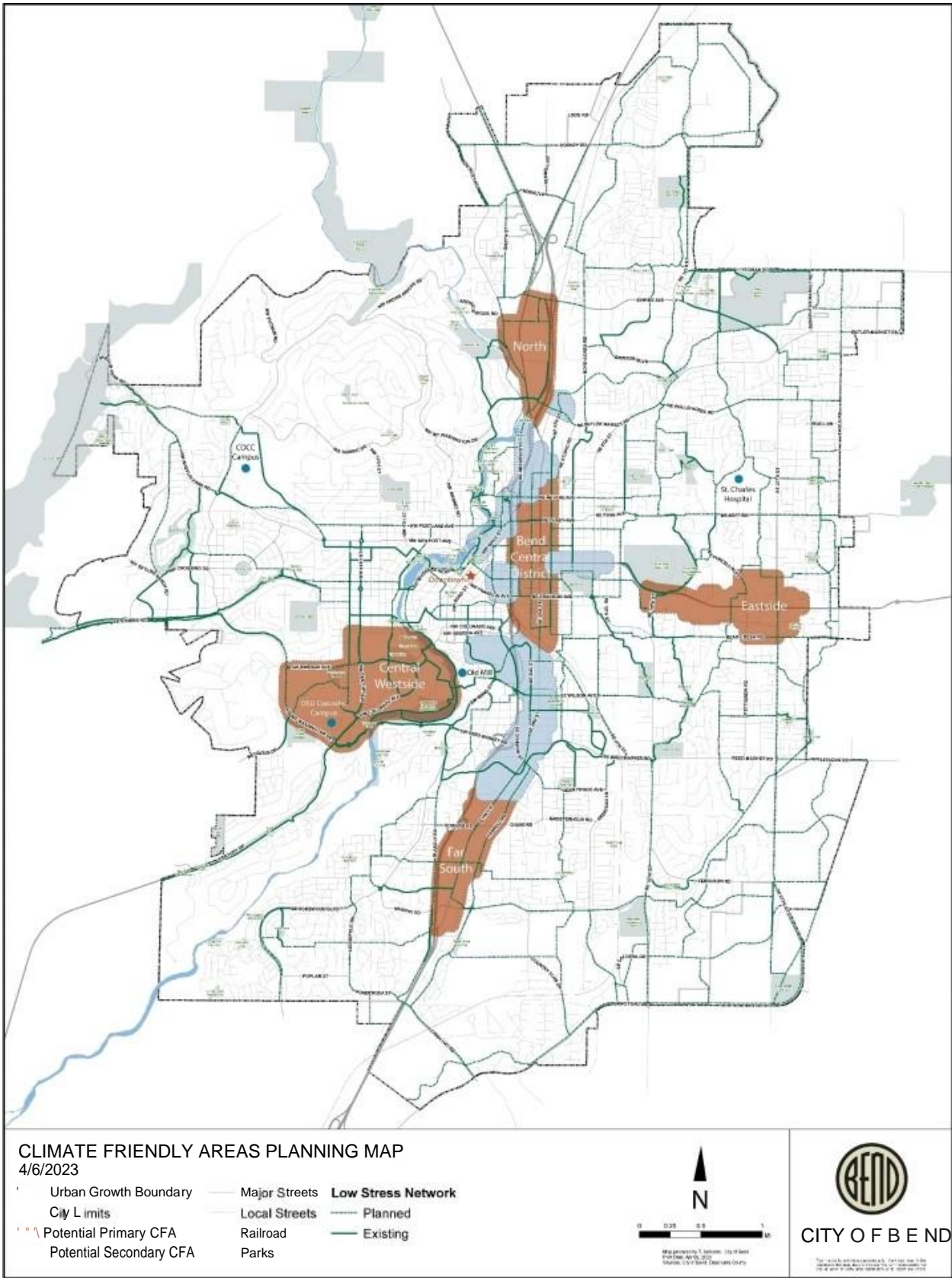
Area	Benefits	Burdens
North		<ul style="list-style-type: none">• Difficult for development at this point due to infrastructure
Bend Central District	<ul style="list-style-type: none">• Could be cool over time• Lower land costs (compared to Central Westside)• Area could benefit from required affordable housing• Up and coming and good location• Could benefit from closing some streets to cars but retaining	<ul style="list-style-type: none">• In dire need of a grocery store and other amenities/services• Potentially polluted, noise pollution• Barriers such as 3rd and railroad• Retain permeability and access between public and private spaces• Could benefit from shared or structured parking option as area grows

	<ul style="list-style-type: none"> connection for non-vehicular modes Existing investment around area and services Good block lengths 	<ul style="list-style-type: none"> Naturally occurring affordable housing could be vulnerable to displacement Needs a public gathering place
Central Westside	<ul style="list-style-type: none"> Already functional CFA Mobility hubs could work well here Growing density makes sense Innovation district 	<ul style="list-style-type: none"> High land value creates a barrier Mixed-Use zoning is an issue for affordable housing and stand-alone residential Potential for congestion Not financially accessible
East	<ul style="list-style-type: none"> Could benefit from this type of designation and growth Some opportunity with vacant/partially vacant land 	<ul style="list-style-type: none"> Some existing residential zoning could be a barrier
Far South	<ul style="list-style-type: none"> Excitement around potential in this area Affordable land comparatively More options for residential 	<ul style="list-style-type: none"> Potential to be walkable with more infrastructure and amenities Needs more amenities for current residential
Secondary Areas		
Other Areas to Consider	<ul style="list-style-type: none"> Hunnel Rd/North triangle area 	

Discussion focused on Central Westside and Bend Central District and less time on the other areas due to time constraints.

The question of whether to designate an area that is already functioning in most respects as a CFA (Bend Central District and Central Westside) or to consider an area that could benefit from the changes inherent in CFA designation where there is potentially more opportunity for more people such as Far South and East was discussed.

Anti-Displacement questions and toolkit were assigned as “homework” where feedback could be provided via email.



Climate-Friendly Areas Student Outreach

Project Summary

March 2023

Context: Climate-Friendly Areas (CFA) are intended to be places where people can meet most of their daily needs without having to drive. These areas would provide a greater variety of housing located near transit, jobs, and services in a compact, walkable urban environment. This means that some cities and metro areas across Oregon may see a higher intensity of development over time in their existing urban areas, such as downtowns and central business districts.

Given the potential for new, different, or increased development patterns in these areas, how do we ensure vulnerable population groups benefit from these changes and what strategies can be employed to mitigate the potential risk of displacement and gentrification?

Objective: The Community Engagement Plan focused on equity outreach through a grant from the Dept. of Land Conservation and Development (DLCD). The plan aims to engage BIPOC and vulnerable community members in meaningful conversation related to the CFA study and implementation. This activity engaged youth as a voice for the future of Bend.¹ City staff worked with Central Oregon Community College Avanza to engage with the Latinx College Prep program. This program is an Advanced Placement Leadership Program in Bend High Schools.

Background: City staff presented background information on the State rules and information about the intent of a Climate Friendly Area in the classroom: What do CFAs look like? How do they function? Where are examples in Bend?

Preliminary mapping was presented; Areas of Bend were identified where zoning is in alignment with criteria identified in the State rules.

Students worked in groups of 5-6.

Questions (see presentations for reference):

1. What areas on the map are you familiar with? Would any of those areas work well as a CFA? Determine an area/s to focus on.
2. How does this area connect with other high-amenity areas? How could this area connect more effectively?
3. What CFA amenities does your identified area have? What is it missing?

Participants:

36 students from Bend High and Caldera High participated. Staff: Jennifer Knapp, City of Bend Senior Planner; Elyse Vukelich, City of Bend Associate Planner; Claudia Bisso-Fetzer, COCC Program Director; Adrian Ortiz, Caldera High, Staff/Program Coordinator.

¹Youth and Latinx communities represent vulnerable/protected classes identified by the State rules.

Presentation at City Hall

Approximately 30 students from Bend High and Caldera High presented their projects to City of Bend staff, City Manager Eric King and Mayor Melanie Keebler.

Bend High School presentation emphasized connections between potential CFAs and high-amenity areas. One area of interest was near Bend High's campus at NE Greenwood where students located connections and gaps to Downtown. Another area of interest for the group were the COCC and OSU campuses.

Students identified opportunities for more amenities and potential for connections between the two. Part of the presentation was given in Spanish. This section centered around a hope for more employment in Bend so that students could stay near family as they entered the job market. More rail options within town and regionally were also explored. Latin American examples of town centers featuring plazas, corner markets and streetcars were used.

Caldera High School focused on an Opportunity Area identified in the 2016 Urban Growth Boundary process. The area in Southeast Bend encompasses the Caldera campus. The project took a deep dive on amenities and services the area needs to create a functional CFA. Both positives and negatives of the designation were explored. The students highlighted the eco-friendly elements of CFA design including less reliance on vehicles, better safety for alternate modes, and increased access to services and amenities.

Presentations: Final presentations are attached.

BEND CITY ECO-FRIENDLY *PLAN*

2023 Caldera High School Avanza



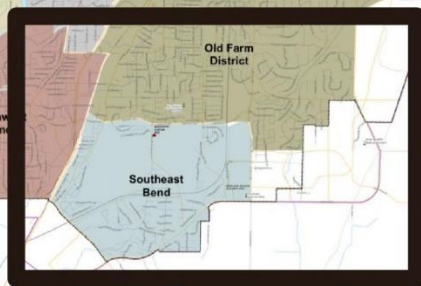
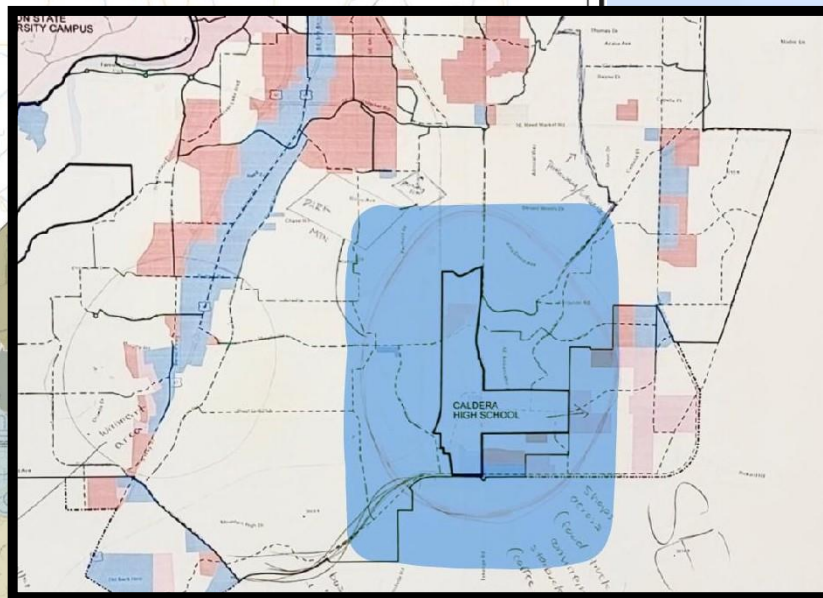
About AVANZA



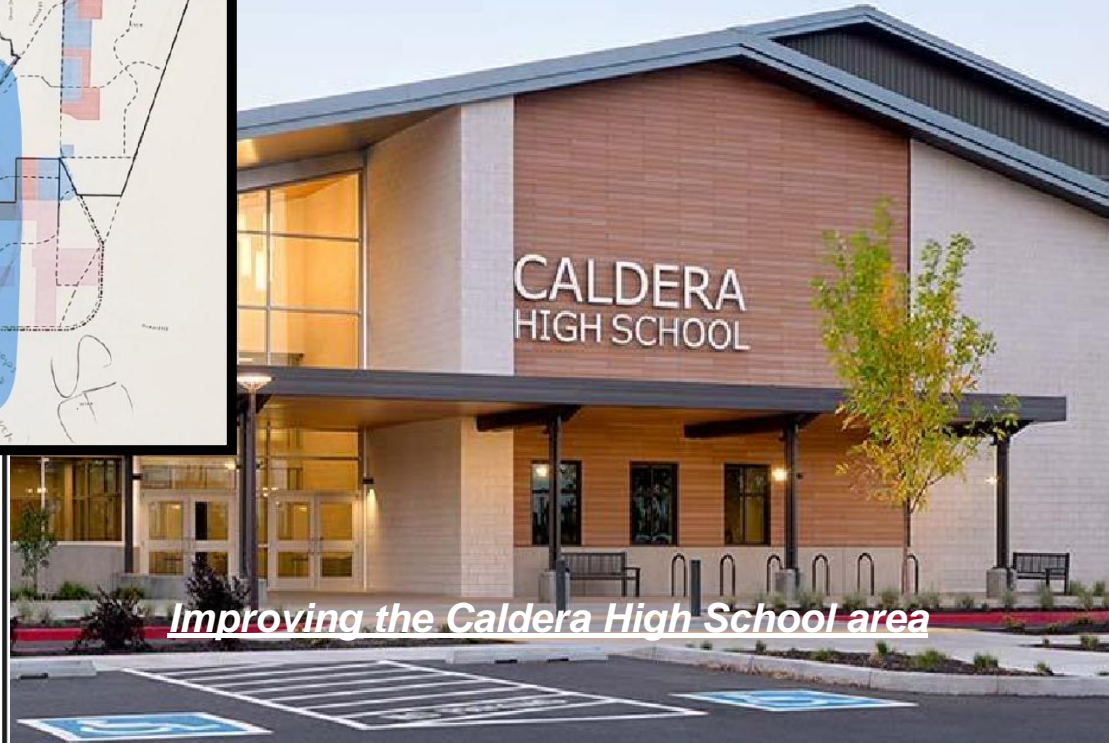
We are a small group of hard working students from Caldera High School who care about our city and community. We want to work together with our local government with the intention of helping the city of Bend become safer, more accessible, and cleaner in order to keep Bend Eco-Friendly. For the past month, Avanza has met to discuss ideas for improvements and expansion within Bend, including meeting with city planners, getting to map future commerce around Bend, and discussing the opportunities that can be offered in the future for our community.

**AVANZA GOAL: To
achieve a greener
Bend, Oregon and to
reduce gas emissions in
our city.**





**City of Bend
Neighborhood Associations**



Improving the Caldera High School area

Increasing amenities around Caldera-

Examples:

- **Food commerce**
 - Five Guys
 - Chipotle
 - Jersey Mike's
 - Jamba Juice
 - SubWay
 - Farmers Market
- **Entertainment & Others**
 - Library / Book Store
 - Tutoring Center
 - Wellness centers/ Daycare
Gym, Yoga Facility, Pharmacy.
 - Community Garden / Garden
Center

Cons

- The effect it will have on different local commerce
- Residential approval
- Close to neighborhoods
- lack of Demand from local community
- Increased foot and bike traffic

Pros

- Close and easily accessible
- locations for lower income homes
- Nearby school students will be able to walk or bike instead of driving (lower gas emissions)
- Creates more job opportunities





Increasing incentives for the increase in foot traffic and the decrease of car usage & emissions

By creating commerce areas in Southeastern Bend less driving will be required. If an efficient sidewalk layout is able to connect the majority of the area, more people will be encouraged to walk. Commercial and recreational areas such as the Old Mill District and Downtown Bend are great examples of successful commercial areas that are also connected to family and pet friendly parks.



Increase Sidewalks

- For pedestrians and cyclists
- Easy to navigate

Increase Safety

- More accessible
- Designated crossings

Decrease Distance

- Less need for driving
- More chance of people choosing to walk

Steps required before development starts

Community survey

Consulting the surrounding communities

Neighborhood associations, the surrounding low, middle, and high income neighborhoods

Connect with local neighborhood leaders

Funding for infrastructure, sidewalks, buildings, subsidies to attract local commerce into the area

Set aside funding for Development to commence





Please
our city
emission.

All answers at
survey will be pro

Thank you !

Your email will be recorded whe
form

* Required

Email

The community survey

Here we will receive input from everyone in the community and make sure that everyone's voice is heard. we will also gain insight on:

- The Demand for our proposal
- more ideas on making our city greener and hopefully emission free in the future
- what the people of Bend truly want to see in their communities.



SCAN ME

**Thank you
for your
time!**



Air oopA

Avanza Bend Senior High School

1 Climate Friendly Goals

Identifying Climate Friendly Areas



A climate-friendly area are areas where residents, workers, and visitors can meet most of their daily needs without having to drive. They are urban mixed-use areas that contain, or are planned to contain, a greater mix and supply of housing, jobs, businesses, and services.



Priorities in the Creation of Climate Friendly Areas

- Provides retail, affordable housing that's close to schools and climatefriendly areas
- Safe paths for bikes and people walking
- Close proximity schools which allows students to have easy access to use environmentally friendly zones

Benefits

- Safer climate friendly options for kids walking to schools
- Climate friendly options for students to socialize and start healthy habits like walking and using bike paths
- By making sidewalks or walking paths, more people can feel safe and will be encouraged to use the paths.
- Climate Friendly's vision is a productive, sustainable land sector that contributes to a zero net emission.
 - Reduces gas contamination
 - These areas can also create communities and unite people together

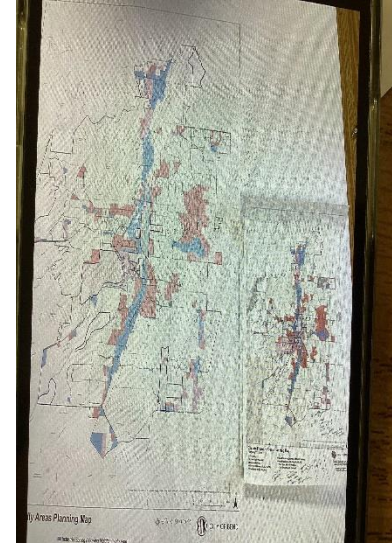
Picture, fotos



Ways to have better safety areas

Desde nuestro punto de vista realizar este proyecto es para que más seres humanos puedan vivir una vida mejor y más cómoda activa y es mejor empezar a pensar en nuestro futuro que en el ahora por la razón que hoy en día se puede realizar un plan para estos acontecimientos en cambio si ves hacia el futuro ves a tus padres ,amigos ,familia visualicemos cómo sería tener a nuestro alcance estas futura creaciones que ayudarán no solo con la economía sino par disminuir el aire contaminado y haci hacer de esta comunidad nuestra prioridad para el futuro en mi opinión depende de nuestras obras en el presente creo y creemos que la actualización de poder usar medios de transporte como los teleféricos y glorietas ayudarían mucho o ala población a transportarse con facilidad y optamos por la decisión de colocar más tiendas cercanas tenemos de ejemplo áreas en las que se puede acceder a más tiendas pensamos en mols sin duda no tendríamos que ir hasta portland de empleo está latinoamericana y su visión sobre más tiendas cercas de nosotros.

Att.Alexa coral



Climate Friendly Areas Community Engagement Themes – July 1-Nov. 30, 2023

Public comment on Climate Friendly Areas (CFAs) was gathered throughout the summer and fall of 2023. This document summarizes conversations and online comments. Engagement opportunities included: nine in-person pop-up events in neighborhoods throughout Bend, an online questionnaire, an in-person, and online open house.

Opportunities to participate were promoted through social media, City newsletters, the project's Interested Parties list and a press release. Engagement options were also announced during meetings with community partners, stakeholders and City Committees and Commissions. The equity focus group and CFA Work Group were also encouraged to let their networks know about ways to participate.

In-person events generated hundreds of community conversations and over 400 residents responded to the online questionnaire. Community members that are choosing to participate are supportive of the concept of walkable, connected neighborhoods with a mix of commercial and housing. The following themes have emerged and continue to be re-enforced regardless of the outreach format.

THEMES & OPPORTUNITIES

There is hope that designating CFAs will lead to better bike networks. Pedestrian connectivity is also a priority, specifically safe crossings, and access to daily needs (neighborhood-scale commercial).

Supportive transit is needed.

Protecting “what we love about Bend” including natural resources and outdoor access.

Residents want a mix of housing options and income levels within CFAs.

Generally supportive:

TRANSPORTATION

- The most comments voiced interest in improved bike infrastructure: safer and better-connected routes, expanded connectivity between routes/hubs, better maintained existing routes, winter maintenance, protected bike lanes.
- Interest in bike/ped only streets.
- Importance of transit in supporting CFAs: expanded routes and more frequency. Transit will help limit short car trips and help people with mobility issues. Need for free shuttles/trams/eco-friendly transit.
- Need for regional and local connectivity: between CFAs and CFAs and the rest of Bend, safe routes between Bend/Redmond/LaPine (outside scope but could plan where those routes would connect locally).

NATURAL RESOURCES

- Protecting what we have: tree protection, natural resource protection, lessening impacts of development on environment and habitat, water protection and conservation. Prioritize trails, parks, and natural areas.

- Supportive of incentivizing/requiring sustainable practices within CFAs: sustainable/zeroscape landscaping, water retention/grey water reclamation/natural filtration, EV charging, limiting/removing parking and parking garages, asphalt removal, dark skies policies.

EQUITY AND ACCESS

- Interest in making CFA financially accessible to multiple income levels. Interest in affordable and work-force housing locating in CFAs and not luxury/high-end units only. Programs for homeownership, low-income and limited English speakers.
- Incentivize/encourage locating “daily needs”/small commercial in CFAs: grocery stores, childcare, health care.
- Consider accessory commercial and tiny homes.
- Hope that areas will create community.

LOCATION OF CFAs

- General support of using CFA designation as a tool including designating all of Bend. Support for using secondary CFAs as a tool to allow for neighborhood-scale commercial.
- Additions to CFA study areas including: NE (area around Butler Mkt. Rd.), SE (near Alpenglow Park), Galveston/Newport, Midtown.
- The eastside generally (not just the candidate area) had the most support by a large margin as a CFA location. Extending the eastside candidate area to the hospital and adding neighborhood-scale commercial was suggested multiple times. CFAs also have support in the SE and NE.
- More limited support for raising density and heights while considering “what we have” such as natural areas, access to trails and viewsheds.

Generally not supportive:

- Community members were concerned that residents were not asked if CFAs were wanted. The money could be better spent elsewhere.
- The most concern is related to parking and wanting more parking.
- Concerns about not wanting additional density and traffic near neighborhoods.
- Old Mill and other shopping districts are enough.

CFA Questionnaire Summer 2023

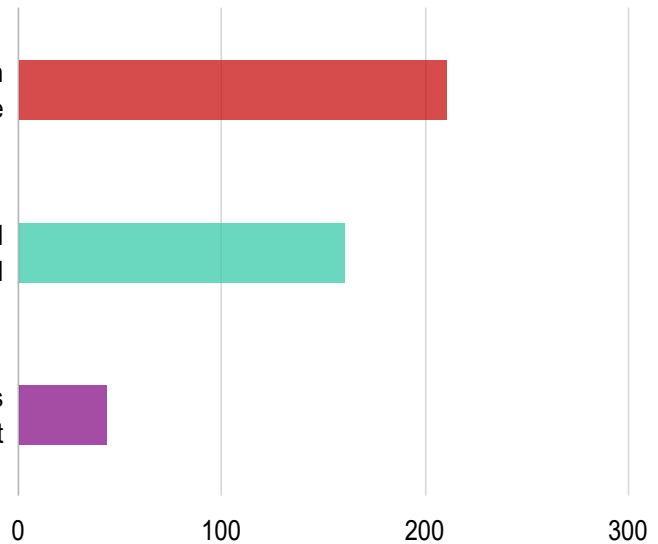
Question #1

Where should Climate Friendly Areas be located?

Varied: Have one or more Climate Friendly Areas focusing on both goals listed above

Dispersed: Focus on areas with fewer resources that could benefit from redevelopment, improved infrastructure and

Centralized: Focus on areas close to existing walkable areas and near amenities such as Downtown or the Old Mill District



Answers

Count

Percentage

Varied: Have one or more Climate Friendly Areas focusing on both goals listed above

210

49.07%

Dispersed: Focus on areas with fewer resources that could benefit from redevelopment, improved infrastructure and access to amenities such as shopping and parks

160

37.38%

Centralized: Focus on areas close to existing walkable areas and near amenities such as Downtown or the Old Mill District

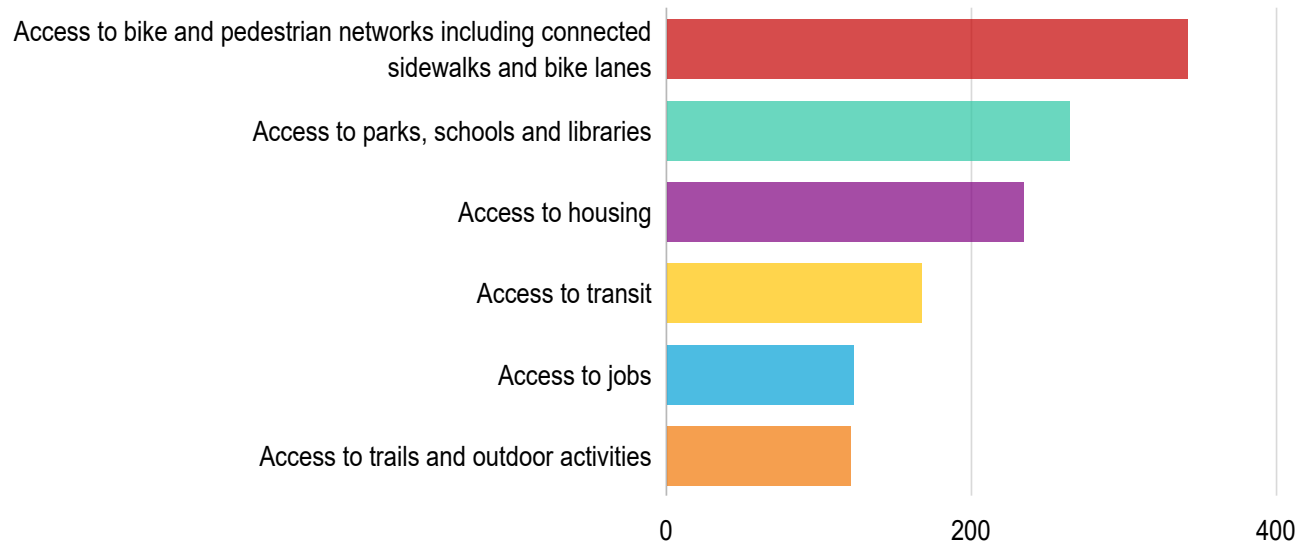
43

10.05%

Answered: 413 Skipped: 15

Question #2

What should be top considerations when locating a CFA near existing amenities?...



Answers	Count	Percentage
---------	-------	------------

Access to bike and pedestrian networks including connected s idewalks and bike lanes	341	79.67%
---	-----	--------

Access to parks, schools and libraries	264	61.68%
--	-----	--------

Access to housing	234	54.67%
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Access to transit	167	39.02%
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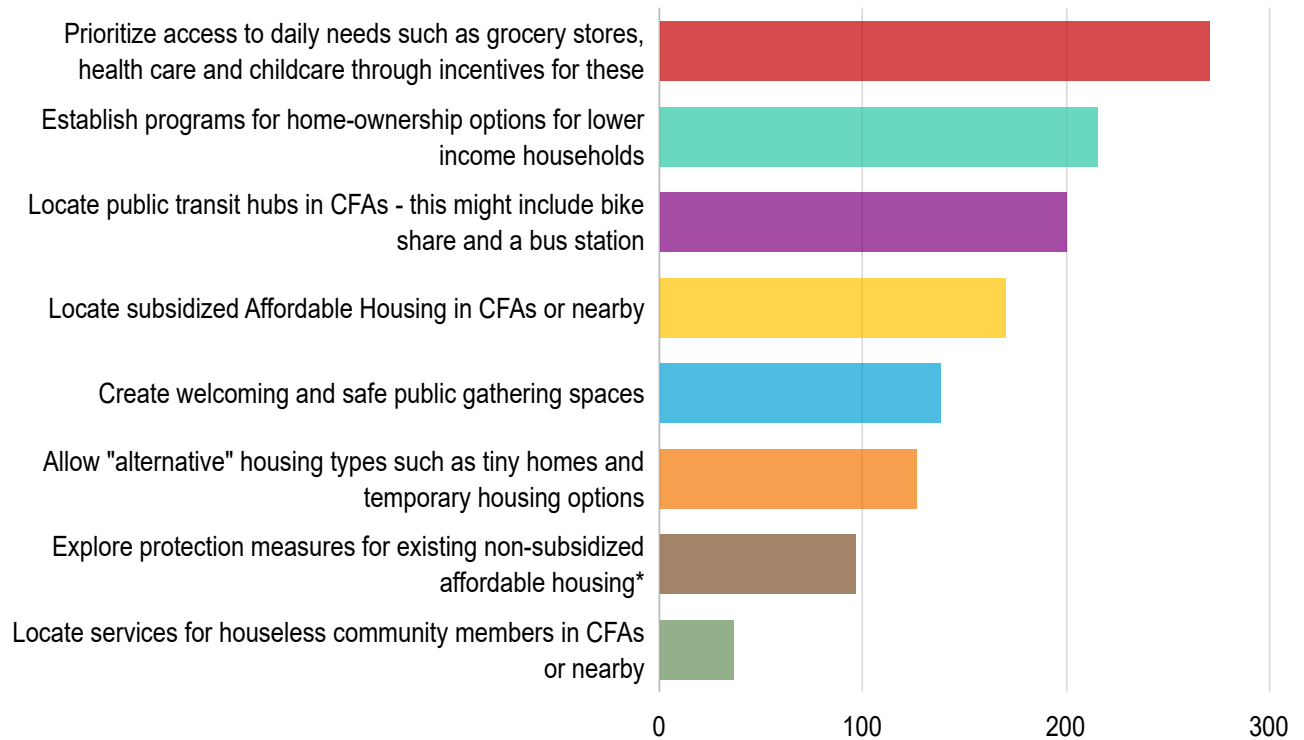
Access to jobs	122	28.5%
----------------	-----	-------

Access to trails and outdoor activities	120	28.04%
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Answered: 416 Skipped: 12

Question #3

o Which of these equitable strategies should be prioritized? (Choose three)

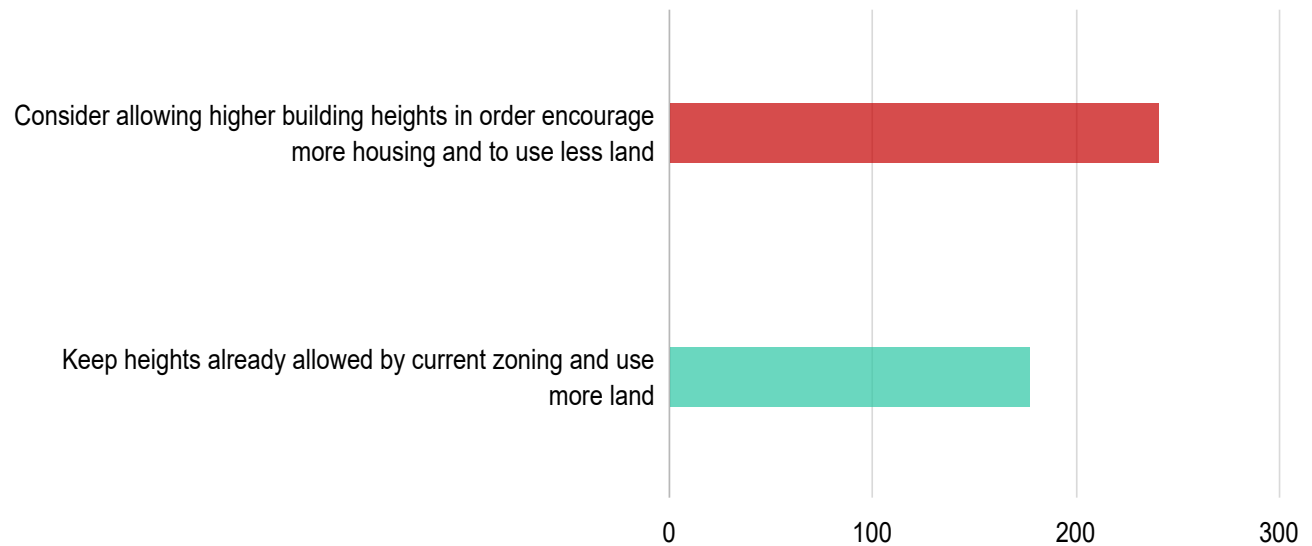


Answers	Count	Percentage
---------	-------	------------

Prioritize access to daily needs such as grocery stores, health care and childcare through incentives for these businesses	270	63.08%
Establish programs for home-ownership options for lower income households	215	50.23%
Locate public transit hubs in CFAs - this might include bike share and a bus station	200	46.73%
Locate subsidized Affordable Housing in CFAs or nearby	170	39.72%
Create welcoming and safe public gathering spaces	138	32.24%
Allow "alternative" housing types such as tiny homes and temporary housing options	126	29.44%
Explore protection measures for existing non-subsidized affordable housing*	96	22.43%
Locate services for houseless community members in CFAs or nearby	36	8.41%

Question #4

- Should the community consider building heights that are higher than wha...



Answers

Count

Percentage

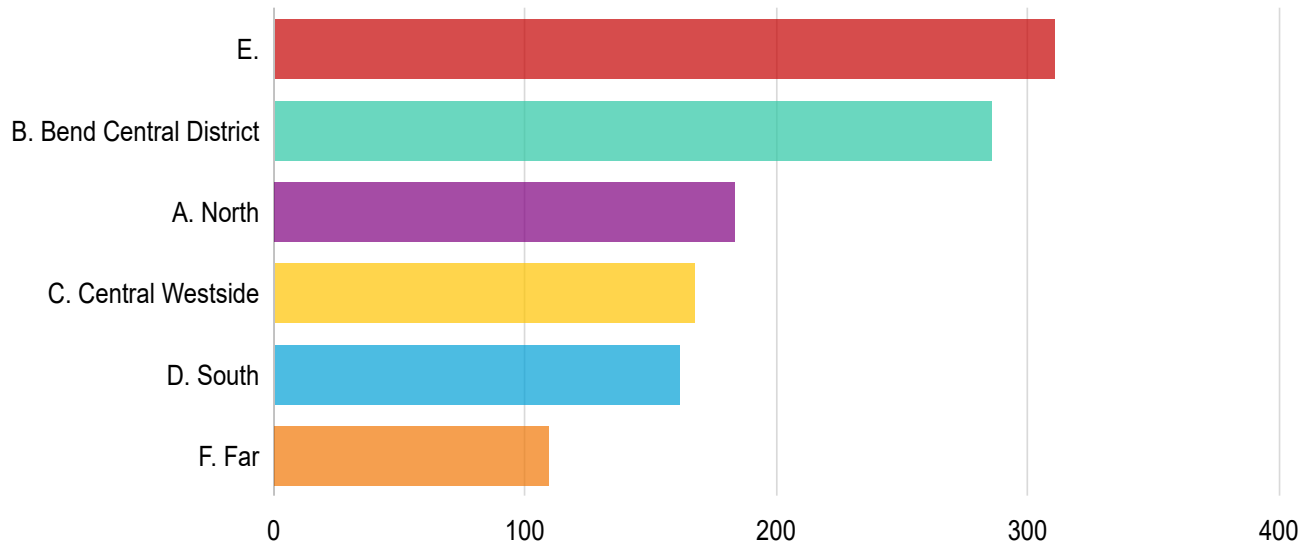
Consider allowing higher building heights in order encourage more housing and to use less land	240	56.07%
--	-----	--------

Keep heights already allowed by current zoning and use more land	177	41.36%
--	-----	--------

Answered: 417 Skipped: 11

Question #5 (Use the map below to answer)

- What three larger areas (A-F) on the map should be prioritized for CFA designation?



Answers

Count

Percentage

E. Eastside	310	72.43%
B. Bend Central District	285	66.59%
A. North	183	42.76%
C. Central Westside	167	39.02%
D. South	161	37.62%
F. Far South	109	25.47%

Answered: 405 Skipped: 23

- o What three smaller areas (1-7) should be considered to add capacity to a CFA area or...

Appendix G – Community Engagement Plan

Climate Friendly Areas Community Engagement Plan

Designation and Adoption 2024-2025

INTRODUCTION

Overview and Purpose

The Oregon Land Conservation and Development Commission adopted the Climate-Friendly and Equitable Communities (CFEC) rules on July 21, 2022. These new rules require local governments including Bend to study, identify, and designate climate-friendly areas by December 31, 2024¹.

Climate Friendly Areas (CFAs) are intended to be places containing a mix of housing, jobs, and services where people can meet most of their daily needs without having to drive. This means that these urban areas may see a higher intensity of development over time through changes to zoning and development codes. In Bend, these areas may be established near downtown, in Opportunity Areas or near commercial and mixed-use corridors, where high-quality pedestrian, bicycle, and transit infrastructure can be more easily accessed and enhanced.

The first phase of the project analyzed potential locations for climate-friendly areas and the study was submitted to the Department of Land Conservation and Development (DLCD) by December 31, 2023. This next phase will refine the areas identified during the study and will result in recommendations to the City Council on which CFA(s) to designate, including adoption of code amendments.

Public outreach was undertaken throughout the study phase. The engagement centered the voices of historically underserved community members and included: one-on-one interviews, a collaboration with COCC students and staff, an equity focus group, summer pop-up events, the convening of a work group, and a community open house. The next phase of engagement will build off of the input received and the community connections established throughout 2023.

This document describes anticipated methods for engaging traditionally underserved populations and the public, strategies for communicating information, opportunities to provide input, and plans for incorporating input into the final adopted CFA(s) and supporting policies and regulations. This document refers to certain sections of the CFEC rules by their citation to the Oregon Administrative Rules (OAR). References to sections such as OAR 660-012-0125 refer to the CFEC rules, which are available to view and download at the website of the Oregon DLCD².

Community Engagement Objectives

Community engagement is key to the successful implementation and long-term outcomes of Climate Friendly Areas. Two-way communication between the planning team and people who may be affected by the designation of CFAs and related project outcomes is important. This will help the planning team to identify and understand different interests and concerns and provide the best opportunity to shape the project and ensure the community's vision.

¹ Bend requested and received an extension to Dec. 31, 2025

² Climate Friendly and Equitable Communities - <https://www.oregon.gov/lcd/CL/Pages/CFEC.aspx>.

The objectives of the community engagement program for the CFA designation are to:

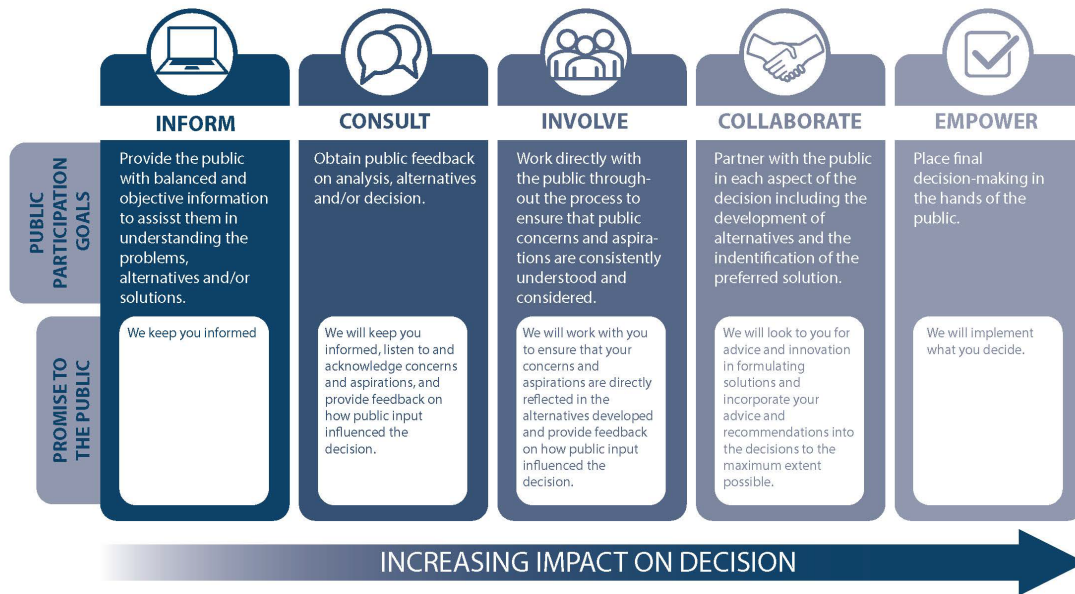
- Designate and adopt preferred Climate-Friendly Areas through community involvement.
- Center the voices of historically underserved populations, particularly those disproportionately harmed by past land use and transportation decisions and engage with those populations to develop key community outcomes.
- Promote the fair and meaningful involvement of all people regardless of race, color, national origin, disability, gender, sexual orientation, housing status, primary language, immigration status, age, or income. No person shall be excluded from participation or subjected to discrimination on the basis of these factors.
- Give all potentially affected interests an opportunity for input.
- Actively seek participation of potentially affected and/or interested agencies, individuals, businesses, and organizations.
- Provide meaningful community engagement opportunities and demonstrate through a reporting back process how input has influenced the decisions.
- Clearly articulate the process for decision-making and opportunities for input.
- Explore partnerships between the city, county, and other agencies and organizations for overcoming potential barriers to plan implementation.
- Develop communication tools to increase public understanding of how the CFA designation fits into other planning processes the City is undertaking.
- Ensure the community engagement process is consistent with applicable state and federal laws and requirements, and is sensitive to local policies, goals, and objectives.

Decision-Making Process

The planning team will share project information with historically underserved populations and the public for input and feedback. The planning team is then responsible for balancing community needs and desires expressed through the community engagement process. Progress will be reported back and shared throughout the engagement process.

The Bend City Council Community Building Subcommittee and CFA work group will act as advisory committees to serve as a sounding board for the project team, providing additional input on public concerns and feedback on possible solutions.

The final CFA designation proposal and related code amendments will be subject to a formal process including public hearings with both the Planning Commission and City Council. The City Council will make the final adoption decision.



Project Participation Levels

Empower	Bend City Council
Collaborate	Bend Planning Commission
Involve	Equity Focus Group, CFA Work Group, Boards, Committees and Commissions, Local Partners
Consult and Inform	Stakeholders and Public

Public Involvement Process

Implementation of the CFEC rules will result in changes to Bend’s Development Code and plans. The land use code/plan amendment process will begin with the approval of a public involvement plan by the Planning Commission, who serves as the City’s Citizen Involvement Committee. From there, City staff will lead public engagement activities throughout 2024, as outlined below. In the fall of 2025, City staff will present draft land use code language that complies with State rules to the public and decision makers for feedback. Using this input, the draft code changes will undergo review and revision to meet the community’s needs and state law. The adoption process will then consist of a public hearing before the Planning Commission, who will provide a recommendation to City Council, followed by a City Council public hearing and action.

The following is a summary of the tentative Project Phases, Deliverables, and Timeline:

Phase	Deliverables	Timeline
Phase 1 – PI Plan/Approach	Outreach materials	Winter – Spring 2024
Phase 2 – Draft CFA Concepts	Code and policy concepts	Summer – Autumn 2024
Phase 3 – Code Writing	Code Framework & presentation materials Draft code language	Winter – Spring 2025
Phase 4 - Adoption process	Adoption package and informational materials	Summer – Autumn 2025

PARTICIPATION

Interested Parties

The outreach process will provide opportunities for input and feedback from many interested people and organizations, including, but not limited to:

The outreach process will center the voices of historically underserved populations, as required in the CFEC engagement rules³. The list of those populations includes, but is not limited to:

- a) Black and African American people;
- b) Indigenous people (including Tribes, American Indian/Alaska Native and Hawaii Native);
- c) People of Color (including but not limited to Hispanic, Latina/o/x, Asian, Arabic or North African, Middle Eastern, Pacific Islander, and mixed-race or mixed-ethnicity populations);
- d) Immigrants, including undocumented immigrants and refugees;
- e) People with limited English proficiency;
- f) People with disabilities;
- g) People experiencing homelessness;
- h) Low-income and low-wealth community members;
- i) Low- and moderate-income renters and homeowners;
- j) Single parents;
- k) Lesbian, gay, bisexual, transgender, queer, intersex, asexual, or two-spirit community members;
 - Low-income households and families
 - Racial, and ethnic groups
 - Elected officials
 - Local agency partners
 - Business organizations, associations, and chambers of commerce
 - Bike and pedestrian interests
 - Transit providers and transit users
 - Environmental interests
 - Senior services
 - Health equity interests
 - Schools and universities
 - Accessibility advocates
 - Housing and community development interests
 - Emergency services providers
 - Natural disaster risk management agencies
 - Neighborhood associations
 - Downtown associations
 - Employer-based commuting programs
 - General public
 - Local media
- and
- l) Youth and seniors.

³ See OAR 660-012-0125

Historically Underserved Populations

Title VI of the Civil Rights Act of 1964 requires that no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance on the grounds of race, color, or national origin; including the denial of access for Limited English Proficient persons.

In addition, the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income (also known as “Environmental Justice”)⁴ focused federal attention on the environmental and human health effects of governmental actions on minority and low-income populations.

The Climate-Friendly and Equitable Communities rules⁵ require a community engagement plan. The rules also require identifying federally recognized sovereign tribes whose ancestral lands include the planning area, and notification and engagement of those tribes. Bend occupies the ancestral lands of the Confederated Tribes of Warm Springs and is on a trade route of the Klamath Tribe. The equity analysis requirements include:

- a) Engage with members of underserved populations to develop key community outcomes;
- b) Gather, collect, and value qualitative and quantitative information, including lived experience, from the community on how the proposed change benefits or burdens underserved populations;
- c) Recognize where and how intersectional discrimination compounds disadvantages;
- d) Analyze the proposed changes for impacts and alignment with desired key community outcomes and key performance measures⁶;
- e) Adopt strategies to create greater equity or minimize negative consequences; and
- f) Report back and share the information learned from the analysis and unresolved issues with people engaged.

All underserved populations are deemed necessary to engage during this process⁷. Mapping has indicated that the following are groups with the highest population numbers in potential CFA areas:

- Latina/o/x
- People identifying as 2 or more races
- People with limited English proficiency
- People with disabilities
- People experiencing homelessness
- Low-income and low-wealth community members

⁴ Executive Order 12898 signed by President William J. Clinton in 1994.

⁵ Particularly OAR 660-012-0125 through 0135 and 0315(4).

⁶ Under OAR 660-012-0905.

⁷ OAR660-012-0125.

STAKEHOLDERS

The following are identified groups and organizations that are key stakeholders to engage in this process:

Interests	Organizations and Groups
Housing and Shelters	Habitat for Humanity Housing Works Shepard's House Bethlehem Inn Central Oregon Veterans Village Epic Property Mgmt.
Equity Focused Service Providers and Non-Profits	Latino Community Association Homeless Leadership Coalition Central Oregon Veterans Outreach Central Oregon Disabilities Network The Father's Group Embrace Bend Family Access Network (FAN) Abilitree Out in Central Oregon Thrive Central Oregon Mecca Bend Council on Aging Mosaic Medical
Agency Partners	The Klamath Tribes Confederated Tribes of Warm Springs Deschutes County Bend La Pine School District Central Oregon Intergovernmental Council Cascades East Transit Bend Parks and Recreation Central Oregon Community College Oregon State University - Cascades Dept. of Land Conservation and Development
Local Partners	Central Oregon LandWatch Environmental Center Bend Bikes Commute Options Bend Chamber of Commerce Central Oregon Builders Assoc. Central Oregon Association of Realtors Neighborhood Associations General Public

City of Bend Partners	City of Bend Economic Development (Core Area) City of Bend Housing City of Bend Community Development (Planning) City of Bend Transportation and Mobility City of Bend Communications City of Bend Accessibility City of Eugene Engineering & Infrastructure City of Bend Utilities City of Bend Police City of Bend Fire & Rescue Bend Metropolitan Planning Organization
Boards, Committees and Commissions	City of Bend Planning Commission City of Bend Accessibility Advisory Committee City of Bend Affordable Housing Committee City of Bend Economic Development Advisory Board City of Bend Core Area Advisory Board City of Bend Environment & Climate Committee City of Bend Human Rights & Equity Commission City of Bend MPO Technical Advisory Committee

Coordination with Other Projects

The project team will coordinate related local and regional projects and initiatives to increase efficiencies and collaboration. These projects and initiatives include but are not limited to, the following:

- Climate Friendly and Equitable Communities (CFEC) implementation
- Bend Comprehensive Plan
- Bend Comprehensive Plan Map
- Buildable Lands Inventory (BLI)
- Housing Capacity Analysis (HCA)
- Housing Production Strategy (HPS)
- Economic Opportunities Analysis (EOA)
- Transportation System Plan (TSP)
- 2023-2027 CDBG Consolidated Plan
- Analysis of Impediments to Fair Housing 2019

Public Engagement Activities and Communications

- Website – provide project information and documents (fact sheets, general process timeline, videos, summaries of outreach efforts, etc.)
- City Newsletters – use existing City E-Newsletters to provide regular project updates including: *Bend Community Development Newsletter* and *Bend Current Newsletter*.
- Interested Persons (IP) List updates
- Social Media – use existing City accounts on Instagram, Facebook, and Twitter to get messages out, post videos, and advertise engagement opportunities.
- Local Media – Media packets for the project in The Bend Bulletin, the Source, Central Oregon Daily and local news affiliates. Noticing will be posted as required for formal process.

- **Work and Focus Groups –**
 - **Equity Focus Group:** The equity group will build on work from the CFA study and foster future partnerships. The representatives in this group will be compensated for their participation.
 - **CFA Work Group:** Representatives from the boards, committees and commissions identified in the stakeholder list will provide input to staff as needed.
 - **City Council Community Building Sub-Committee:** Ad Hoc meetings as needed for phase of project.
- **Public Open House(s) –** The community will have opportunities to review and give input on CFA location concepts, mapping and draft and final code amendments. Staff will consider meeting times and locations, including online opportunities, to provide equitable access to all community members. Potentially could correspond to online open house.
- **Summer Event Pop-ups –** City staff will provide information on the project at events including Park and Library events, City sponsored events, Farmers Markets, and First Friday at varied locations throughout the City.
- **Community and Stakeholder Presentations –** Open invitation for informational presentations at existing community and neighborhood meetings or events.
- **Student Outreach –** Staff will present to and collaborate with relevant classes and staff at Central Oregon Community College and the Oregon State University - Cascades as opportunities arise.
- **Online Office Hours –** Staff available online as needed for phase of project.

Timeline	Project Objective	Activities	Materials
Winter 2024	- Kick-off of designation phase - Begin to refine study areas and maps based on feedback and analysis gathered during the study phase	- Reconvene work group - Equity group check-in	- Develop informational materials - Update website
Spring 2024	- Gather feedback on refined maps and preliminary locating of CFAs - Identify key policy decisions	- Work Group to meet as needed - Boards and Committees update	- Work Group materials - Newsletter for IP list
Summer 2024	- Gather general community feedback on locations of CFAs and policy decisions	- Community Pop-ups - Presentations to stakeholders - Community survey on refined areas	- Pop-up materials & maps - Community survey
Autumn 2024	- Final areas/s and mapping complete - Council input on policy decisions	- Community open house - Council Work Session	- Open house materials - Presentations - Newsletter to IP list
Winter 2025	- Kick-off adoption phase - Develop draft code amendments	- Work Group to meet as needed - Staff to work on code amendment language - Equity group check-in	- Develop informational materials - Develop draft code - Update website

Spring 2025	- Comments on Code Amendments	- Work Group to meet as needed - Boards and Committees update - Presentations to stakeholders	- Work Group materials - Presentations - Newsletter for IP list
Summer 2025	- Final code amendments for review	- Community Pop-ups - Community survey on code amendments	- Pop-up materials & maps - Community survey
Summer/Autumn 2025	- Formal adoption/public hearing process	- Legal noticing - Public hearings Adoption Deadline 12/31/2025	- Newsletter for IP list - Website update on process timeline - Noticing

Outreach & Technical Timeline

Climate Friendly Areas Timeline

DRAFT
August 2023



APPENDIX A: TITLE VI AND ENVIRONMENTAL JUSTICE POPULATIONS⁸

- Communities of Color:
 - American Indian and Alaska Native
 - Asian
 - Black or African American
 - Hispanic or Latino/a/x
 - Native Hawaiian or Other Pacific Islander
- Older people (e.g., 65 and over)
- Children (e.g., under 18)
- People with disabilities
- Low-income populations (e.g. household income is at or below the US Department of Health and Human Services poverty guidelines)
- People with limited English proficiency

Engagement for People with Disabilities: Requests for accommodation and suggestions to better engage people with disabilities can be made by contacting The Northwest ADA Center at 800-949-4232.

Title VI Statement to Public: No person shall, on the grounds of race, color, national origin, or sex, as provided by Title VI of the Civil Rights Act of 1964, be excluded from participation in, be denied the benefits of, or be otherwise discriminated against under any of its federally funded programs and activities. Any person who believes his or her Title VI protection has been violated, may file a complaint with Oregon Department of Justice at 503-378-4400.

Public meeting locations are accessible. Sign language or Spanish interpreter service, assistive listening devices, materials in an alternate format such as Braille, large print, electronic formats and CD formats, or any other accommodations are available upon advance request. Please contact Jennifer Knapp, jknapp@bendoregon.gov, 541-317-3029 or Lisa Larson, llarson@bendoregon.gov, 541-388-5556. Relay Users Dial 7-1-1. Providing at least 3 days' notice prior to the hearing will help ensure availability.

⁸ ODOT GIS contains an Environmental Justice layer under Boundaries at the zip code level that outlines the number of these groups per zip code: <https://gis.odot.state.or.us/transgis/>