



April 16, 2025

Mayor Melanie Kebler
Bend City Councilors
Via E-Mail

On behalf of the Bend Chamber's 1,750 members and 8,500 businesses in Central Oregon, we would like to share feedback on the recent Environment and Climate Committee (ECC) recommendation to establish a carbon pollution fee.

We greatly appreciated the thoughtful process the city employed to evaluate how to reduce greenhouse gas emissions (GHG) by transitioning to electrical energy development in Bend. The joint meeting with the Bend Economic Development Advisory Board (BEDAB) and the Affordable Housing Advisory Committee (AHAC) provided critical feedback to the ECC's work and helped inform a work plan to guide policy and program development. We felt this process provided consensus on how to move forward with electrification policies in a manner that was within the city's legal framework, and on a timeframe that allowed a full understanding of effective incentivization and transition methods.

While we understand the likelihood that incentivization will require external funding sources, including potential fees, we have several concerns about the ECC's carbon pollution fee recommendation at this time. The City of Ashland's program has just been implemented¹, and it would be very valuable to allow enough time to evaluate the impacts and benefits before implementing a similar program in Bend. This is even more critical at a time when permit fees, system development charges, and the Transportation Utility Fee have all added tremendous cost. The cumulative effects are daunting.

Additionally, there are very real national political and financial factors that are impacting local industries, including the manufacturing of construction materials and appliances -all of which would be directly affected by the new fee. Tariffs are raising prices and decreasing the availability of building materials, household appliances, and even some of the technology that are key to lowering GHG by utilizing renewable electric energy. Many builders and suppliers stocked up on inventory before tariffs were raised and will need lead time to utilize current inventory and plan for a transition.

Lastly, we are concerned about the affordability of installing this fee at a time when our housing goals are so daunting. Affordability and ease of construction are critical in gaining ground on our housing shortage. We must streamline the path forward to construction, rather than place additional obstacles, even well-intentioned, in the way of meeting our community's housing needs.

Our recommendation is to develop a strategy to implement carbon pollution reduction incentives rather than move forward immediately with a fee, allowing companies to plan, prepare, and transition for this change. We need to understand the impacts on our housing goals, on homebuyers (especially lower to mid-market level), and on the builders, developers and businesses responsible for this transition. It will also give us the advantage of monitoring Ashland's progress. It will allow time for thoughtful discussion with other city advisory committees, and gain insights that will help ensure a more successful outcome.

Thank you for your consideration.

Sincerely,



Katy Brooks
President & CEO
Bend Chamber of Commerce

ⁱ <https://ashlandor.portal.civicclerk.com/event/803/files/report/484>