

Exhibit A – Detail of Local Revenue Impacts and Increased Needs for Community Services

Local Revenue Impacts (Through Calendar Year 2020)

- Occupancy rates in Bend have dropped roughly 70% during this spring season. If this continues through June, it will result in a loss of \$3 million in lodging tax. 65% of that revenue supports police, fire and transportation services. Without such revenue, those services will be trimmed substantially.
- If occupancy rates continue at that low rate through the summer, lodging tax revenue will decline by \$5 million this year.
- Based on existing travel data we anticipate a loss of \$750,000 – \$2 million in gas tax revenue, reducing the ability to fund transportation projects and services.
- Declines in property tax collection rates could result in losses of \$1.3 million or more to our general fund again impacting provision of core services.
- We also anticipate a \$1.2 million decrease in revenue from fines, parking permits and citations. Further, we anticipate future revenue losses from reduced business registrations, special event permits, reduced residential utility payments, and ambulance transports.
- If the development industry slows due to a tightened lending market as expected, it is likely that development review fees will drop. Currently such fees account for approximately \$26 million per year in revenue. This would mean reducing the building safety services provided in our community and lost jobs due to lack of building activity.
- Taken all together, the City of Bend could be facing a loss of up to \$10M through the end of the calendar year. This represents roughly one-sixth of the City's General Fund revenue. The potential decrease in General Fund revenues is unprecedented and could be significantly more than the City experienced during the "Great Recession" impacting all city services.
- Further, the City Council recently voted to withdraw a \$190 million transportation bond measure from the May ballot due to the impacts of COVID-19. Bend's transportation infrastructure is already under considerable strain and community support for the bond was very strong.

Increased Need for Community Services

Unemployment filings indicate that Deschutes County is among the hardest hit counties in Oregon, with 12% of its workforce having filed already for unemployment since the crisis began. Only Lincoln and Clatsop counties, at 16% and 15% respectively, have been hit harder.

Businesses located within the city of Bend account for roughly two-thirds of all employment in Deschutes County.

- A very high percentage of our economic base is in Health Care/Social Service, Retail, and Accommodation/Food Service, each of which has been very hard-hit by recent closures and layoffs.
- Oregon Employment Department data shows nearly 2,100 private businesses employing 28,000 workers have been impacted by the closures. This represents 23% of private businesses and 37% of private sector jobs.
- A majority of those filing for unemployment in these sectors are younger and less financially stable.
- Unemployment filings only paint a partial picture, with many other employees seeing cuts in hours or furloughs.

This all translates to a massive and unprecedented increase in the need for services. According to NeighborImpact, our regional Community Action Agency:

- The City of Bend has seen a 40% increase in the need for meals.

- Similar increases for rental and utility assistance are occurring, with the need for mortgage assistance following close behind.
- With a coming storm of evictions and foreclosures, affordable housing needs will increase considerably.