



CITY OF BEND

Transportation Fee Update

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August 2, 2023

Agenda

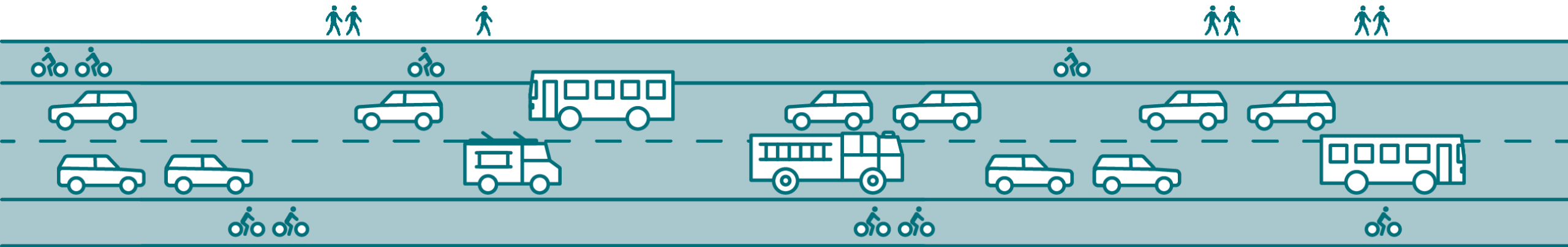
- Transportation funding recap
- Overview of Streets & Operations Budget
- Initial fee estimates
- August 9th Roundtable agenda
- Questions/comments



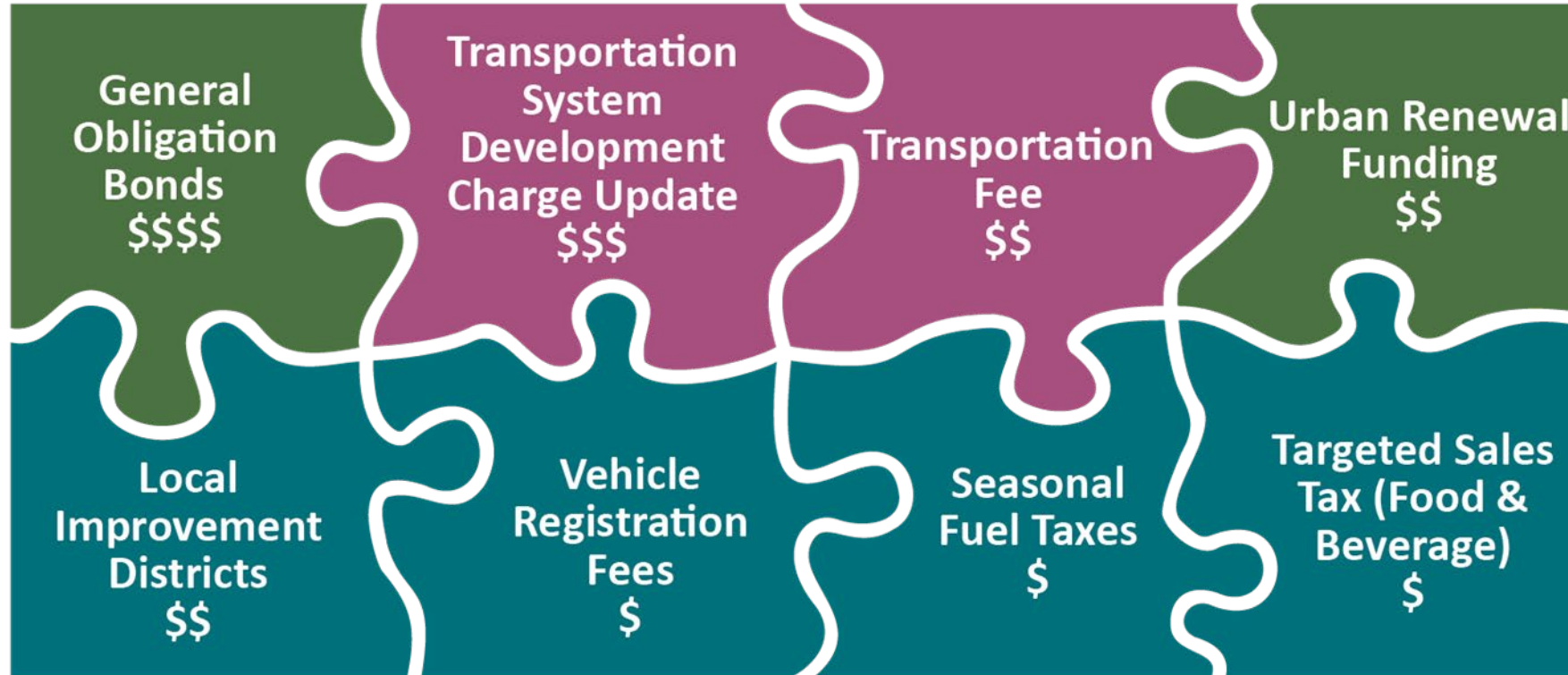
Transportation Funding Recap

Transportation System a Public Investment

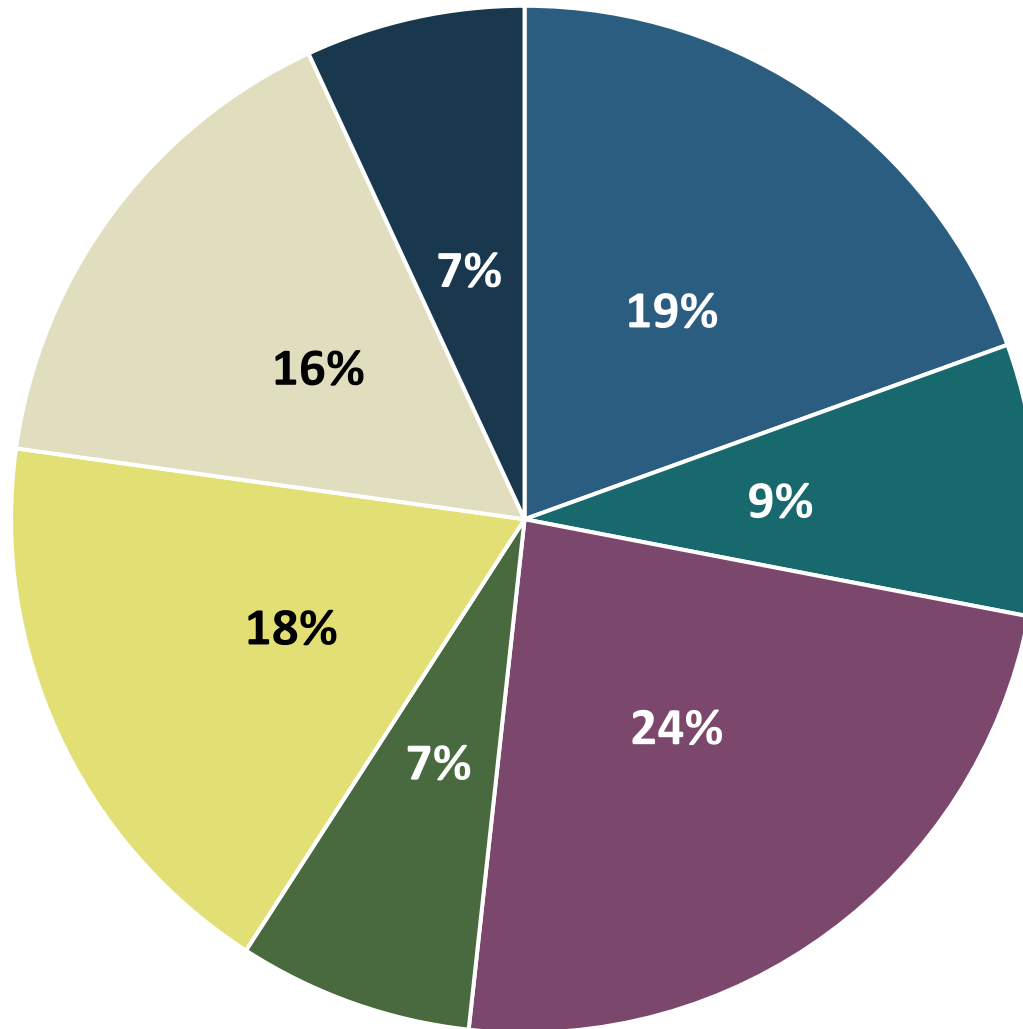
- Needs regular maintenance to ensure mobility, public safety, economic activity, and quality of life
- Motorists, bicyclists, and pedestrians: we all rely on a well-maintained system
- Mail delivery, garbage hauling, bus routes, food delivery, emergency services



Transportation Funding Puzzle



Street & Operations



- Admin & Support Services
- Streets Engineering
- Streets Preservation
- Signs & Markings
- Winter Operations & Sweeping
- Concrete & Accessibility
- Vegetation & Bend Beautification



Transportation System Plan Programs

- Based on significant community engagement, Bend Transportation System Plan recommended a list of programs to implement by 2030:
 - Enhanced maintenance for new capital projects, bicycle & pedestrian facilities
 - Transportation Demand Management program for major employers and institutions (e.g., strategies for reducing single-occupancy vehicle trips and traffic congestion)
 - Transportation Safety Action Plan implementation
 - Bicycle Program (e.g., bicycle low stress network, neighborhood greenways, wayfinding, traffic calming)
 - Pedestrian Program (e.g., Pedestrian system Master Plan, transit access, safe routes to schools, wayfinding)
 - Parking pricing and management in downtown Bend
 - Traffic signal coordination improvements
 - Transportation Equity Program
- \$3.6M startup cost, \$5-6M annual cost to implement all recommended programs (using Transportation System Plan estimates)

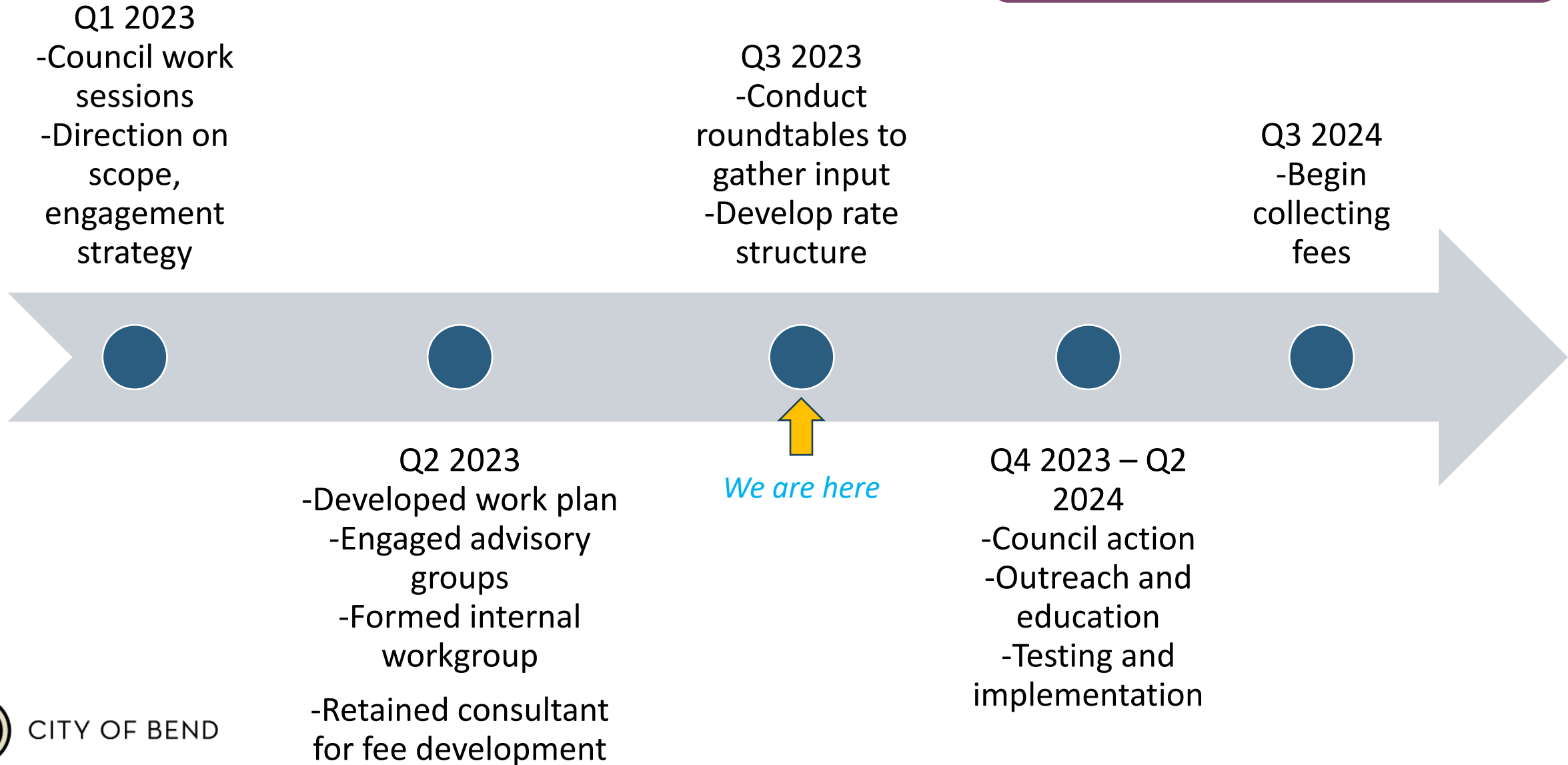


What is a Transportation Fee?

- Recurring fee collected from residents and businesses through customer's regular utility bill, like your monthly sewer charge
- Users of the road system share the costs to keep transportation system operating at an adequate level
- Common funding tool in Oregon, because of declining fuel taxes and limitations on property taxes

Transportation Fee Timeline

Council decision point Q4 2023
Fee collection Q3 2024

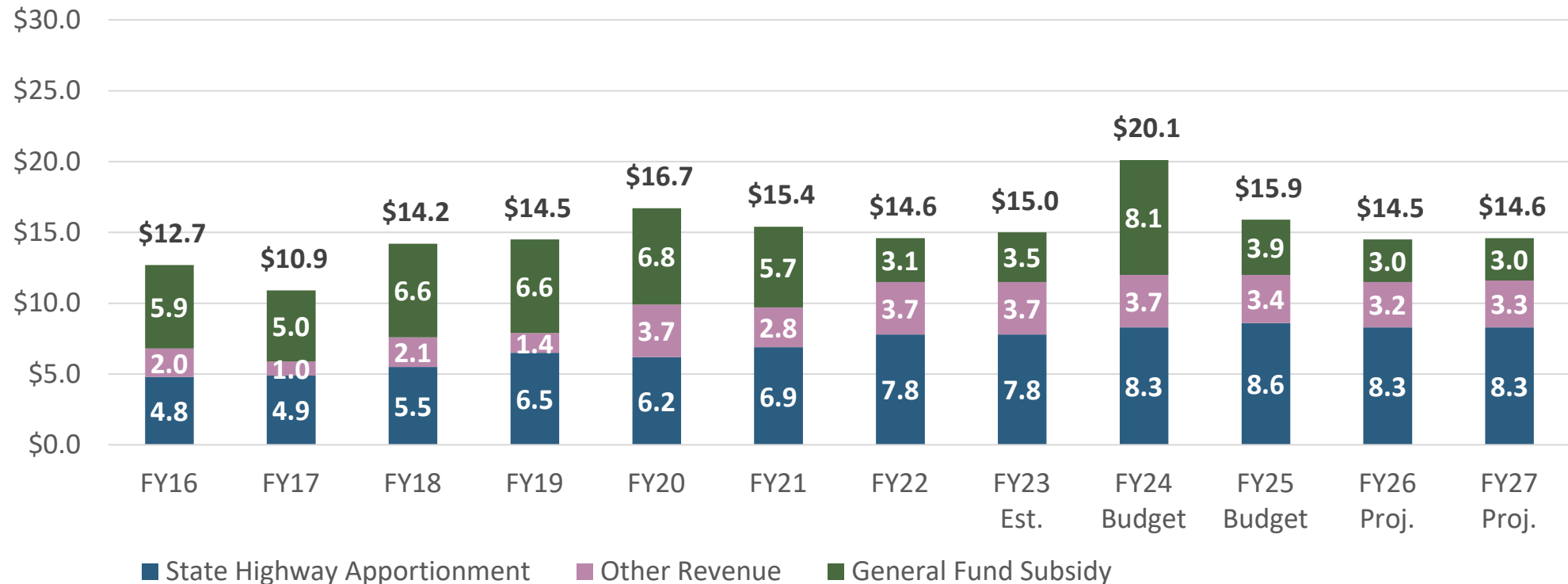


Streets & Operations Budget Overview

Street & Operations Funding

- General Fund has historically covered the funding gap in this fund
- Existing revenue sources are stable/declining while costs are increasing
- Increase in costs will mean a reduction in dollars and resources available to maintain core services w/in Streets & Ops
- General Fund can utilize existing reserves to fund the gap in Fiscal Year (FY) 2024, but is not able to cover the gap for FY 2025 and beyond without decreasing funding to other general fund-supported programs
- A new funding source is needed to maintain core duties

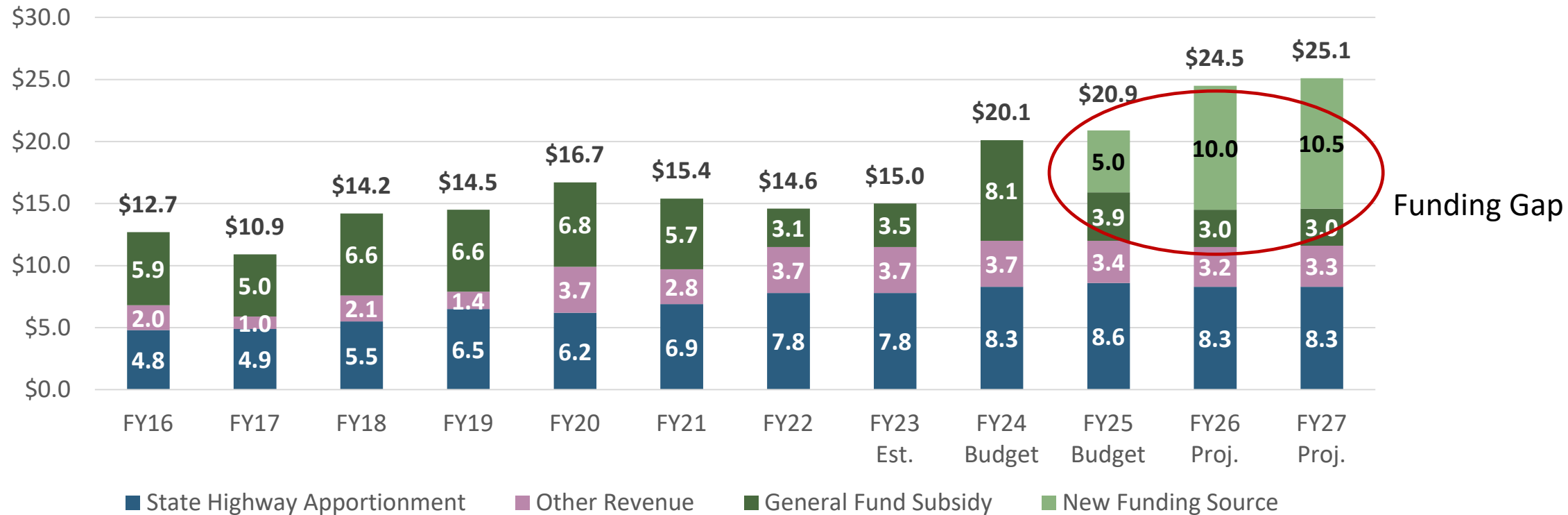
Operational Funding (in millions)



Street & Operations Funding

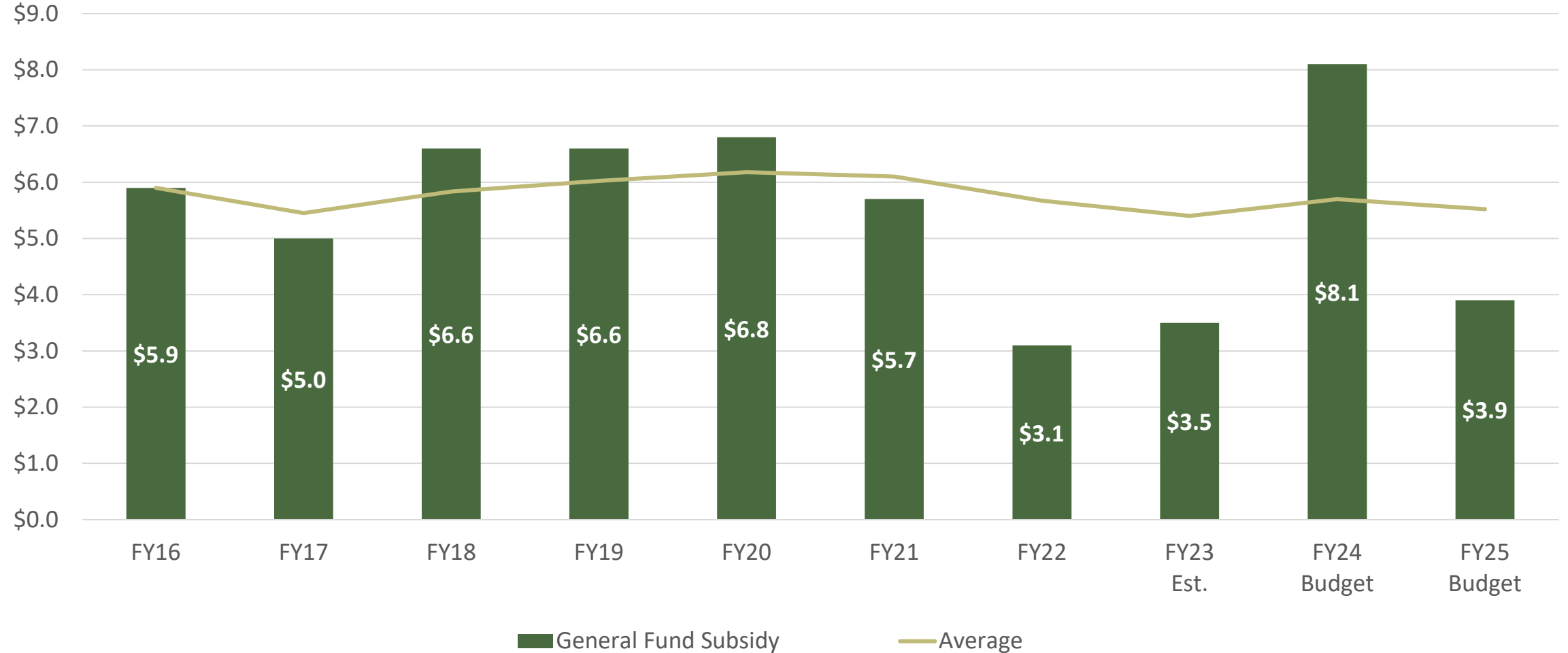
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Operational Funding (in millions)



General Fund Subsidy

(in millions)



Initial Fee Estimates

First Look at Rate Estimates: Total & Allocation

Customer Group	Baseline	Baseline + Programs
Residential	\$5.3M	\$8M
Nonresidential	\$4.7M	\$7M
Total	\$10M	\$15M

**Revenue allocation based estimated average daily vehicle trips per 2019 land use from the Travel Demand Model*

Assumptions & Considerations

- ~38k City utility accounts eligible
- Excludes ~2k accounts projected to qualify for utility billing assistance through program update

First Look at Rate Estimates: Residential

Transportation Fee Per Month

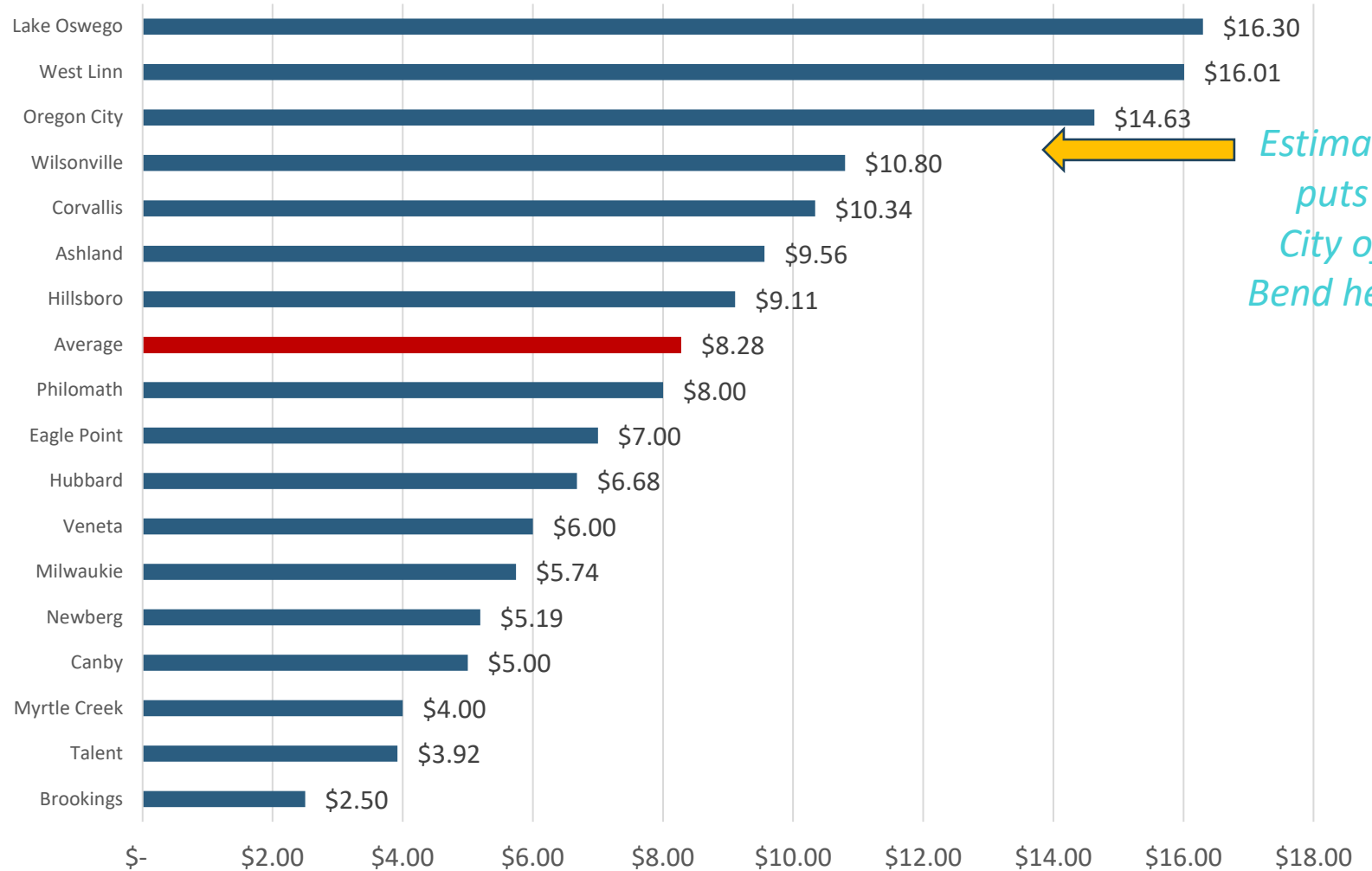
Residential

~\$10-15/mo.
Single Family

~\$7-12/mo.
Multifamily unit

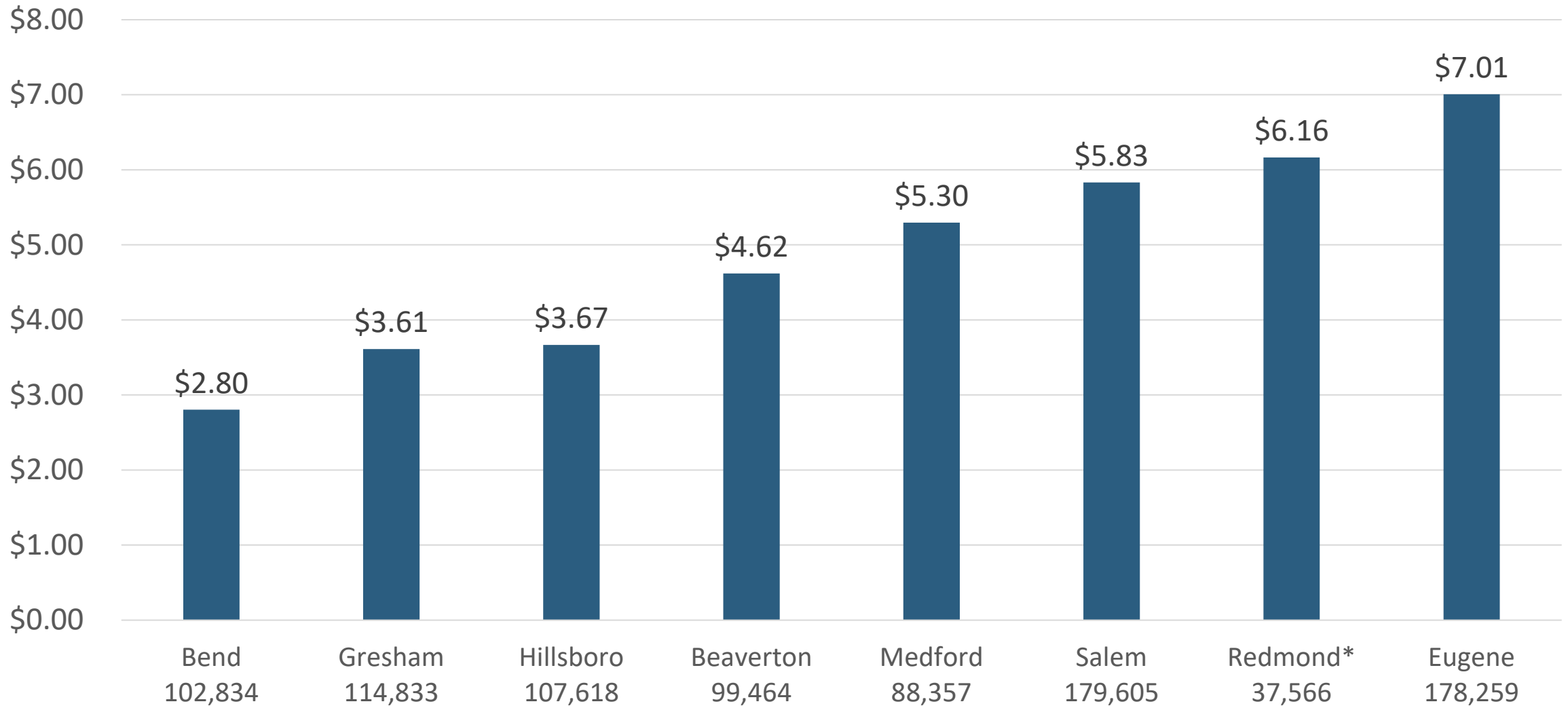
- ~5-7% of average residential utility bill

Monthly Single Family Transportation Fee



Estimate puts City of Bend here

Permanent Tax Rate Comparison



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* Redmond's permanent tax rate reflects their rate before they created a separate fire district.

First Look at Rate Estimates: Nonresidential

Transportation Fee Per Month

Nonresidential

\$140-215/mo.
average across all
nonresidential
accounts if all
accounts charged
the same rate

- Other Oregon cities vary widely in the amount they charge nonresidential customers, from a low of \$10/mo. to a high of \$6,500/mo. among a sampling of 10 cities researched

Potential ways to structure fee

- NAICS code (classification of business establishments by type of economic activity), tied to estimated impact (trip generation)
- Impervious surface area/square footage/acreage
- Parking spaces
- # of employees
- Flat fee



Roundtable Agenda

August 9th Roundtable Plan

- **Introductions, history, role of group, where we are in the process**
- **Streets & Operations, programs overview**
- **Rate tolerance**
 - Discuss estimated Transportation Fee
 - High-level review of potential ways to assess the nonresidential fee
- **Discuss program benefits**
 - Discuss programs recommended for near-term implementation in the Transportation System Plan
- **Uses of revenue**
 - What are the immediate priorities for use of Transportation Fee revenue?



Upcoming Roundtables

- August 9th
- September 13th
- October 11th (if needed)

Questions / Comments?

Accommodation Information for People with Disabilities



To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Sarah Hutson at shutson@bendoregon.gov or 541-693-2132; Relay Users Dial 7-1-1.