

I. EXECUTIVE SUMMARY

The City of Bend is nationally recognized as a high-quality, desirable place to live and work. Bend is the seventh largest city in Oregon, and is one of the fastest growing communities in the state. Over the next twenty years, close to forty thousand new residents are expected in the city. Planning for the homes and jobs that current and future citizens will need is an important responsibility, and the decisions made now will have long-term consequences for the city and region.

The city and Deschutes County have made a substantial effort to plan for the future of the area in their decisions on the Bend urban growth boundary (UGB). The UGB establishes where the city will grow over the next twenty years. Setting this boundary and planning for the lands inside of it directly influences what types of housing are likely to be built, what employment opportunities the city is prepared for, and the future costs of public facilities. It also has important long-term consequences for where people live and work in the region, and the extent to which they need to drive to get from homes to jobs to shopping and other destinations.

This is a decision by the Director of the Oregon Department of Land Conservation and Development about whether the City of Bend and Deschutes County's UGB expansion complies with state land use laws. The decision is to remand the UGB expansion (along with a related amendment to the city's public facilities plan) back to the city and county for revisions needed for the decisions to conform with state requirements.

The director agrees with the city and county that a UGB expansion is needed, but the size of the expansion is over four square miles larger than the amount of land the local governments determined is needed. The director also agrees with the city and county that they have appropriately shown a need for land for a new university site and for a large-site general industrial area. However, the local governments need to complete technical work to document that lands for these important future uses can't be found within the existing city limits.

The director also determines that the city has not done an adequate job of planning for needed housing for current and future residents of Bend and the region. The city has documented a real need for more affordable housing, and for housing for people who work in Bend – to reverse the trend of workers leaving the city to find affordable housing. However, the city's planning for future residential development does not lay the groundwork for these types of housing to be developed in Bend.

State land use laws require cities to work to encourage growth to occur on vacant and underutilized lands within urban areas before expanding into rural areas. Bend has taken tentative steps in this direction, but its indefinite plans do not demonstrate that the city will meet its housing needs over the next twenty years.

Finally, the city and county decisions regarding where to expand the Bend UGB fail to explain (adequately) why certain lands are included, while others are not. An important aspect of this decision is the location of future sewer system investments, and the Director agrees that the planning for those system improvements is an important consideration in deciding where to locate the boundary. However, the findings and technical work supporting the decision are conflicting in some aspects, and do not appear to provide decision-makers with an adequate basis for making decisions about the long-term cost implications of expanding the boundary in particular locations.

The Department of Land Conservation and Development has committed a substantial amount of staff time and funding to working with the city and county to plan for the community's future. This decision is designed to help move that effort forward, and the department will continue to offer its assistance as Bend plans for its future.