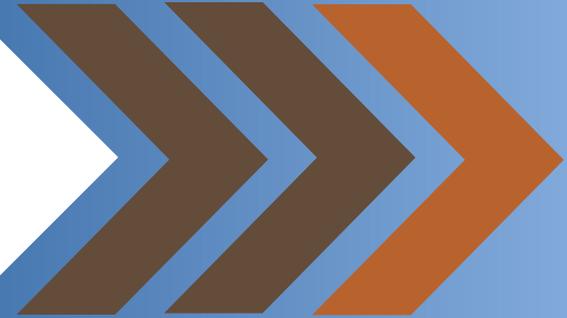




City of Tigard



System Development Charges for Parks and Transportation

Council Workshop
March 17, 2015



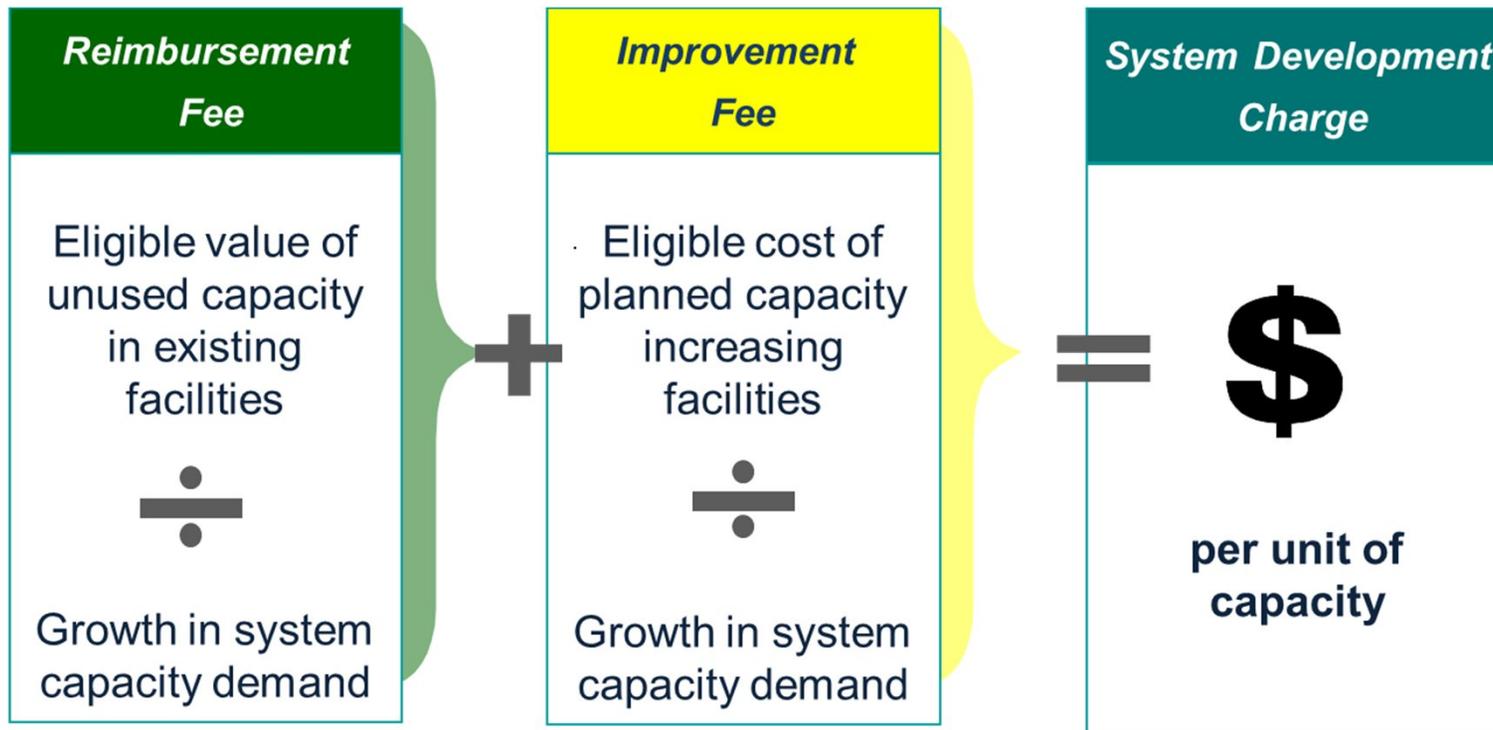


Presentation Agenda

1. SDC Reimbursement Fees for Parks
2. Transportation SDC Credit Policies
3. Discounts for Transit-Oriented Development
4. Discussion and Direction



1. SDC Reimbursement Fees



Reimbursement SDCs provide a means to collect fees for unused capacity in existing system from future users of the system



Why Consider a Parks Reimbursement SDC?

- ◆ Future residents get the benefit of utilizing parks and trails that were paid for by existing residents
- ◆ Tigard did not have any excess capacity in its parks and trails until recently
- ◆ Reimbursement fee revenue helps address overall funding needs for providing parks and trails

Existing parks and trails get more crowded by future residents and users





Parks SDC-r: Why Now?

- ◆ Tigard did not have any unused capacity in its Parks System before recent bond program
- ◆ Now Tigard's parks facilities have \$13.5 M in excess capacity
- ◆ SDC Method deducts bond principal and non-local grants from fee basis so development and residents do not pay more than they should
- ◆ This supports per capita SDC-r fees citywide of \$502 per resident and \$132 per job
- ◆ Equates to SDC-r fee of \$1,278 per new SFD and \$951 per new multifamily dwelling unit



Parks SDCs: Current and Proposed

Current Tigard Parks & Trails SDC	SDC Current
Residential SDC per capita	\$ 2,753
SDC per single family dwelling	\$ 6,451
SDC per multifamily dwelling	\$ 5,156
Non-residential SDC per employee	\$ 446

Proposed Tigard Parks & Trails SDC	SDC-r	SDC-i (after discount)*		Total SDC (after discount)	
		Citywide	River Terrace Overlay	Citywide Total	River Terrace Total
Residential SDC per capita	\$ 399	\$ 2,281	\$ 983	\$ 2,681	\$ 3,664
SDC per single family dwelling	\$ 1,017	\$ 5,807	\$ 2,502	\$ 6,824	\$ 9,327
SDC per multifamily dwelling	\$ 766	\$ 4,372	\$ 1,884	\$ 5,138	\$ 7,022
Non-residential SDC per employee	\$ 105	\$ 705		\$ 810	\$ 810

Source: derived from prior tables. SDC-r = reimbursement fee; SDC-i = improvement fee. * Includes compliance fee.



2. Transportation Credit Policy Issues

Tigard can adopt credit policies within River Terrace that impact credit value and SDC amounts, such as:

1. Maintaining the current practice established with TDT
2. Applying a credit policy that allows 100% credits for construction of collectors and arterials by developers
3. Creating a hybrid policy





Potential Transportation SDCs by Credit Policy Option*

Credit Policy Option Assumptions for River Terrace	Total TSDC per new dwelling (avg.)**		Notes
	River Terrace	Rest of City	
A: TDT Credit Policy	\$5,497	\$5,000	Developers pay for "local street" portion of RT Blvd. (\$8.7M)
B: 75% Credits allowed for River Terrace Blvd.	\$8,234	\$5,000	\$6.5 Million Added to SDC Cost Calculation for River Terrace
C: 100% Credits allowed for River Terrace Blvd.	\$9,146	\$5,000	\$8.7 Million Added to SDC Cost Calculation for River Terrace

*Other credit policies may be considered (e.g., vary credits allowed based on the proposed development's traffic impact on River Terrace Boulevard.

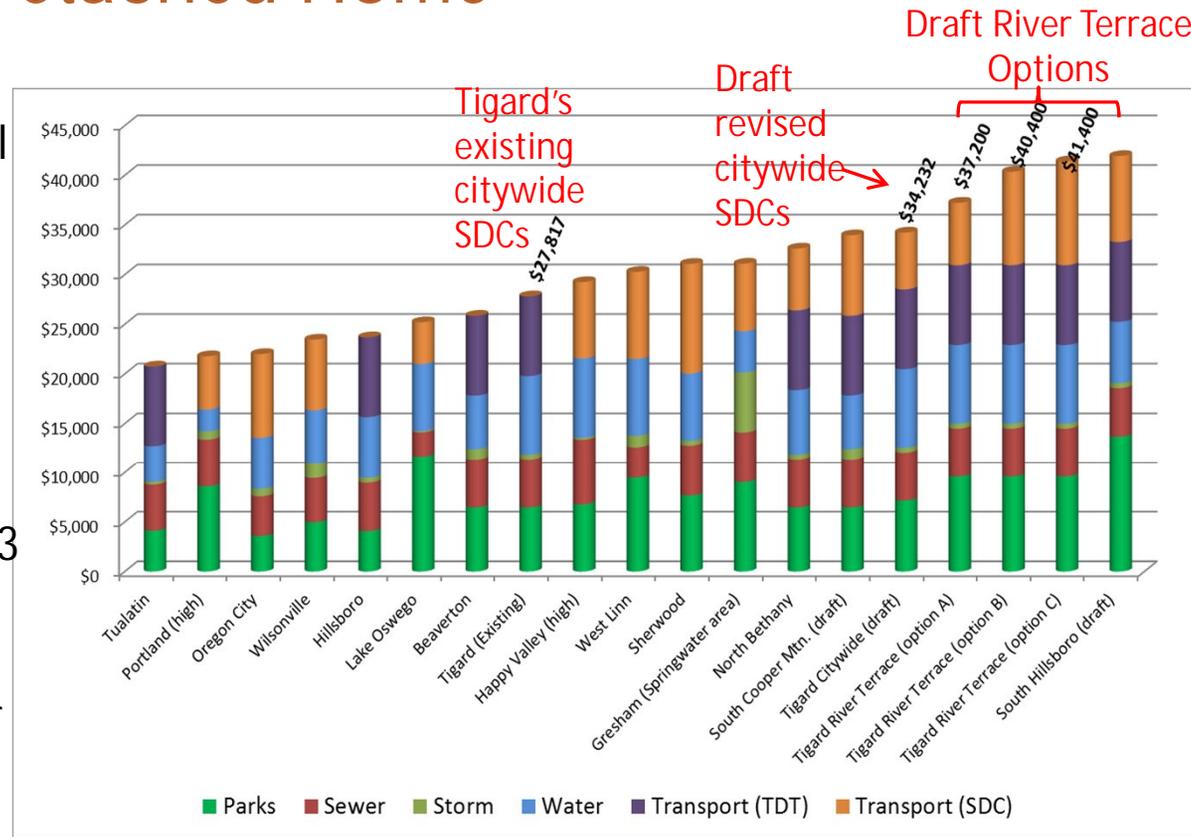
** SDC calculations shown include \$273/dwelling reimbursement fee plus improvement and administration fees.



Comparison of SDCs per New Single Family Detached Home

SDCs shown include potential reimbursement, improvement & administration fees

River Terrace Options include 3 credit policy variations discussed earlier





3. SDCs for Transit-Oriented Development

- ◆ City's can reduce SDCs for development that results in lower demand on the transportation system
- ◆ Downtown Tigard has potential for reduced vehicle trips given great transit access and access to retail/services
- ◆ Improves financial viability of mixed-use higher density projects



Sample image of transit oriented development



Potential SDC Approaches for TODs

Policy	Reduction Basis	Potential TSDC Reduction	Requirement	Where Used
1. Status Quo (TDT method)	Independent traffic study	Varies for each development	Must be approved by SDC administrator	Most cities and counties
2. Reduce/Vary SDCs in designated areas	Modeled trip reduction levels by District	Varies depending upon planned facilities and trip growth	SDCs established by district per Methodology Report	Gresham, Portland, Vancouver, etc.
3. Discounts in designated areas based on transit service levels	Metro RTP models of Centers and Corridors; adopted in local ordinance	Typically 15-20%	Applies to any development within designated area	Oregon City
4. Discounts in designated areas based on development scale/mix & transit service levels	Modeled gradation of discounts; adopted in local ordinance	Typically 15-40%	Applies to any development that meets mix/density thresholds	Happy Valley

Other policies may be considered as long as they comply with ORS 223.297 to 223.314



4. Discussion and Direction

- ◆ Now seeking direction regarding:
 - ❖ Desire to Establish a Parks Reimbursement SDC
 - ❖ Direction regarding TSDC Credit Policies
 - ❖ Direction regarding TOD Discount Policies

- ◆ SDC Adoption Hearing in April

Contact FCS GROUP:
Todd Chase
Oregon Branch Manager
503.841.6543 ext. 12

www.fcsgroup.com

