



City of Tigard

Tigard Business/Workshop Meeting – Agenda

TIGARD CITY COUNCIL & LOCAL CONTRACT REVIEW BOARD

MEETING DATE AND TIME: December 20, 2016 - 6:30 p.m. Business Meeting

MEETING LOCATION: City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

PUBLIC NOTICE:

Anyone wishing to speak on an agenda item should sign on the appropriate sign-up sheet(s). If no sheet is available, ask to be recognized by the Mayor at the beginning of that agenda item. Citizen Communication items are asked to be two minutes or less. Longer matters can be set for a future Agenda by contacting either the Mayor or the City Manager.

Times noted are *estimated*; it is recommended that persons interested in testifying be present by 7:15 p.m. to sign in on the testimony sign-in sheet. *Business agenda items can be heard in any order after 7:30 p.m.*

Assistive Listening Devices are available for persons with impaired hearing and should be scheduled for Council meetings by noon on the Monday prior to the Council meeting. Please call 503-718-2419, (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

Upon request, the City will also endeavor to arrange for the following services:

- Qualified sign language interpreters for persons with speech or hearing impairments; and
- Qualified bilingual interpreters.

Since these services must be scheduled with outside service providers, it is important to allow as much lead time as possible. Please notify the City of your need by 5:00 p.m. on the Thursday preceding the meeting by calling: 503-718-2410 (voice) or 503-684-2772 (TDD - Telecommunications Devices for the Deaf).

SEE ATTACHED AGENDA

VIEW LIVE VIDEO STREAMING ONLINE:

<http://live.tigard-or.gov>

CABLE VIEWERS: The regular City Council meeting is shown live on Channel 28 at 7:30 p.m. The meeting will be rebroadcast at the following times on Channel 28:

Thursday	6:00 p.m.	Sunday	11:00 a.m.
Friday	10:00 p.m.	Monday	6:00 a.m.



City of Tigard

Tigard Business/Workshop Meeting – Agenda

TIGARD CITY COUNCIL & LOCAL CONTRACT REVIEW BOARD

MEETING DATE AND TIME: December 20, 2016 - 6:30 p.m. Business Meeting

MEETING LOCATION: City of Tigard - Town Hall - 13125 SW Hall Blvd., Tigard, OR 97223

6:30 PM

1. BUSINESS MEETING
 - A. Call to Order
 - B. Roll Call
 - C. Pledge of Allegiance
 - D. Call to Council and Staff for Non-Agenda Items

2. CITIZEN COMMUNICATION (Two Minutes or Less, Please)
 - A. Follow-up to Previous Citizen Communication
 - B. Citizen Communication – Sign Up Sheet

3. CONSENT AGENDA: (Tigard City Council) - These items are considered routine and may be enacted in one motion without separate discussion. Anyone may request that an item be removed by motion for discussion and separate action. Motion to:
 - A. CONSIDER AN IGA BETWEEN THE CITIES OF TIGARD AND BEAVERTON COVERING COOPERATIVE MAINTENANCE FOR SW BARROWS ROAD
 - B. CONSIDER RESOLUTION WAIVING TEMPORARY SIGN PERMIT FEES FOR SOUTHWEST METRO BABE RUTH BASEBALL
 - *Consent Agenda - Items Removed for Separate Discussion: Any items requested to be removed from the Consent Agenda for separate discussion will be considered immediately after the Council/ City Center Development Agency has voted on those items which do not need discussion.*

4. APPOINT CITY CENTER ADVISORY COMMISSION MEMBERS **6:35 p.m. estimated time**

5. APPOINT TIGARD TRANSPORTATION ADVISORY COMMITTEE MEMBERS **6:40 p.m. estimated time**

6. LOCAL CONTRACT REVIEW BOARD: CONSIDER CONTRACT AWARD FOR ATTORNEY SERVICES **6:45 p.m. estimated time**

WORKSHOP MEETING

7. RECEIVE UPDATE ON TIGARD'S AFFORDABLE HOUSING PROGRAM **6:50 p.m. estimated time**
8. SAFE ROUTES TO SCHOOL UPDATE **7:30 p.m. estimated time**
9. DISCUSS NON-RESIDENTIAL TIGARD TRANSPORTATION SDC **8:00 p.m. estimated time**
10. NON AGENDA ITEMS
11. EXECUTIVE SESSION: The Tigard City Council may go into Executive Session. If an Executive Session is called to order, the appropriate ORS citation will be announced identifying the applicable statute. All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(4), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.
12. ADJOURNMENT **8:30 p.m. estimated time**

AIS-2899

3. A.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): Consent Item

Agenda Title: Consider an IGA Between the Cities of Tigard and Beaverton Covering Cooperative Maintenance for SW Barrows Road

Prepared For: Brian Rager **Submitted By:** Judy Lawhead,
Public Works

Item Type: Motion Requested **Meeting Type:** Council
Workshop
Mtg.

Public Hearing No

Newspaper Legal Ad Required?:

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

Shall the City of Tigard enter into an intergovernmental agreement with Beaverton for cooperative maintenance of SW Barrows Road?

STAFF RECOMMENDATION / ACTION REQUEST

Approve the intergovernmental agreement for SW Barrows Road maintenance.

KEY FACTS AND INFORMATION SUMMARY

Barrows Road, in large part, is shared between the cities of Beaverton and Tigard, except the portion that falls completely within the Progress Ridge development. For the last several years, the two cities have discussed formalizing a maintenance agreement for the portions of the roadway that are shared. Both cities desire to share the cost of annual maintenance of the roadway and eliminate duplication of efforts.

Attached is the proposed intergovernmental agreement (IGA) formalizing the current process. Beaverton will take the lead on performing the work, and Tigard will reimburse Beaverton for its share of the costs. This arrangement is preferred by the Public Works Directors in Beaverton and Tigard. Because Beaverton must maintain the section within Progress Ridge, it is most cost effective for Beaverton to perform the work.

Informally, the two cities have operated in the manner laid out in the agreement for the last several years and are happy with the arrangement. This action will formalize the agreement.

OTHER ALTERNATIVES

Council could choose not to approve the intergovernmental agreement and instead direct staff as to an alternate course of action.

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

N/A

DATES OF PREVIOUS CONSIDERATION

Council was briefed about this IGA on December 6, 2016 during a study session.

Fiscal Impact

Cost: 10,000
Budgeted (yes or no): Yes
Where Budgeted (department/program): Street Operations Budget

Additional Fiscal Notes:

The cities estimate that annual maintenance costs will be less than \$10,000 per year. There may be some years that exceed that amount, especially if repaving type work is needed. In that case, Tigard would likely budget the repaving work within the Pavement Maintenance Program (PMP) work plan and budget.

Attachments

Barrows IGA

**BARROWS ROAD
CITY OF BEAVERTON AND CITY OF TIGARD
COOPERATIVE MAINTENANCE AGREEMENT**

THIS COOPERATIVE MAINTENANCE AGREEMENT ("Agreement") is entered into pursuant ORS 190.003 to ORS 190.1100, by and between the City of Beaverton ("BEAVERTON") and the City of Tigard ("TIGARD") both municipal corporations and each a "Party" and collectively the "Parties." This Agreement is effective as of the date the last party signs the Agreement.

RECITALS

WHEREAS, the Barrows Road right of way from the Bonneville Power right of way, east to the intersection with Scholls Ferry Road, and from Roshak Road to the juncture of where Barrows fully enters Beaverton city limits, is within both Parties' city limits

WHEREAS, the Parties agree that it is in the public's best interest that one jurisdiction manage and maintain the entire Barrows right of way from its westerly intersection with Scholls Ferry Road east to its easterly intersection with Scholls Ferry Road, as generally depicted in Exhibit 1.

WHEREAS, because a significant portion of the Barrows right of way is entirely within BEAVERTON city limits and managed and maintained by BEAVERTON, BEAVERTON also desires to be the jurisdiction that provides the management and maintenance of the shared portion of the Barrows right of way, from the Bonneville Power right of way, east to the intersection with Scholls Ferry Road and from Roshak Road east to the portion of Barrows Road that fully enters the Beaverton city limits..

AGREEMENT

NOW, THEREFORE, the Parties hereto agree as follows:

1. By December of each year, BEAVERTON shall present a budget to TIGARD for all maintenance activity expected during the coming fiscal year relating the shared portion of the Barrows right of way described above and depicted on the attached map (Exhibit 1), TIGARD shall have one month to review the proposed budget and to negotiate any desired reductions or ask for additions. Said reductions shall be limited to discretionary work that can be delayed without creating an increase in overall cost or create safety or functional problems. TIGARD shall budget for the agreed upon maintenance in the amount of 110% of the anticipated cost to allow for contingencies.
2. BEAVERTON will plan for and provide street, bridge and culvert maintenance as needed within the full right of way of Barrows Road as per BEAVERTON's adopted standards for such work, except as specifically provided otherwise in this Agreement. Maintenance will include paving, striping, rock shoulder, signage, sweeping, street lighting, traffic signals, bridge and culvert maintenance vandalism repair, snow removal, and street tree maintenance. Sidewalks and curb ramps will be maintained by each city on their respective side of the road. Nothing in this Agreement should be construed to transfer maintenance jurisdictional responsibility for PGE maintained lights.
3. BEAVERTON will provide mandated inspections for the pedestrian bridge generally located adjacent to the Barrows road bridge closest to Barrows' easterly intersection with Scholls Ferry Road.

4. BEAVERTON shall provide plan review, collect permit fees, issue permits, conduct construction inspections and maintain "as built" and project files for all construction projects within the Barrows right of way. All work associated with these construction projects shall be done to BEAVERTON's adopted standards. The cost of all work related to this item shall be borne by BEAVERTON.
5. When a new driveway or street is proposed in TIGARD that will intersect with Barrows Road, TIGARD shall direct the applicant to obtain BEAVERTON'S approval, which will not be unreasonably withheld unless there is code conflict or traffic safety issue identified.
6. For any maintenance activity that BEAVERTON performs in the shared portion of the Barrows right of way, from the Bonneville Power right of way, east to the intersection with Scholls Ferry Road, BEAVERTON will invoice TIGARD for 50% of BEAVERTON's actual costs incurred for that work, minus the costs incurred pursuant to Section 4 above, and provide TIGARD a detailed accounting of that work by maintenance activity and general ledger expense no later than 20 days after a quarter fiscal year. Payment on any such invoice shall be due and payable to BEAVERTON within 45 days after submittal by BEAVERTON unless disputed. Notwithstanding, for unanticipated maintenance not previously budgeted for by TIGARD, the 45 days for payment to BEAVERTON shall be reasonably extended to obtain approval from TIGARD's city council. BEAVERTON shall obtain TIGARD's approval prior to exceeding the 10% contingency.
7. TIGARD shall be responsible for the cost and performance of any maintenance or repair of the pedestrian bridge generally located adjacent to the Barrows road bridge closest to Barrows' easterly intersection with Scholls Ferry Road. This is the same bridge Beaverton inspects that is listed in item 3 above.
8. Nothing in this Agreement shall be construed to affect the ownership, maintenance, and permitting and inspection responsibilities of storm, sanitary and water utilities within the Barrows right of way.
9. The Parties shall work together to coordinate future utility corridor needs in order to best utilize the available right of way. In the event of a dispute on this issue, the jurisdiction that controlled the disputed right of way prior to Beaverton Ordinance 4568 shall prevail.
10. This Agreement is limited to right of way maintenance and shall not include capital improvement projects or major repairs, which may be addressed in separate agreements as necessary. Because the Parties have different thresholds and definitions for what constitutes a capital improvement project and may have different ranking priorities, they agree to consult and discuss any project that will likely exceed \$50,000 in cost.

GENERAL PROVISIONS

11. LAWS OF OREGON. The Parties shall comply with all applicable laws and regulations regarding the handling and expenditure of public funds. This Agreement shall be construed and enforced in accordance with the laws of the State of Oregon.
12. DEFAULT. Time is of the essence in the performance of the Agreement. Any of the Parties shall be deemed to be in default if it fails to comply with any provisions of this Agreement. The non-

defaulting party shall provide the other party with written notice of default and allow thirty (30) days within to cure the default.

13. INDEMNIFICATION. This Agreement is for the benefit of the Parties only. Each party agrees to indemnify and hold harmless the other Party, and the Party's officers, employees, and agents, from and against all claims, demands and causes of actions and suits of any kind or nature for personal injury, death or damage to property on account of or arising out of services performed, the omissions of services or in any way resulting from the negligent or wrongful acts or omissions of the indemnifying party and its officers, employees and agents. To the extent applicable, the above indemnification is subject to and shall not exceed the limits of liability of the Oregon Tort Claims Act (ORS 30.260 through 30.300). In addition, each party shall be solely responsible for any contract claims, delay damages or similar items arising from or caused by the action or inaction of the party under this Agreement.
 - a. Each party shall promptly give the other written notice of any action or suit filed or any claim made against that party that may result in litigation or other contested proceedings arising out of or relating to the maintenance work that is the subject to this Agreement.
 - b. Each party shall insure or self-insure and be independently responsible for the risk of its own liability for claims within the scope of the Oregon tort claims act (ORS 30.260 to 30.300).
 - c. Each party shall be solely liable for third party claims arising from the actions of that party's officers, employees, agents and representatives.
 - d. Each Party shall be solely liable for its employees' workers' compensation claims, regardless of which party is exercising supervision and control over the project when the claim arises.
14. MODIFICATION OF AGREEMENT. No waiver, consent, modification or change of terms of this Agreement shall be binding unless in writing and signed by all Parties.
15. DISPUTE RESOLUTION. The Parties shall attempt to informally resolve any dispute concerning any party's performance or decisions under this Agreement, or regarding the terms, conditions or meaning of this Agreement. A neutral third party may be used if the Parties agree to facilitate these negotiations. In the event of an impasse in the resolution of any dispute, the issue shall be submitted to the governing bodies of both Parties for a recommendation of resolution.
16. REMEDIES. Any party to this Agreement may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation of this Agreement. All legal actions shall be initiated in Washington County Circuit Court. The Parties, by signature of their authorized representatives below, consent to the personal jurisdiction of that court.
17. EXCUSED PERFORMANCE. In addition to the specific provisions of this Agreement, performance by any party shall not be in default where delays or default is due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, governmental restrictions imposed or mandated by governmental entities other than the Parties, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulation, litigation or similar basis for excused performance that are not within the reasonable control to the party to be excused.

18. SEVERABILITY. If any one or more of the provisions contained in this Agreement is invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of the Agreement will not be affected or impaired in any way.
19. INTEGRATION. This Agreement is the entire agreement of the Parties on its subject and supersedes any prior discussions or agreements regarding the same subject.
20. TERM OF AGREEMENT. The term of this Agreement shall be from its effective date until terminated by mutual consent of the Parties provided that TIGARD's payment obligation for any work commenced by BEAVERTON as provided for herein shall survive such termination.

CITY OF BEAVERTON, OREGON

CITY OF TIGARD, OREGON

Mayor, City of BEAVERTON

City Manager, City of TIGARD

Date: _____

Date: _____

Approved as to Form:

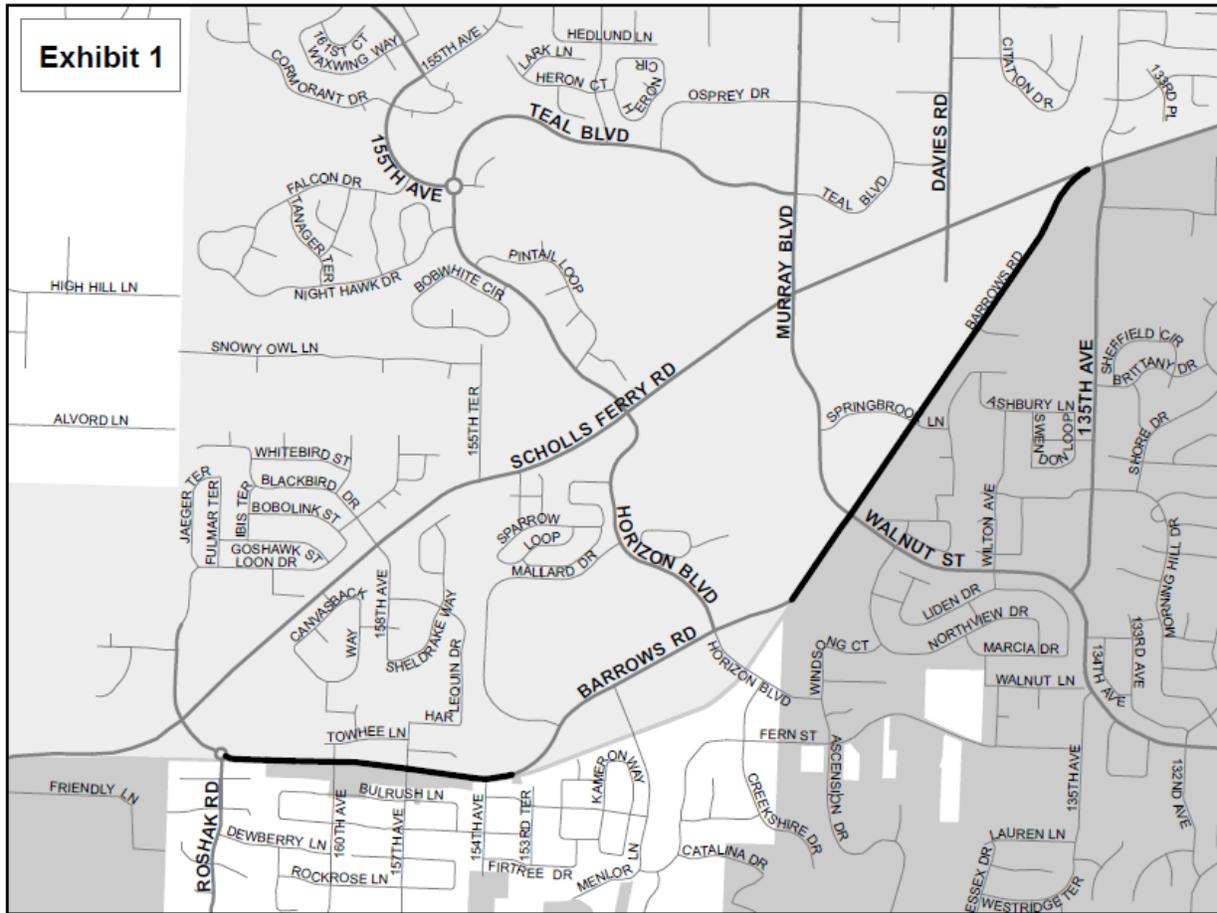
Approved as to Form:

City Attorney, BEAVERTON

City Attorney, TIGARD

EXHIBIT 1

SW Barrows Road right of way from its westerly intersection with Roshak Road east to where Barrows is entirely in Beaverton. Then starting again at Bonneville easement to its easterly intersection with Scholls Ferry Road



Southwest Metro Babe Ruth Baseball is a qualifying non-profit. They have made their request to waive fees in writing. If council determines that the benefit to the community outweighs the loss of \$252 in permit fees, then council is authorized to waive the fees.

OTHER ALTERNATIVES

City Council could deny the request.

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

Tigard citizens are involved in the community and participate effectively. Programs and activities are available in the community to meet the needs of a diverse population.

DATES OF PREVIOUS CONSIDERATION

The Tigard City Council approved the waiver of four banners for the Southwest Metro Babe Ruth Baseball on January 26, 2016.

Fiscal Impact

Cost: 252

Budgeted (yes or no): No

Where Budgeted (department/program): NA

Additional Fiscal Notes:

Approval of this resolution will reduce the City of Tigard General Fund revenues by \$252.

Attachments

Resolution

Babe Ruth request letter

CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 16-

A RESOLUTION WAIVING \$252 IN TEMPORARY SIGN PERMIT FEES FOR SOUTHWEST METRO BABE RUTH BASEBALL

WHEREAS, Tigard Municipal Code 3.32.070 authorized City Council to waive fees for nonprofits when the request is made in writing and council determines that the community benefit outweighs the financial burden to the city; and

WHEREAS, Southwest Babe Ruth Baseball has requested in writing the waiver of fees for four temporary sign permits; and

WHEREAS, the Master Fees and Charges Schedule states that the fee for temporary sign permits is \$63 per sign for 30 days and

WHEREAS, council determines that the community benefit outweighs the \$252 financial burden to the city. NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Southwest Metro Babe Ruth Baseball receives a waiver of \$252 in temporary sign permit fees .

SECTION 2 : This resolution is effective immediately upon passage.

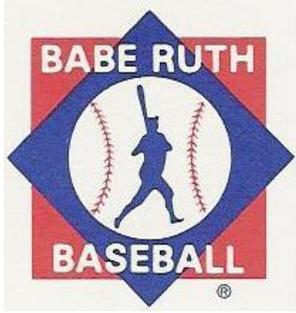
PASSED: This _____ day of _____ 2016.

Mayor - City of Tigard

ATTEST:

City Recorder - City of Tigard

RESOLUTION NO. 16-



Southwest Metro Babe Ruth Baseball

December 7, 2016

To Whom It May Concern,

I am the President for Southwest Metro Babe Ruth, previously known as Tigard-Tualatin Babe Ruth. We are a local non-profit and 501c (3). We are respectfully requesting a waiver for our four advertising banners. Three of the banners are 5'X3' and one banner is 6'X3'. We will be placing one banner at Tigard High School on the Durham St. fence, one at Fowler Middle School field on the Walnut St. fence, one on the Twality Middle School fence with their permission and the fourth banners placement will be determined by January 1, 2017. The waiver would be for 4 permits at \$61 each for a total of \$244. We will most likely prefer to hang our banners on a date to be determined at a later time, but for no more than 30 days.

Babe Ruth has been an active partner in the Tigard community and has partnered with many local companies to continue to offer a safe, healthy and fun venue for boys and young men. We are committed to our community, neighbors, local businesses, partners and our boys and young men. We provide scholarships for registration and uniforms each year to many families that would not be able to participate otherwise.

We hope that you will grant our request for the \$244 waiver. Thank you for your consideration.

John Aiello
Southwest Metro Babe Ruth President
971-295-9092

AIS-2848

4.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 5 Minutes

Agenda Title: Appoint City Center Advisory Commission Members

Prepared For: Sean Farrelly, Community Development

Submitted By: Joe Patton, Community Development

Item Type: Resolution

Meeting Type: Council
Business
Meeting -
Main

Public Hearing: No

Publication Date:

Information

ISSUE

Shall Council reappoint Richard Shavey and appoint Josh Kearney, Gloria Pinzon Marin and Kate Rogers as voting resident members, Tim Myshak as a voting business member, and Sarah Villanueva as a non-voting Ex-Officio member to the City Center Advisory Commission?

STAFF RECOMMENDATION / ACTION REQUEST

Staff recommends approval of a resolution reappointing Richard Shavey and appointing Josh Kearney and Kate Rogers as voting resident members of the City Center Advisory Commission whose terms will expire December 31, 2019; appointing Gloria Pinzon Marin as a voting resident member of the City Center Advisory Commission whose terms will expire December 31, 2018; appointing Tim Myshak as a voting business member of the City Center Advisory Commission whose term will expire December 31, 2018; and, reappointing Sarah Villanueva as a non-voting Ex-Officio member of the City Center Advisory Commission whose term will expire December 31, 2017.

KEY FACTS AND INFORMATION SUMMARY

The City Center Advisory Commission (CCAC) is the advisory body to the City Center Development Agency on urban renewal issues. The City Center Advisory Commission currently has three voting resident positions with terms that expire on December 31, 2019, one voting resident position with a term that expires December 31, 2018, one voting business representative position with a term expiring December 31, 2017 and one voting business position with a term expiring December 31, 2018. There are also up to two non-voting alternate positions and up to two non-voting Ex Officio positions with terms that expire on December 31, 2017. Applicants were interviewed on November 28 and December 7, 2016 by

the Mayor's Appointment Advisory Committee. The Committee recommended that Richard Shavey be reappointed and Josh Kearney and Kate Rogers be appointed as voting members whose term will expire December 31, 2019; Gloria Pinzon Marin be appointed as a voting member whose term will expire December 31, 2018, Tim Myshak be appointed as a voting business alternate member whose term expires December 31, 2018, and Sarah Villanueva reappointed as a non-voting Ex-Officio member whose term expires December 31, 2017.

Attachment 1 is a Resolution implementing these recommended appointees. Attachment 2 has biographical information on all six recommended appointees.

OTHER ALTERNATIVES

Council could decide to not approve some, or all, of the recommendations. This would necessitate reopening the recruitment.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

N/A

DATES OF PREVIOUS COUNCIL CONSIDERATION

N/A

Attachments

[CCAC Appointing Resolution](#)

[CCAC Bios](#)

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 16 – _____**

A RESOLUTION REAPPOINTING RICHARD SHAVEY AND APPOINTING JOSH KEARNEY, GLORIA PINZON MARIN, KATE ROGERS AND TIM MYSHAK AS VOTING MEMBERS OF THE CITY CENTER ADVISORY COMMISSION AND REAPPOINTING SARAH VILLANUEVA AS A NON-VOTING EX OFFICIO MEMBER.

WHEREAS, there currently exists six vacancies for voting members, up to two vacancies for non-voting alternate members and up to two non-voting ex officio members of the City Center Advisory Commission; and

WHEREAS, the Mayor's Appointment Advisory Committee recommends that Council reappoint Richard Shavey and appoint Josh Kearney, Gloria Pinzon Marin, Kate Rogers and Tim Myshak as voting members; and

WHEREAS, the Mayor's Appointment Advisory Committee recommends that Council reappoint Sarah Villanueva as a non-voting ex officio member.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Richard Shavey is reappointed and Josh Kearney and Kate Rogers are appointed as voting members to fill terms that expire December 31, 2019 and Gloria Pinzon Marin is appointed as a voting member to fill a term that expires December 31, 2018.

SECTION 2: Tim Myshak is appointed as a voting business representative member to fill a term that will expire December 31, 2018.

SECTION 3: Sarah Villanueva is reappointed as a non-voting ex officio member to fill a term that will expire December 31, 2017.

SECTION 4: This resolution is effective immediately upon passage.

PASSED: This _____ day of _____ 2016.

Mayor - City of Tigard

ATTEST:

City Recorder - City of Tigard

**CITY CENTER ADVISORY COMMISSION
RECOMMENDED APPOINTEES
BIOGRAPHICAL INFORMATION**

On December 20, 2016, the Tigard City Council will consider a Resolution to reappoint Richard Shavey and appoint Josh Kearney, Gloria Pinzon Marin, Tim Myshak, and Kate Rogers as voting members and Sarah Villanueva as a non-voting ex officio member of the City Center Advisory Commission.

Josh Kearney is a regional manager with Sun Life Financial. He has lived in Tigard for eleven years. He has volunteered with Outside In.

Gloria Pinzon Marin is a twenty year Tigard resident who is currently a full time Community Development student at Portland State University. Her volunteer experience includes Las Mujeres PSU, Momentum Alliance, and the Portland Harbor Cleanup Coalition.

Tim Myshak has been a Tigard resident for thirty years. He has been a CCAC alternate since June 2016. He is a controller for Complete Distribution Services, a freight brokerage company with an office on Main Street. He has been the treasurer or finance member of various non-profit organizations and a youth leader with the St. Matthew Lutheran Church.

Kate Rogers is a global marketing manager for ROLM/Siemens/Unify. She is a two year Tigard resident with volunteer experience in parent groups at several schools.

Richard Shavey has served on the CCAC since 2014 and formerly served on the Tigard Planning Commission. He is a retired architect/planner who has lived in Tigard for ten years.

Sarah Villanueva has been an ex officio member of the CCAC since June 2016. She works as a Senior Community Manager with Princeton Property Management, managing multi-family properties utilizing a wide variety of affordable housing programs. She has previously volunteered with Tigard CERT and 1000 Friends of Oregon Land Use Leadership Institute.

AIS-2846

5.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 5 Minutes

Agenda Title: Appoint Tigard Transportation Advisory Committee Members

Prepared For: Buff Brown

Submitted By: Joe Patton,
Community
Development

Item Type: Resolution

Meeting Type: Council
Business
Meeting -
Main

Public Hearing No

Newspaper Legal Ad Required?:

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

Shall Council reappoint Elise Shearer and Kevin Watkins and appoint Candi Cornils, Lonnie Martinez and Lindsey Wise as voting citizen representative members; reappoint Joseph Vasicek as a voting business representative member; and reappoint Susan Pfahl and appoint George Brandt as non-voting alternate members?

STAFF RECOMMENDATION / ACTION REQUEST

Approve a resolution reappointing Elise Shearer and Kevin Watkins and appointing Lindsey Wise as voting citizen representative members whose terms will expire December 31, 2019; appointing Candi Cornils as voting citizen representative members whose terms will expire December 31, 2017; appointing Lonnie Martinez as voting citizen representative members whose terms will expire December 31, 2018; reappointing Joseph Vasicek as a voting business representative member whose term will expire December 31, 2019; and reappointing Susan Pfahl and appointing George Brandt as non-voting alternate members whose terms will expire December 31, 2017.

KEY FACTS AND INFORMATION SUMMARY

There are six voting positions to be filled on the Transportation Advisory Committee - three voting citizen representative members whose terms are due to expire December 31, 2016, one voting citizen representative member whose terms is due to expire December 31, 2017, one voting citizen representative member whose terms is due to expire December 31, 2018 and one voting business representative member whose term expires December 31, 2016.

Lonnie Martinez was interviewed on November 22, 2016 and Candi Cornils, Susan Pfahl , Elise Shearer, Joseph Vasicek, Kevin Watkins, and Lindsey Wise were interviewed on November 28, 2016 by the Mayor's Appointment Advisory Committee. The Committee recommended that Elise Shearer and Kevin Watkins be reappointed and that Candi Cornils, Lonnie Martinez and Lindsey Wise be appointed as voting citizen representative members; Joseph Vasicek be reappointed as a voting business representative; and that Susan Pfahl be reappointed and George Brandt be appointed as non-voting alternate members.

Attachment 1 is a Resolution implementing these recommended appointees.
Attachment 2 has biographical information on all recommended appointees.

OTHER ALTERNATIVES

Council could decide to not approve some or all of the recommendations. This would require reopening the recruitment.

COUNCIL OR CCDA GOALS, POLICIES, MASTER PLANS

City of Tigard Vision Task Force: "The City will maximize the effectiveness of the volunteer spirit to accomplish the greatest good for our community."

DATES OF PREVIOUS CONSIDERATION

N/A

Attachments

Resolution

TTAC Bios

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 16 – _____**

A RESOLUTION REAPPOINTING ELISE SHEARER, KEVIN WATKINS AND JOSEPH VASICEK AND APPOINTING CANDI CORNILS, LONNIE MARTINEZ AND LINDSEY WISE AS VOTING MEMBERS OF THE TIGARD TRANSPORTATION ADVISORY COMMITTEE AND REAPPOINTING SUSAN PFAHL AND APPOINTING GEORGE BRANDT AS NON-VOTING ALTERNATE MEMBERS.

WHEREAS, The Tigard Transportation Advisory Committee is comprised of 11 voting positions, including at least eight citizen and at least two business representatives; and

WHEREAS, as of December 31, 2016 there are five voting citizen vacancies and one voting business representative vacancy; and

WHEREAS, the Mayor’s Appointment Advisory Committee interviewed eight individuals on November 28, 2016 and recommends reappointing Elise Shearer and Kevin Watkins and appointing Candi Cornils, Lonnie Martinez and Lindsey Wise as voting citizen representatives, reappointing Joseph Vasicek as a voting business representative and reappointing Susan Pfahl and appointing George Brandt as non-voting alternate members;

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: Elise Shearer and Kevin Watkins are reappointed and Lindsey Wise is appointed as voting citizen representative members of the Tigard Transportation Advisory Committee with terms expiring December 31, 2019. Candi Cornils is appointed as voting citizen representative member of the Tigard Transportation Advisory Committee with a term expiring December 31, 2017. Lonnie Martinez is appointed as voting citizen representative member of the Tigard Transportation Advisory Committee with a term expiring December 31, 2018.

SECTION 2: Joseph Vasicek is reappointed as a voting business representative member of the Tigard Transportation Advisory Committee with a term expiring December 31, 2019.

SECTION 3: Susan Pfahl is reappointed and George Brandt is appointed as non-voting alternate members of the Transportation Advisory Committee with terms expiring December 31, 2017.

SECTION 4: This resolution is effective immediately upon passage.

PASSED: This _____ day of _____ 2016.

Mayor - City of Tigard

ATTEST:

City Recorder - City of Tigard

Tigard Transportation Advisory Committee Biographies of Recommended Appointees

On December 20, 2016 the Tigard City Council will consider a resolution appointing voting members to the Tigard Transportation Advisory Committee (TTAC). Following are brief biographies for the individuals recommended for appointment.

Recommended for voting positions:

Reappointments:

Elise Shearer has lived in Tigard for 27 years. She recently completed her second full term on the Tigard CCAC; in the most recent year she was the committee chair and the liaison to TTAC. She also volunteers with the TDA, Tigard Chamber for Tigard Street Festival, St. Vincent de Paul Food Bank and Severe Weather Shelter at St Anthony Church.

Kevin Watkins has lived in Tigard for 30 years. He is a retired electrical engineer with many years working with power systems. He has served on advisory committees for the Oregon Department of Energy and for the NW Power Planning Council. He has also been an officer for the Tigard High School Booster Club, and has been the Chair of the TTAC for the last 2 years.

Joseph Vasicek has lived in Tigard for 11 years and in the area for a few decades. He works as a Mechanical Engineer for the trucking industry at Williams Controls. He is a married father of young children and enjoys walking and biking with his family to many of Tigard's beautiful parks and events. Joe has been a member of TTAC's Pedestrian and Cyclist Subcommittee for the 3 past year.

New appointments:

Lindsey Wise grew up in the Metro area and has been a Tigard resident for 2 years. She works as a Biodiversity Data Manager at Portland State University and is a long-time TriMet user and commuter. She previously was part of the Roseway Neighborhood Association in Portland and has become more involved in public transportation issues in the past few years.

Lonnie Martinez has lived in Tigard for 1½ years since moving from Portland. He commutes by transit for entertainment, shopping and to Tualatin where he works in Workforce Development. Lonnie has been involved with the Broadway Rose Theater, Tualatin Riverkeepers, and the Beaverton Area Chamber of Commerce. Lonnie enjoys working on his home, biking, walking and many other outdoor activities.

Candi Cornils has lived in Tigard for 12 years, growing up in Washington County. She has a degree in General Studies from PCC, served in the US Marine Corp and completed two years with AmeriCorps. Candi has been working at a local non-profit since 2011. She is also a member of PATH (Professional Association of Therapeutic Horsemanship), Intl.

Recommended as alternates (non-voting):

Susan Pfahl has lived in Tigard for 30 years and is an instructor and artist. She has a Bachelor of Business Administration and a Master of International Management. This is her second term on the TTAC.

George Brandt has lived in Tigard for 3 years, and has been in the area for 20 years. His family has a long history in the Tigard area. He commutes to Hillsboro for work, and lives with his wife whose family also has a long history in Tigard, and their 6-year old son. George is interested in improving the trails, connecting parks, and improving transit options.

AIS-2940

6.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 5 Minutes

Agenda Title: Contract Award - City Attorney Services

Prepared For: Joseph Barrett

Submitted By: Joseph Barrett, Finance and Information Services

Item Type: Motion Requested **Meeting Type:** Local
Contract
Review
Board

Public Hearing No

Newspaper Legal Ad Required?:

Public Hearing Publication

Date in Newspaper:

Information

ISSUE

Shall the Local Contract Review Board award a contract for city attorney services to Jordan Ramis PC?

STAFF RECOMMENDATION / ACTION REQUEST

Staff recommends the Local Contract Review Board award a contract for city attorney services to Jordan Ramis PC for one year with four additional one-year options and authorize the City Manager to fully execute the contract.

KEY FACTS AND INFORMATION SUMMARY

The City contracts for legal representation as authorized by City Council. The City Attorney shall be responsible for:

1. Legal aspects of general administration of City business, including preparing and providing legal opinions, assist with establishment of correct procedures, drafting and reviewing ordinances, resolutions, contracts, orders, agreements, and other legal documents, and related tasks needed to support City personnel, Mayor, Council, and City Manager.
2. Providing sound legal direction on all forms of City business, including but not limited to, the following:
3. Public Financing (excluding bond counsel)
 - Land Use Law
 - Local Budget Law

- Codification of Ordinances
 - Election Laws
 - Open Meeting Laws
 - Public Record Laws
 - Public Contracting
 - Annexation Law
 - Public/Private Partnerships
 - Oregon Revised Statutes
 - Public Meeting Law
 - General Business Law
3. Training of contractor's non-legal personnel in the performance of legally related tasks in order to reduce legal expenses.
 4. Regular attendance at City Council meetings and attendance at other municipal meetings on request.
 5. Represent the City during litigation.
 6. Review City Council packets and provide advice prior to meetings. Review Planning Commission packets when requested and provide timely advice prior to meetings.
 7. Notify City of changes in state and federal laws that require changes in city codes, ordinances, regulations or policies to remain in compliance with applicable laws.

Legal activities such as complex litigation and special project assignments which fall outside of the above categories, and which would include costs exceeding the projections of the city's budget for city attorney services, shall be authorized by the City Council. The City Attorney and the City Manager will regularly review the level of expenditures on city attorney services and will prioritize projects in order to stay within budgeted amounts..

The City issued a Request for Proposals (RFP) for City Attorney Services on September 23, 2016. Notices for the RFP appeared in the Daily Journal of Commerce and all known interested parties and vendors were notified. Responses to the RFP were due on October 18th. Four qualified firms responded:

- Jordan Ramis PC
- Beery Elsner & Hammond LLP
- Schroeder Law Offices, PC
- Tomasi Salyer Martin

The City Council interviewed two firms after a review of the proposals, Jordan Ramis PC and Beery Elsner & Hammond LLP. At the conclusion of the interviews the City Council selected to retain the Jordan Ramis firm which currently provides City Attorney services. The proposed contract will be for one year with four additional one-year options. The total life of the contract shall not exceed five years. The average spend over the past five fiscal years has been \$237,000 with a high of \$273,500 in fiscal year 2011-2012. As such, staff is estimating the possible five year contract would amount to roughly \$1,200,000. Shelby Rihala will serve as the lead city attorney.

A draft copy of the proposed contract will be available for review by the City Council prior to

the December 20th meeting.

OTHER ALTERNATIVES

The Local Contract Review Board may reject all proposals and direct staff to resolicit for the services.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

DATES OF PREVIOUS COUNCIL CONSIDERATION

The City Council, here acting as the Local Contract Review Board, previously discussed this contract at their December 6, 2016 Executive Session.

Fiscal Impact

Cost: \$1,200,000

Budgeted (yes or no): Yes

Where budgeted?: Multiple

Additional Fiscal Notes:

Staff is estimated a possible five year cost (the total possible life of the contract) for the services at \$1,200,000 based on the previous five year spend. The average annual spend would be an estimated \$240,000 and is budgeted in many different funds and divisions in the annual budget. The hourly rates for the first year are as follows:

Shelby Rihala - \$230

Tim Ramis - \$230

Dan Olsen - \$230

Peter Mohr - \$250

Jacob Zahniser - \$250

David Rabbino - \$275

Paralegals - \$190

Attachments

No file(s) attached.

AIS-2862

7.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 40 Minutes

Agenda Title: Receive Update on Tigard's Affordable Housing Program

Submitted By: Hannah Holloway, Community Development

Item Type: Update, Discussion, Direct Staff

Meeting Type: Council Workshop Mtg.

Public Hearing: No

Publication Date:

Information

ISSUE

Review Tigard's 2002 Affordable Housing Program, the twelve housing strategies it included, and how those strategies have affected Tigard's housing landscape in the nearly 15 years since they were implemented.

STAFF RECOMMENDATION / ACTION REQUEST

This briefing is accompanied by a report on the status of Tigard's 2002 Affordable Housing Program in 2016. The sections of that report entitled "Additional Housing Strategies" and "Housing Strategies In-Review" detail actions that the City of Tigard undertook to encourage affordable housing development in the city.

KEY FACTS AND INFORMATION SUMMARY

Background on Affordable Housing Program

In September of 2002, the City of Tigard published its Affordable Housing Program report, which announced a platform of 12 budgetary items, sub-programs, code amendments, and City actions that, when combined, would robustly support and encourage affordable housing development. The 12 items that comprised the report were approved by City Council.

Overview of Housing Strategies

The twelve strategies were:

- A streamlined development review process
- Reduced parking requirements for affordable housing projects
- Allowance of Accessory Dwelling Units in City code
- A tax exemption for affordable housing properties
- A budget set-aside to reduce development fees
- Sale or donation of City-owned land for housing
- Financial support for the Good Neighbor Center

- Pursue grants for public improvements in low-income neighborhoods
- Establishment of the Housing Inspection Program
- Housing Emergency Fund
- Enhanced Safety Properties Program
- Membership in Housing Advocacy Groups

2002 Housing Strategies: A 2016 Review

As of the fall of 2016, seven of those strategies remain in place: reduced parking requirements, allowance of accessory dwelling units, the tax exemption, grant funding awards, financial support for the Good Neighbor Center, the Housing Inspection Program, and membership in advocacy groups. However, a close analysis of each strategy's efficacy revealed that just three of the programs have accomplished their intended goals: the tax exemption, grant awards for public improvements, and financial support for the Good Neighbor Center.

Promising Housing Tools

In 1997, Metro estimated that Tigard would need to add 3,205 new units of affordable housing by 2017 to meet the needs of households earning 50% AMI or less. In 2015, Metro inventoried Tigard's housing stock and found merely 705 units of affordable housing across the city. New housing construction has not kept pace with demand. This, in addition to the 2002 program's checkered record of results, suggests that the City of Tigard reconsider its methods for encouraging affordable housing development. Tools that would help Tigard to recommit to equitable housing opportunities include:

- System Development Charge Accommodations
- Increased Noticing Periods for No Cause Evictions
- Limits on Rent Increases
- Construction Excise Taxes
- Inclusionary Zoning
- Land Leases
- Gap Funding Programs
- Emergency Rent Assistance
- Parking Reductions
- Liberal EDU standards

OTHER ALTERNATIVES

N/A

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

DATES OF PREVIOUS COUNCIL CONSIDERATION

October 2012: Staff briefed City Council on the status of the Goal 10 Population and Housing Review.

April 2013: Staff and consultants briefed City Council on the status of Goal 10 Population and Housing.

May 2013: Public hearing to consider Comprehensive Plan Amendment and Development Code Amendment to adopt Goal 10 Population and Housing Review.

September 2016: Staff briefed Council on the City's role in addressing homelessness.

November 2016: Council continued the discussion on the City's role in addressing homelessness and considered the creation of a homelessness task force.

Attachments

Affordable Housing Strategies

Housing Report

Tigard Affordable Housing Strategies

2002- 2016



Table of Contents

Introduction	2
Regional and Local Housing Context, 2002-2016	3
Affordable Housing Determinations	5
Affordable Housing Program Report	8
Streamlined Development Review Process	8
Accessory Dwelling Units	9
Parking Requirements	14
Budget Set-Aside to Offset Fees for Affordable Housing Developers	16
Property Tax Exemption	17
Support for Sale or Donation	20
Financial Support for the Good Neighbor Center	21
Identify and Pursue Grants for Public Improvements	21
Housing Maintenance Programs	23
Membership in the County-Wide Housing Advocacy Group	24
Affordable Housing Program Report Review	25
Additional Housing Strategies	28
Strategy Opportunities Review	33
Conclusions	34

Introduction

Safe and secure housing is one of the few essential human needs. It provides the stability individuals need to lead healthy and productive lives. Yet in the Portland metropolitan housing market, it is also one of the hardest necessities to secure. The side effects of stagnant housing construction, stagnant wages for middle and low-income earners, and mass in-migration are most keenly felt by the region's vulnerable residents.

The City of Tigard has a duty to meet the diverse housing needs of all who call the city home. Subject to Oregon's Statewide Planning Goal 10, Tigard must "provide for the housing needs of the citizens of the state." Periodically, the City evaluates its progress in meeting Goal 10, and identifies strategies to further housing opportunities for its residents. To understand Tigard's track record on affordable housing, one must revisit the City's 2002 Affordable Housing Program. To date, the Affordable Housing Program constitutes the most thorough platform of housing strategies to which Tigard has committed.

However, in the nearly 15 years since their announcement, the program strategies have not evolved.

While the City's affordable housing actions are largely the same as they were in 2002, local trends and needs have shifted dramatically. Still, the Affordable



New housing construction in Tigard

Housing Program is held up as an example of Tigard's successful support for housing. But is it enough to address the modern housing environment?

The study reveals that few of the policy, budgetary, and program commitments are still in place in 2016. Tigard has retired the majority of its prior affordable housing strategies. This leaves an incomplete patchwork of housing tactics, and thus an incomplete response to local housing needs.

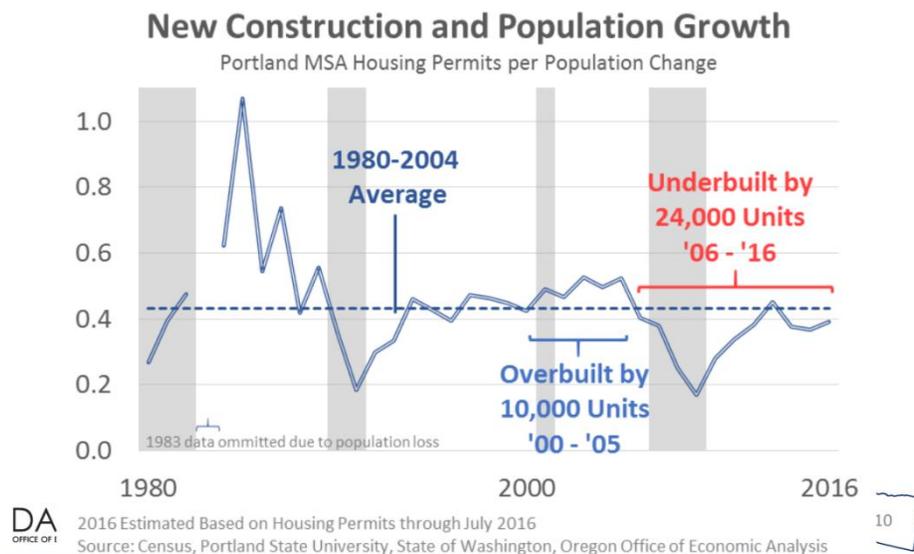
This report will evaluate each of the program's twelve action items. It will provide an understanding of how the strategies have changed since 2002, and the net effect each has had on the housing landscape in Tigard. The remainder of the report will offer suggestions for how the City can recommit to a robust, equitable housing environment for all Tigard residents.

Regional and Local Housing Context, 2002-2016

In 2015, Tigard’s population reached 51,253¹-- a nearly 25% increase from Tigard’s population in 2000. New residents are moving to Tigard for its unique suburban amenities and distinct quality of life. Suburban development patterns have historically dominated Tigard’s housing environment. While low-density, single-family homes are the lineage of Tigard, there remains a need to respond to the evolving housing needs of the city’s new and future residents.

Over the nearly 15 years since the Affordable Housing Program report publication, regional housing trends have changed. New housing construction stalled during the economic downturn, yet the Portland metro area experienced unforeseen population growth. The in-migration that started during the Recession and continues now in 2016 has put intense pressure on the rental housing market. The disparity between demand and stagnant housing supply had led to skyrocketing housing costs across the region.

The Portland metropolitan area added 40,621 new people between July 2014 and July 2015, or 111 new people per day². That is a 19% increase from the 2013-2014 growth rate.



Source: Lehner, Josh. “Oregon’s Economic and Housing Outlook.” Oregon Department of Economic Analysis, 4 November 2016. <https://housinglandadvocates.files.wordpress.com/2016/09/oregons-economic-housing-outlook-lehner.pdf>

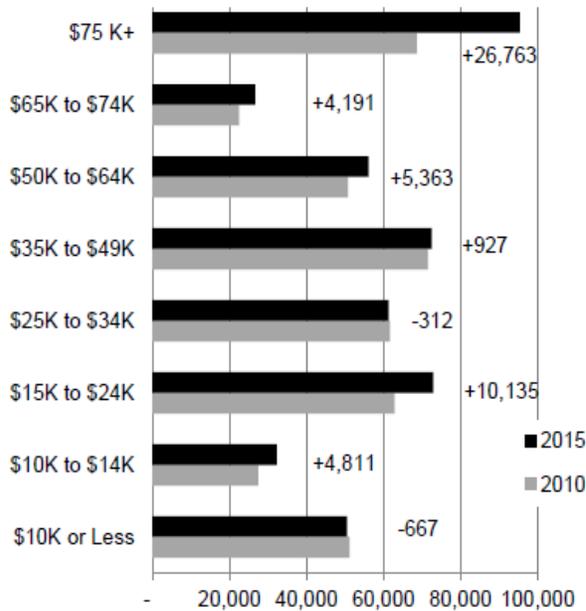
As young families, people from out of state, and displaced, long-time urban core residents relocated to Tigard, the rental vacancy rate plummeted. It dropped from 6.9% of all units in 2000 to 3.9% in 2014³, contributing to the region’s dire vacancy rate—one of the lowest in the country⁴.

¹ “City of Tigard Census Community Facts.” *United States Census Bureau*, http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk. Accessed 21 November 2016.

² Beebe, Craig. “Portland region nears 2.4 million residents, growing by 41,000 last year.” *Metro News*, 23 March 2016, <http://www.oregonmetro.gov/news/portland-region-nears-24-million-residents-growing-41000-last-year>. Accessed 21 November 2016.

Employment by Earning Level

City of Portland - 2015 & 2010



Of the 51,000 new jobs created in the city of Portland since 2010, half of them earned \$75,000 or more. Meanwhile almost no newly created jobs paid between \$25,000 and \$50,000.

Source: Portland Economic Indicators, full citation below

The local economy rebounded and wages increased for those already in resilient income brackets. Nearly none of the jobs created between 2010 and 2015 paid between \$25,000 and \$50,000, while half of the all new positions paid \$75,000 or more⁵. In Tigard, the poverty rate reached 10.6% in 2014, up from 6.6%⁶.

When considered in aggregate, population growth was met with more jobs and a stronger regional economy. However, the gains are concentrated in stable, high-income segments of the population. The region's most vulnerable residents have experienced stagnant or decreasing wages and an increase in the cost of living.

Given the fierce housing market and austere demographic indicators, it is essential to revisit the City of Tigard's Affordable Housing Program. Did the strategies successfully address the new and intensifying housing needs? How can Tigard better respond to the economic diversity of its community? And, what lessons can the City take from its neighboring jurisdictions?

The following report is a response to those questions. It will provide an overview of the Affordable Housing Program report, detail the successes and shortcomings of its policies, and identify opportunities Tigard can pursue to bolster support for a thriving, equitable housing community in the city.

³ "City of Tigard Selected Housing Characteristics." United States Census Bureau, <http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>. Accessed 21 November 2016.

⁴ Cordell, Kasey. "Rental Market Madness." *Portland Monthly*, 22 March 2013.

⁵ Kaylor, Christian. "Portland Economic Indicators October 2016." *Quality Info*, October 2016. <https://www.qualityinfo.org/documents/10182/96541/Portland+Economic+Indicators?version=1.9>. Accessed 21 November 2016.

⁶ "City of Tigard Census Community Facts." *United States Census Bureau*, http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk. Accessed 21 November 2016.

Affordable Housing Determinations

The term “affordable housing” has many definitions that vary by agency determinations, public program, and target demographics. For the purposes of this report, “affordable housing” refers to rent or mortgage and utility expenses that cost households no more than 30% of their gross income.

FY 2016 Income Limits Summary

FY 2016 Income Limit Area	Median Income Explanation	FY 2016 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Washington County	\$73,300	Very Low (50%) Income Limits (\$) Explanation	25,700	29,350	33,000	36,650	39,600	42,550	45,450	48,400
		Extremely Low Income Limits (\$)* Explanation	15,400	17,600	20,160	24,300	28,440	32,580	36,730	40,890
		Low (80%) Income Limits (\$) Explanation	41,100	46,950	52,800	58,650	63,350	68,050	72,750	77,450

Source: HUD FY 16 Income Limits Documentation System

Area Median Income is a term that refers to average household earnings as reported by the American Community Survey. It differs by geographic area, and is used to determine affordability thresholds. The median household income in Tigard is \$60,849⁷. Commonly, regulated affordable units are those that are available to people making 60% of the area median income (AMI) or below, that will cost no more than 30% of occupants’ incomes.

Applying these thresholds, Washington County households at exactly 60% AMI, or a \$36,507 in gross annual income, should pay no more than \$912 a month for rent and utilities. In 2014, median rent was \$959 in Tigard⁸. Households at 60% AMI that pay \$959 for rent are using more than 30% of their income for housing. The cost burden worsens for households below 60% .AMI.

⁷ “City of Tigard Census Community Facts.” *United States Census Bureau*, http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk. Accessed 21 November 2016.

⁸ “City of Tigard Selected Housing Characteristics.” *United States Census Bureau*, <http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>. Accessed 21 November 2016.

TABLE 3: REGULATED AFFORDABLE HOUSING BY JURISDICTION IN FOUR-COUNTY AREA (2015)

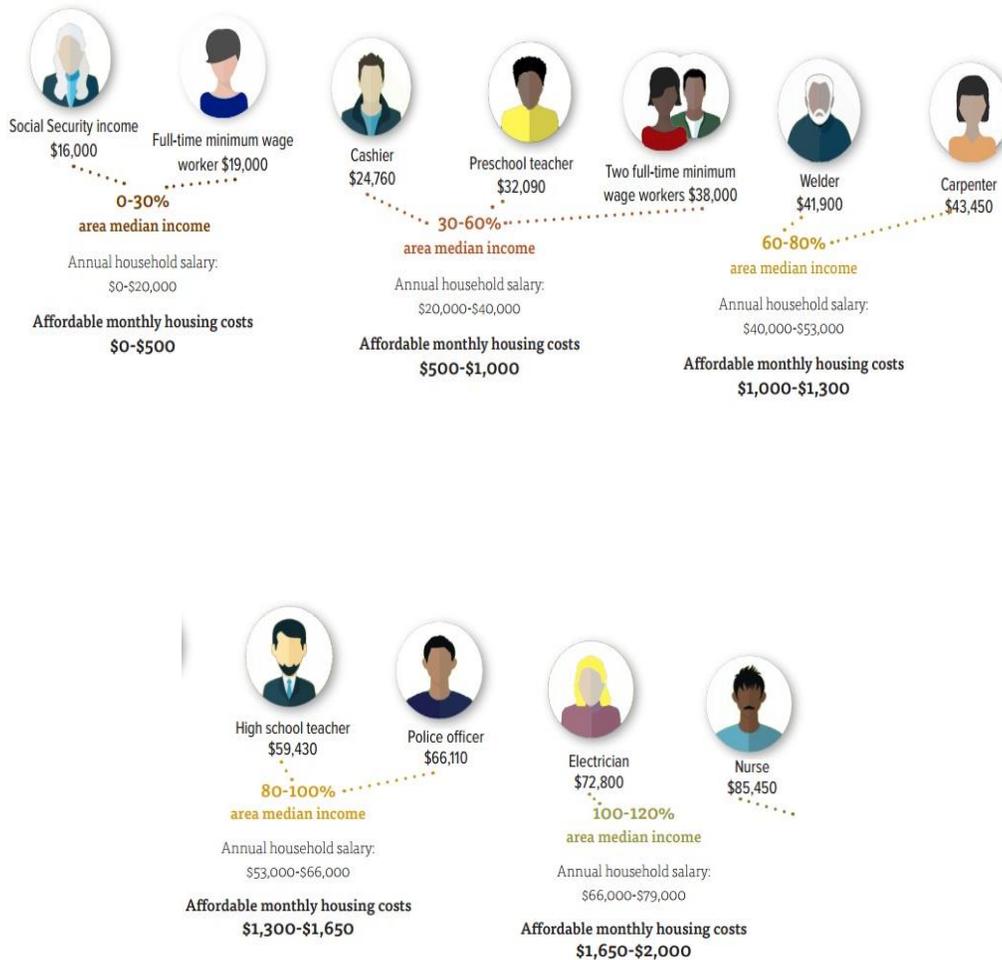
COUNTY/City	Number of sites with at least one regulated affordable unit	Total units (unregulated and regulated) in these sites	Unregulated units	Regulated units	Share of regulated units in four-county area
CLACKAMAS	290	4,104	166	3,937	18.6%
Canby	8	343	2	341	0.5%
Estacada	9	143	1	142	0.6%
Gladstone	18	66	-	66	1.2%
Lake Oswego	3	201	-	201	0.2%
Milwaukie	35	369	-	369	2.2%
Molalla	9	167	2	165	0.6%
Oregon City	36	553	1	552	2.3%
Sandy	18	319	1	318	1.2%
West Linn	10	14	-	14	0.6%
Wilsonville	14	548	4	544	0.9%
Unincorporated	130	1,381	155	1,225	8.3%
CLARK	156	6,127	1,033	5,094	9.9%
Battle Ground	3	106	22	84	0.2%
Camas	5	120	53	67	0.3%
Ridgefield	3	10	-	10	0.2%
Vancouver	97	3,953	598	3,355	6.2%
Washougal	3	122	2	120	0.2%
Unincorporated	45	1,816	358	1,458	2.8%
MULTNOMAH	837	27,256	2,294	24,989	53.7%
Fairview	3	525	1	524	0.2%
Gresham	49	2,236	27	2,207	3.1%
Portland	782	24,063	2,265	21,827	50.1%
Troutdale	3	432	1	431	0.2%
WASHINGTON	278	7,436	129	7,307	17.8%
Banks	1	1	-	1	0.1%
Beaverton	36	683	13	670	2.3%
Cornelius	13	40	4	36	0.8%
Durham	1	210	-	210	0.1%
Forest Grove	35	663	11	652	2.2%
Hillsboro	76	2,346	9	2,337	4.9%
North Plains	1	33	-	33	0.1%
Portland	2	82	-	82	0.1%
Sherwood	8	125	1	124	0.5%
Tigard	18	705	10	695	1.2%
Tualatin	3	604	-	604	0.2%
Unincorporated	84	1,944	81	1,863	5.4%
Grand Total	1,561	44,923	3,622	41,327	100%

Source: Regional Inventory of Affordable Housing. Oregon Metro, 2015.

Shortly before the City published the Affordable Housing Program report, Metro estimated that Tigard would need to add 3,205 new units by 2017 to meet the needs of households earning 50% AMI or less. In 2013, Angelo Planning projected Tigard’s housing needs through 2030. It found that Tigard will need to add 1,560 rental units in the next 13 years. As of 2015, there were 705 units of affordable housing in Tigard total, 2,500 units short of the 1997 recommendation and 855 units short of the 2013 recommendation.

As of the 2014 American Community Survey, 33.4% of Tigard households earned less than \$35,000⁹, making them eligible for housing reserved for households at 60% AMI or below. The survey also revealed that 51.4% of Tigard renters pay more than 30% of gross household income on housing costs. With a significant percentage of Tigard residents at 60% AMI or below, a majority of Tigard renters experiencing housing-related cost burdens, and construction of new affordable units well below demand, there is fierce competition for affordable housing in Tigard.

CONNECTING STRATEGY TO THE NEEDS OF RESIDENTS



Source: Connecting Strategy to the Needs of Residents, PDF, Oregon Metro

⁹ Selected Economic Characteristics. *US Census American Fact Finder*, 2010-2014 American Community Survey 5-Year Estimates. <http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

The Affordable Housing Program Report

The Affordable Housing Program report, released in September of 2002, was created to address the disparity between housing needs and the market's tendency to underprovide affordable housing. The program was, in part, a response to the City Council goal to, "consider ways to support the provision of affordable housing." It identified a platform of existing, past, and possible actions that Tigard could utilize to address diverse housing needs. The City of Tigard is limited in the ways by which it can meet the residents' housing needs. However, it can use powerful tools like the Tigard Community Development Code (TCDC) to capitalize on the City's ability to facilitate housing for the 33% of residents that are cost-burdened. The following section will review each of the 12 program elements and its effect on affordable housing in Tigard.

Streamlined Development Review Process

Barrier

Inconsistent and vague standards in the Tigard Community Development Code (TCDC) lead to delays in the project approval process. Development standards with subjective interpretations mean members of Tigard's planning staff are applying different approval criteria. It takes longer to review a development application if standards are ambiguous. The additional time it takes for project approval leads to increased fees for developers, who are accruing interest on borrowed project funds while staff review their planning applications. All of the project costs incurred by housing developers are eventually passed on to future occupants in the form of higher rent. In this way, longer application periods affect affordability.

2002 Response

In 1998, Community Development staff updated the TCDC to revise vague development standards and project approval criteria. In a year-long effort, the City edited the TCDC to create clear, objective, and "user-friendly" standards. The streamlined development review process reduced delays and minimized the amount that developers accrued in interest.

Effect

Individuals with the Community Housing Fund (CHF) and Community Partners for Affordable Housing (CPAH) noted that projects built during the 2000s received an expedited approval process, but attributed this to the decline of development during the recession rather than to streamlined and user-friendly development standards. Staff expressed frustration with the PDR process, which is currently costing CPAH several thousand dollars, but did not point to any specific standards that commonly delayed their projects.

To ensure a clear and objective development code, planning staff regularly amend unnecessary, subjective, or conflicting standards. In 2009 and 2015, there were thorough code amendments, called Omnibus updates. There have been sweeping code amendments, called Omnibus Updates, in 2009 and 2015. In 2016, planning staff began another extensive update of the development code.

The frequent housekeeping updates indicate that the 1998 TCDC revisions did not perfectly achieve their goal. Planning staff still make determinations based upon inexplicit development standards.

The current Omnibus update will address redundant or unclear standards. In light of the recurring code amendments, the 1998 “user-friendly” update was an important action—as all of the updates have been—but did not perfectly streamline the code.

Opportunities

The 2013 Goal 10 Housing Strategies Report noted that Tigard development standards for certain needed housing types conflicts with OR 197,307, which states:

(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of needed housing on buildable land described in subsection (3) of this section. The standards, conditions and procedures may not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

Currently, residential development other than single-family detached units must undergo a Site Development Review (SDR) process. SDR approval criteria are not subject to the state statute requiring clear and objective standards—a fact which could lead to “an unreasonable cost for delay.” The report suggests that SDR approval criteria should be reviewed to ensure clear and objective standards, or to exempt needed housing types such as accessory dwelling units and duplexes from standards that are not clear or objective. At the time of publication, City staff have not yet undertaken this update to SDR review procedures.

Accessory Dwelling Units

Barrier

Over 10,000 Americans reach the age of 65 every day¹⁰. This trend will continue until the youngest in the Baby Boom generation reach retirement in 2030. Of the total group projected to enter retirement over the next 14 years, 35% are expected to rely on Social Security as their sole source of income¹¹. Nearly two-thirds of the older American population is projected to spend significantly more than 30% of their fixed incomes on housing¹². The increased demand on local and federal services is referred to by some as the “silver tsunami”. The shifting housing needs and economic security of Baby Boomers will place new demand on alternative housing types. This generational shift will mean a significant relocation from sprawling suburbs to smaller housing types in dense, walkable neighborhoods.

Over the same timeframe, millennials will reach the age at which previous generations started to buy their first homes. However, millennials are not projected to follow the same homeownership trends. Debt from student loans averages nearly \$30,000 a person¹³. Nearly 40% of millennials have not started

¹⁰ “The Silver Tsunami: Hard facts facing the aging baby boomer population.” *NW Pilot Project*, <http://www.nwpilotproject.org/images/pageImages/nwpp%20silver%20tsunami.pdf>

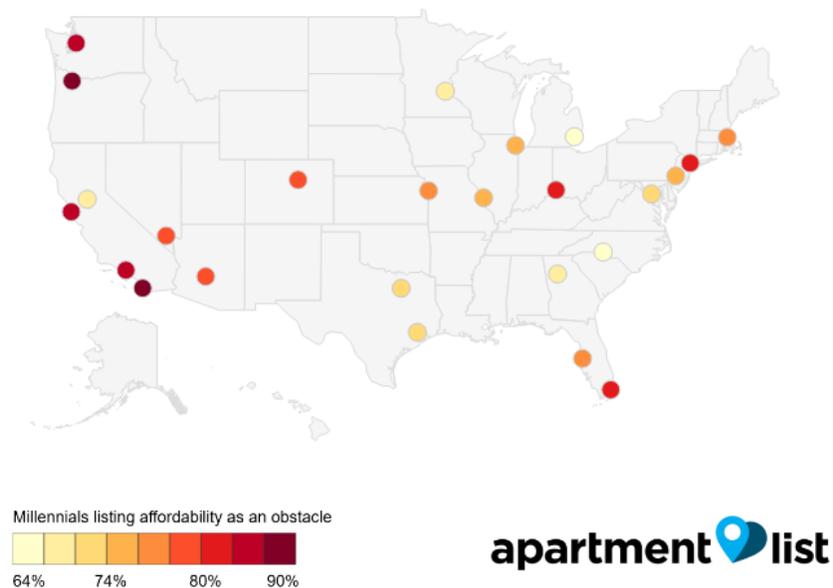
¹¹ “The Silver Tsunami: Hard facts facing the aging baby boomer population.” *NW Pilot Project*, <http://www.nwpilotproject.org/images/pageImages/nwpp%20silver%20tsunami.pdf>

¹² “The Silver Tsunami: Hard facts facing the aging baby boomer population.” *NW Pilot Project*, <http://www.nwpilotproject.org/images/pageImages/nwpp%20silver%20tsunami.pdf>

¹³ Woo, Andrew. “The Affordability Crisis: What Happens When Millennials Can’t Afford to Buy Homes?” *Apartment List*, 13 April 2016. <https://www.apartmentlist.com/rentonomics/millennials-and-homeownership-2016/> Accessed 22 November 2016.

saving for their down payments¹⁴. Millennials that have saved money have, on average, \$5,830 set aside—a small fraction of the down payment costs for even a modest home.

A recent survey conducted by Apartment List found that 90% of millennials in the Portland metropolitan area listed affordability concerns as the primary reason that they have delayed homeownership. This rate puts Portland first among all other polled metropolitan areas in the number of millennials who delayed home purchases because of affordability¹⁵. These economic realities will cause millennials to remain in the rental market longer than previous generations. In the Portland region, rising housing costs and a shortage of housing in the urban core will lead millennials to make uncharacteristic housing choices, including relocating to well planned, mixed-use areas of suburban communities.



Source: Apartment List, “The Affordability Crisis: What Happens When Millennials Can’t Afford to Buy Homes?”

To fill the gap between existing rental units and future demand, cities will need to reconsider previously restricted housing types: duplexes, townhouses, cottage clusters, micro apartments, and accessory dwelling units, particularly in walkable and transit accessible areas.

2002 Response

The code defines ADUs as “one or more rooms with a private bath and kitchen facilities comprising an independent, self-contained dwelling unit within or attached to a single-family dwelling.” In 1998, staff updated city code to allow attached accessory dwelling units (ADUs) in the city’s single-family neighborhoods. For approval, proposed units must share a common wall with the primary residence, be no more than 800 square feet, and create an additional off-street parking space.

¹⁴ Woo, Andrew. “The Affordability Crisis: What Happens When Millennials Can’t Afford to Buy Homes?” *Apartment List*, 13 April 2016. <https://www.apartmentlist.com/rentonomics/millennials-and-homeownership-2016/> Accessed 22 November 2016.

¹⁵ Woo, Andrew. “The Affordability Crisis: What Happens When Millennials Can’t Afford to Buy Homes?” *Apartment List*, 13 April 2016. <https://www.apartmentlist.com/rentonomics/millennials-and-homeownership-2016/> Accessed 22 November 2016.

Effect

The strict development standards were written to ensure neighborhood compatibility, but effectively limit ADU development. There have been 17 approved ADUs in the past eight years. Well considered ADU standards can prompt homeowners to contribute to the City's need for new housing by building in backyards. However, as they are currently written, Tigard's ADU standards preserve low-density, auto-oriented, single family neighborhoods at the expense of diverse housing options. Aside from a noticeable increase in 2015 caused by one developer, approved permits for accessory units are modest.

Approved Accessory Residential Unit Permits in Tigard

2009	2010	2011	2012	2013	2014	2015	2016*
1	2	0	2	1	2	8	1

* Rate reflects Jan-Oct 2016 permits

Opportunities

The table on the next page is a collection of ADU standards from neighboring and leading Oregon cities. Most of the listed cities restrict square footage as Tigard does. Notably, Portland and Bend—known for their liberal ADU policies and strong ADU numbers—have loosened their parking requirements and occupancy restrictions.

CITY OR COUNTY	TYPES OF STRUCTURES	SIZE LIMITATION	PARKING REQUIREMENTS	ENTRANCE STANDARDS	OCCUPANCY RESTRICTIONS	OTHER STANDARDS
Tigard	Must be within or attached to a primary dwelling.	May not exceed 50% of the size of the primary unit, up to a maximum of 800 square feet;	One parking space shall be provided for the accessory residential unit. This parking space shall be paved and/or covered;	The door to the ADU cannot open onto the front façade.	Either the primary or accessory residential unit must be owner-occupied;	Garage may not be converted to an ADU unless it is replaced.
Beaverton		The proposed ADU shall be no more than fifty percent (50%) of the gross floor area of the primary detached dwelling or 800 square feet, whichever is less.	One off street parking space must be provided.	The entrance to the ADU may not face the front property line.	Either the primary or accessory dwelling units shall be occupied by the property owner at any time the accessory dwelling unit is occupied	The primary dwelling shall be at least two-stories when the accessory dwelling unit is to be provided over a garage.
Tualatin	Must be within a detached single-family dwelling or be an addition to the primary dwelling.	An ADU shall not exceed 50% of the gross floor area (house and garage) of the existing detached single-family dwelling up to a maximum of 800 square feet.	One paved onsite parking space shall be provided for the ADU.	ADU front door shall not be located on the same street frontage as the primary dwelling's front door.		
Bend	Attached, separate structure, or above detached garage	Maximum 600 sq. ft. on a lot less than 6,000 sq. ft. Maximum 800 sq. ft. on a lot greater than 6,000 sq. ft.	One off-street parking space required. May be in a "tandem" arrangement with other required parking.	none	none	Overall floor-area ratio on lot no greater than .55. Height no greater than 25 feet or height of primary residence, whichever is less.
Portland	Converting existing living area. Finishing an existing basement or attic. Building a new structure Making an addition to an existing structure. Some existing attached or detached garages can be converted into an ADU.	The ADU may be no more than 75% of the total living area of the house or a maximum of 800 square feet, whichever is less.	Additional parking is not required for an ADU. However, if parking is required for the existing dwelling unit, that parking must either be retained, or if eliminated in the creation of the ADU, replaced.	Only one entrance can be located on the facade facing a street.	NONE	Building coverage smaller than SFR and no more than 15% of lot. Detached ADUs set back 60 feet from street or 6 feet behind main SFR

Accessory dwelling standards are slated for revision in the Omnibus code update. The change will expand allowed ADU types, such as permitting detached units. In addition, city staff should consider changes to standards for duplexes, triplexes, fourplexes, townhomes, and cottage clusters.

As per the TCDC, duplexes are permitted in high density zones. However, they are not permitted in R-1 and R-2 zones, and are conditional in R-3.5 and R4.5—zones that typically accommodate single family housing. The regulatory barrier to siting duplexes in typical single family zones is not in line with Fair Housing laws. Future updates should permit housing solutions like duplexes and ADUs in all residential zones.

Below is a table with further recommendations for how city codes can robustly support ADU development, taken from the “Character Compatible, Space-Efficient Housing Options for Single Dwelling Neighborhoods” report.

Provision Type	Supportive Codes	Limiting Codes
Use	<ul style="list-style-type: none"> Rental and occupancy standards for both primary unit and ADU match what is allowed in single-dwelling zones Allow one “household” per unit 	<ul style="list-style-type: none"> Owner-occupancy requirement for one of the dwellings Limit use as short-term rentals Allow one “household” for the entire property (primary house + ADU) ADU residents must be family members of primary home’s household
Eligible Properties	<ul style="list-style-type: none"> Allow on any residentially-zoned lot with a house or a duplex Low lot size minimums (e.g., 4,000 sf or less) for a property to be ADU-eligible 	<ul style="list-style-type: none"> Only allow in some single-dwelling zones or only allow in duplex or multi-dwelling zones Only allow in overlay zones or specific geographic areas Large lot size minimums (e.g., 6,100 sf or more)
Size	<ul style="list-style-type: none"> Allow a flexible range of ADU sizes, e.g., ranging from small, micro-ADUs of 160 sf (Novato, CA) to detached ADUs up to 80% FAR of the main house (Portland, OR) Allow 1.5-2 story ADUs If the code allows garages in side or rear setbacks, allow small, 1-story ADUs there too 	<ul style="list-style-type: none"> Cap ADUs at very small sizes, e.g., ADU limited to 600 sf (Durham, OR) Cap ADU height at 1 story
Form	<ul style="list-style-type: none"> Allow attached and detached options Allow up to two ADUs per lot, one internal and one detached 	<ul style="list-style-type: none"> Only allow attached ADUs in single-dwelling zones
Parking	<ul style="list-style-type: none"> Require no on-site parking beyond what’s required for the primary house Waive on-site parking requirement for ADU if site is near transit 	<ul style="list-style-type: none"> Require one or more additional on-site parking spaces per ADU
Design Compatibility	<ul style="list-style-type: none"> Require design compatibility with the primary house only for new ADUs over 1-story tall 	<ul style="list-style-type: none"> Require ADU’s design to match primary residence in all cases, including one-story units (commonly specified items include roof pitch, siding, trim, windows, eaves, and others)
Approval/ Process	<ul style="list-style-type: none"> Allow by right 	<ul style="list-style-type: none"> Require conditional use permit or other discretionary review process
Fees	<ul style="list-style-type: none"> Waive or reduce development impact fees Scale impact fees based on reduced size 	<ul style="list-style-type: none"> Charge the same development impact fees as for larger single-dwelling homes
Standard Provisions	<ul style="list-style-type: none"> Locate ADUs behind the main house and/or set back a certain distance from the front property line (often 40 to 50 feet) Limit homes with internal ADUs to one street-facing entry door 	

Source: ODOT, DLCD, and DEQ. “Character Compatible, Space-Efficient Housing Options for Single Dwelling Neighborhoods”

Parking Requirements

Barrier

Parking construction is one of the costliest project elements for new development. High minimum parking standards lead to greater total development costs, which dictate the price that housing operators must charge future occupants. Large parking minimums affect future affordability.

Off-street parking minimums are the most expensive zoning regulation that the City enforces. The structural engineering firm Carl Walker projects that 2016 parking construction costs in Portland will average \$19,094 per parking space¹⁶.

In most housing complexes, parking costs are bundled with monthly rent—a certain number of parking spaces are assigned to each housing unit, and the cost for those spaces is included in rent, rather than allowing each household to purchase the amount of parking it needs separately. If parking and housing costs are bundled, requiring a minimum number of spaces for which there may not be demand leads to high construction fees that are absorbed by tenants who do not utilize the service for which they are paying.

Furthermore, populations with low rates of car ownership—seniors, people with special needs, and people with low and extremely-low incomes—require fewer spaces. 12.1% of poor whites, 25% of poor Latinos and 33% of poor African Americans do not have access to a car¹⁷. Yet affordable housing occupants pay for the space when they pay for rent, without an option to opt out.

Since the parking costs that are passed on to occupants will be a smaller percentage of market-rate rent than regulated affordable rent, the externalized parking costs are a regressive cost to those earning lower incomes.

2002 Approach

In 1998, Community Development staff amended the TCDC to allow parking reductions for projects that serve special resident populations, such as affordable housing.

City	Index	Cost/Space	Cost/SF
Atlanta	88.6	\$16,866	\$50.50
Baltimore	93.2	\$17,742	\$53.12
Boston	117.5	\$22,368	\$66.97
Charlotte	83.6	\$15,915	\$47.65
Chicago	117.8	\$22,425	\$67.14
Cleveland	99.3	\$18,903	\$56.59
Denver	92.3	\$17,571	\$52.60
Dallas	85.4	\$16,257	\$48.67
Detroit	102.6	\$19,532	\$58.47
Houston	87.1	\$16,581	\$49.64
Indianapolis	93.0	\$17,704	\$53.00
Kansas City, MO	102.2	\$19,455	\$58.25
Los Angeles	107.7	\$20,502	\$61.38
Miami	87.2	\$16,600	\$49.70
Minneapolis	109.1	\$20,769	\$62.18
Nashville	87.6	\$16,676	\$49.93
New York	131.1	\$24,957	\$74.72
Philadelphia	115.0	\$21,892	\$65.54
Phoenix	88.4	\$16,828	\$50.38
Pittsburgh	102.1	\$19,436	\$58.19
Portland, OR	100.3	\$19,094	\$57.16
Richmond	86.1	\$16,391	\$49.07
St. Louis	102.0	\$19,417	\$58.13
San Diego	105.1	\$20,007	\$59.90
San Francisco	122.5	\$23,320	\$69.82
Seattle	103.0	\$19,608	\$58.70
Washington D.C.	98.5	\$18,751	\$56.14
National Average	100	\$19,037	\$56.99

Source: Carl Walker, *Parking Construction Outlooks 2016*

¹⁶ Carl Walker. "Parking Structure Cost Outlook for 2016." *Carl Walker*, 2016, <http://www.cgswwi.com/carl-walker/wp-content/uploads/2016/06/2016-Carl-Walker-Cost-Article.pdf>. Accessed 22 November 2016.

¹⁷ Policy Link and the Prevention Institute. 2009. *Healthy, Equitable Transportation Policy: Recommendations and Research*. http://www.policylink.org/sites/default/files/HEALTHTRANS_FULLBOOK_FINAL.PDF. Accessed 22 November 2016.

TCDC 18. 360.080 states:

B. Exceptions to parking requirements. The director may grant an exception or reduction to the off-street parking dimensional and minimum number of space requirements in the applicable zoning district based on the following findings:

1. The application is for a use designed for a specific purpose which is intended to be permanent in nature; e.g. senior citizen housing, and which has a demonstrated low demand for off-street parking;

Projects must apply for the exemption on a case-by-case basis. Applicants are eligible for up to a 20% reduction in parking requirements, subject to a Type II review.

Effect

Since the 1998 parking adjustment update, 3 affordable housing projects have received an adjustment: The Village at Washington Square in 2000, Greenburg Oaks in 2005, and The Knoll in 2009.

Multifamily developers that do not receive a parking adjustment are subject to the highest minimum parking standard of any household type. At 1.25 spaces per dwelling unit in multifamily complexes, parking costs total \$23,867 for each one bedroom unit, and increase by the cost of .25 spaces for each additional bedroom. Single family units and duplexes are not subject to the same parking increases for additional bedrooms. The incurred parking costs serve to either reduce the operating capacity of housing providers or increase rents for tenants.

**TABLE 18.765.2
MINIMUM AND MAXIMUM REQUIRED OFF-STREET VEHICLE AND BICYCLE PARKING REQUIREMENTS**
(NA: Not Addressed DU: Dwelling Unit (M): Metro Requirement)

RESIDENTIAL	MINIMUM ^[5]	MAXIMUM ^[1]		
		ZONE A	ZONE B	BICYCLE ^[2]
Household Living				
Single Units, Attached	See Multifamily (M)	none (M)	none (M)	none
Single Units, Detached	1.0/DU	none (M)	none (M)	none
Accessory Units	1.0/DU	none	none	none
Duplexes				none
Multifamily Units	DU<500 sq ft: 1.0/DU (M) 1 bedroom: 1.25/DU (M) 2 bedroom: 1.5/DU (M) 3 bedroom: 1.75/DU (M) ^[7]	none	none	1.0/2 DUs except elderly, which is 1.0/20 DUs

[1] To be determined by the City of Tigard based on Metro criteria.
 [2] Required bicycle parking shall be required per the ratios below except in no case shall there be fewer than two spaces provided.
 [3] Refers to 1,000 sq. ft. of floor area, unless otherwise noted.
 [4] Does not include outpatient clinics or medical offices; see Medical/Dental Offices.
 [5] Please see Section 18.610.060, off-street vehicle parking minimum requirements in the MU-CBD zone.
 [6] Religious institutions may provide 1 space for every 4 seats on site in the main assembly area provided that they supply the city with a parking plan that demonstrates that the peak parking demand of 1 space for every 3 seats is met utilizing any combination of the alternatives mentioned in this chapter. Adjustments to the minimum parking of 1 space for every 3 seats may be granted per applicable provisions of the code, but shall not decrease the amount of required on-site parking to less than 1 space for every 4 seats (unless the cumulative value of all adjustments granted results in an adjusted requirement of less than 1 space for every 4 seats).
 [7] In the MU-CBD zone the minimum parking requirements for all multifamily units is 1.0/DU.
 [8] Fast food designation includes all eating and drinking establishments with a "walk-up counter" or less than 10 tables in the dining area.

Opportunities

Reducing the parking requirements for affordable housing developers can significantly improve a project’s financial feasibility. A parking adjustment has been available to affordable housing developers in Tigard since 1998. However, the case-by-case basis has resulted in few adjustments, and creates an additional step in the project approval process.

A standard in the TCDC Off-Street Parking and Loading Requirements Chapter that explicitly reduces affordable housing parking requirements would ensure that all eligible projects receive the appropriate parking reductions. The City of Tigard’s Senior Transportation Planner recommends a new standard that sets no minimum parking spaces for needed development types, such as affordable housing. A separate

parking standard for affordable housing developers would eliminate a step in the application procedure and further streamline the permitting and approval process.

In November 2016, Portland City Council voted to offer a parking exemption to developers of projects that include affordable housing units. Portland is also preparing to implement an inclusionary zoning program, which will require projects with more than 20 housing units to include units affordable to people at 80% AMI or below. Taken together, these two policies will result in waived parking requirements for any new housing with more than 20 units.

Budget set-aside to offset fees for affordable housing developers

Barrier

System development charges (SDCs) are levied on project developers to cover the need for public infrastructure improvements created by new development. SDCs are collected at the project outset, increasing the funds developers need upfront to get a project off of the ground. SDCs can total over \$1 million, which is a significant portion of overall project costs for affordable housing developers.

2002 Approach

In Fiscal Year 2002, City Council established an Affordable Housing Fee Assistance program to offset the costs of SDCs and permitting fees. Affordable housing providers could apply to receive a portion of the \$10,000 annual set-aside to alleviate development costs. In 2007, the program was amended so Tigard would donate any unallocated funds to the Community Housing Fund (CHF) at the end of each year.

Effect

The full \$10,000 set aside was given to CHF in Fiscal Years 2010 through 2014, indicating that the set aside was not utilized by developers to minimize project costs.

It is important to note that CPAH, a principal affordable housing provider in Washington County, did not develop new housing in Tigard during those years. CPAH did build The Knoll in 2008; the full \$10,000 annual set aside would have accounted for less than 3% of the nearly \$350,000 that CPAH paid for that project. The set aside was defunded in FY '14-'15.

The Affordable Housing Fee Assistance program did not accomplish its original goal to minimize project costs. It was most effective as financial support for CHF.

Tigard Affordable Housing Strategies

<i>Washington County Transportation Development Tax</i>	Non RT	In RT
Single Family Detached (per detached unit, including manufactured housing unit on individual lot)	\$8,278.00	\$8,278.00
Apartment (per unit)	\$5,415.00	\$5,415.00
Condominium/Townhouse (per attached unit, including duplex units)	\$4,951.00	\$4,951.00
Manufactured Housing (per unit in a park)	\$4,142.00	\$4,142.00
Assisted Living (per bed)	\$2,558.00	\$2,558.00
Continuing Care Retirement (per unit)	\$2,587.00	\$2,587.00
Commercial/Industrial - Call Permit Coordinator at 503-718-2426 for estimate.		

<i>Tigard Transportation System Development Charge</i>	Non RT	In RT
Single Family Detached (per detached unit, including manufactured housing unit on individual lot)	\$5,805.00	\$8,489.00
Apartment (per unit)	\$3,386.00	\$4,952.00
Condominium/Townhouse (per attached unit, including duplex units)	\$3,386.00	\$4,952.00

<i>Tigard Parks System Development Charge</i>	Non RT	In RT
Single Family Unit (per detached or attached unit, including manufactured housing on individual lot or in a park)	\$7,178.00	\$7,566.00
Multi-Family Unit (per apartment or condominium unit)	\$5,268.00	\$5,559.00
Commercial/Industrial (per employee) Call Permit Coordinator at 503-718-2426 for estimate.	\$444.00	\$444.00

<i>Sewer Connection - Clean Water Services (CWS)</i>	Non RT	In RT
Residential (per equivalent dwelling unit, including detached, attached duplex, townhouse or apartment units, and manufactured housing on individual lot)	\$5,300.00	\$5,300.00
Commercial/Industrial (per equivalent dwelling unit as determined by total plumbing fixture count)	\$5,300.00	\$5,300.00

Note: Sewer connection fee is calculated based on **plumbing permit** application submittal date.

However, system development charges remain a financial burden for affordable housing developers. Given that the more expensive charges cost \$3,000 to \$5,000 *per unit*, it is likely that the \$10,000 yearly cap on SDC aid was not enough to meaningfully reduce overall costs.

Opportunities

According to a recent survey conducted by the League of Oregon Cities, approximately one-third of Oregon cities that levy SDCs also offered some form of payment accommodation over the past three years¹⁸.



Commuters waiting at Tigard WES station

Tigard should pursue opportunities to offer SDC waivers or reductions for affordable housing. New projects in Tigard's downtown are eligible for a reduction of the transportation SDC if approved by City Council. Tigard should consider extended the same SDC reductions to affordable housing developers across the City.

Property Tax Exemption

Barrier

After development, housing operators must find a way to keep operating costs low enough that rents remain affordable for occupants. Property taxes add a significant amount to yearly operating costs that are transferred to residents as higher rent.

2002 Approach

The Oregon legislature approved a property tax exemption for affordable housing in 1985. The Oregon statute requires that exempt properties are owned or leased by 501c3 or 501c4 organizations, occupied by persons at or below 60% AMI as determined by HUD. Participating local governments must review properties annually to reassess occupant income levels, the benefit to occupants, and proof of the owners' 501c3 or 501c4 status.



The Knoll at Tigard

¹⁸ System Development Charge Survey Data for the 2016 Survey. *League of Oregon Cities*, 2016, <https://data.orcities.org/City-Financial-Data/System-Development-Charge-Survey-Data/nb7c-wkjq/data>.

In 1996, Tigard implemented its Nonprofit Corporation Low Income Housing Tax Exemption program in an effort to lower operating costs for affordable housing providers.

Effect

When Tigard implemented the tax exemption in 1996, few other cities offered the program. With Portland, which created its program in 1985, Tigard was a leader in tax exemption programs for many years.

In 2016, five properties were approved for the tax exemption:

1. Greenburg Oaks
2. The Knoll
3. The Village at Washington Square
4. Hawthorne Villa
5. A single family residence on SW Tangelia Court

Combined, the five properties have 276 units of dedicated affordable housing. For the 2016-2017 tax year, the City of Tigard forewent roughly \$40,000 in property tax revenue from the five properties. Though a relatively small amount for the City, the savings are meaningful for housing operators. The savings allow new development projects to get off of the ground sooner. Organizations like CPAH, which operate on lean budgets, commonly allocate their developer fees to their largest operating expense: staffing costs. Properties approved for the exemption can utilize tax savings for operating costs, and save developer fees for future housing projects, as intended. In that sense, the property tax exemption accelerates the development of new affordable units.

Affordable Housing Tax Exemption Criteria

3.50.020 Nonprofit Corporation Low Income Housing; Exemption; Criteria.

A. Property that meets all of the following criteria shall be exempt from taxation as provided in this section.

1. The property is owned or being purchased by a corporation that is exempt from income taxes under section 501(c) (3) or (4) of the Internal Revenue Code as amended before December 1, 1984.

2. Upon liquidation, the assets of the corporation are required to be applied first in payment of all outstanding obligations, and the balance remaining, in cash and in kind, to be distributed to corporations exempt from taxation and operated exclusively for religious, charitable, scientific, literary or educational purposes or to the State of Oregon.

3. The property is occupied by low income persons.

4. The property or portion of the property receiving the exemption, is actually and exclusively used for the purposes described in section 501(c) (3) or (4) of the Internal Revenue Code as amended before December 1, 1984.

5. The exemption has been approved as provided in section 3.50.050.

B. For the purposes of subsection (1) of this section, a corporation that has only a leasehold interest in property is deemed to be a purchaser of that property if:

1. The corporation is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in this activity on that property; or

2. The rent payable by the corporation has been established to reflect the savings resulting from the exemption from taxation.

C. A partnership shall be treated the same as a corporation to which this section applies if the corporation is:

1. A general partner of the partnership; and

2. Responsible for the day to day operation of the property that is the subject of the exemption. (Ord. 96-34)

3.50.040 Application For Exemption.

A. To qualify for the exemption provided by 3.50.020, the corporation shall file an application for exemption with the governing body for each assessment year the corporation wants the exemption. The application shall be filed on or before March 1 of the assessment year for which the exemption is applied for, except that when the property designated is acquired after March 1 and before July 1, the claim for that year shall be filed within 30 days after the date of acquisition. The application shall include the following information:

1. A description of the property for which the exemption is requested;

2. A description of the charitable purpose of the project and whether all or a portion of the property is being used for that purpose;

3. A certification of income levels of low income occupants;

4. A description of how the tax exemption will benefit project residents; and

5. A declaration that the corporation has been granted an exemption from income taxes under 26 U.S.C. section 501(c) (3) or (4) as amended before December 1, 1984.

B. The applicant shall verify the information in the application by oath or affirmation. (Ord. 96-34)

3.50.050 Determination Of Eligibility For Exemption; Notice To County Assessor.

A. Within 30 days of the filing of an application under 3.50.040, the governing body shall determine whether the applicant qualifies for the exemption under 3.50.020. If the governing

Opportunities

The exemption is one of the few Affordable Housing Program strategies that is still in place in 2016. It remains an important form of city support for affordable housing.

Staff from organizations like CHF and CPAH have noted that the exemption is considered favorably when decided whether to locate new housing in Tigard.

The program is successful. Logistically, however, the approval process is flawed. Updates to the state statute have rendered Tigard's code inconsistent. For example, Tigard Municipal Code 3.50.040 lists the necessary application elements; the section requires that applicants submit proof that certain exemption criteria are met, but does not mention whether it requires proof that the others are also met. To grant an exemption, staff must have proof positive that *all* of the criteria apply to the property. The application instructions do not make this clear, and so applicants can submit all of the materials required as per the application instructions, but staff do not have sufficient information to make decision.

Tigard Municipal Code Chapter 3.50 should be revised for consistency between sections 3.50.020 and 3.50.040.

In addition, updates to this chapter should extend the exemption to undeveloped land held for affordable housing. It can take years to get a development project from planning application to a functioning building. In the meantime, operators pay property taxes on vacant and underdeveloped lots while the project gets off of the ground. The City should make sites of future housing eligible for the exemption. Beaverton and Washington County extend their exemptions to predevelopment lots.

Furthermore, applications should be reviewed through an administrative process. State statute gives participating cities 30 days from the application deadline to review applications. This leaves City Council a narrow window of time in which it must schedule application review time into one of its weekly meetings. The approval process requires reviewers to make relatively simple determinations of whether the project meets criteria; application determinations would be more effectively completed through an administrative process.

Support for Sale or Donation*Barrier*

There is a limited supply undeveloped lots, and those lots are becoming even more rare as the Tigard population increases. Land in amenity-rich areas, where it is advantageous to have affordable housing, is especially expensive. The cost of land is yet another cost that restricts the future affordability of housing.

2002 Approach

The Affordable Housing Program report supported Washington County's practice of selling or donating surplus publicly-owned land to affordable housing developers.

Effect

While the strategy could significantly minimize developer expenses, Tigard has never sold surplus land to affordable housing developers below the market rate. City code has always prohibited the City from

donating land for affordable housing development. Tigard Municipal Code Chapter 3.44 requires that surplus public property is sold to the highest bidder in a public sale process.

Opportunities

As it is written at the time of this report's publication, Tigard Municipal Code still does not allow surplus property to go to affordable housing development. It would be relatively simple to change the ban. In fact, this chapter was amended in 2015 to allow the City to give surplus property to Urban Renewal agencies. In lieu of a code amendment, Tigard could pursue land leases for affordable developers.

Financial Support for Good Neighbor Center

Barrier

When service providers are underfunded, people at imminent risk of homelessness must compete for limited space and limited services at shelters and service centers. Local shelters must serve an expanding number of people experiencing poverty with a diminished capacity.

2002 Approach

The City of Tigard has donated \$15,000 annually to The Good Neighbor homeless shelter since 2002. The center provides housing, meals, a children's program and support services for up to 9 families at a time.

Effect

The Good Neighbor Center frequently uses the Tigard's donation for operating costs. Tigard's funds are one of the center's few sources of undedicated funding, meaning the center is free to utilize the donation as it sees appropriate. Because Tigard does not stipulate that the funds must go to a certain program or target demographic, the center is able to use the donation to pay for unflashy yet essential expenses, like heating bills. The executive director of the Good Neighbor Center noted that the yearly budgeting process is made that much simpler when he can count on Tigard's donation for operating expenses, for which donated funds are typically scarce.

Opportunities

The City of Tigard should continue to support the Good Neighbor Center.

Identify and pursue grants for public improvements

Barrier

The CDBG program is one source from which Tigard can fund neighborhood improvements in underserved areas. The City is responsible for securing grants to fund public improvements, which it typically does with Community Development Block Grant (CDBG) funds.

2002 Approach

The Affordable Housing Program report reaffirmed the City's on-going work to pursue grant opportunities for needed on- and off-site public improvements around affordable housing.

Effect

As budget cuts affect agencies like HUD, funding for programs like CDBG has dwindled. Low income neighborhoods have subsequently received less for infrastructure repairs. Between 2010 and 2013,

Oregon lost \$23 million in CDBG funds to federal budget cuts¹⁹. Still, Tigard secured 8 CDBG grants between 2002 and 2016 that totaled nearly \$1.3 million. The following table shows the grants awarded to Tigard since 2002 for public improvements in low income neighborhoods.

Year	Project	CDBG Award	Matching Funds	Project Description
2002	Bonita Park	\$140,400	\$105,550	Construct and equip a neighborhood park. Improvements include a play structure, seating and picnic areas, open lawn area, and a hard surface basketball court.
2003	Hall St Sidewalk Improvements	\$71,958	\$30,755	Constructed 12,256 square feet of five-foot sidewalks and 1,523 lineal feet of curb on Hall Blvd. between 99W and Spruce St.
2005	Hall St Sidewalk Improvements (Phase II)	\$136,725	\$57,408	Improvements included sidewalks, curbs, retaining wall, wheelchair ramp and driveway apron.
2009	Garrett Street Sidewalks	\$141,790	\$24,770	Design and construction of sidewalks and associated storm drainage facilities on one side of Garrett St to then-current city standards.
2010	The Knoll Infrastructure Improvements	\$425,000	\$183,070	Construction of 552 lineal feet of curb, sidewalk, landscape and drainage, as well as the installation of a traffic signal adjacent to the proposed 48-unit The Knoll senior housing development.
2014	North Dakota/95 th Ave Sidewalks	\$200,000	\$30,000	Construction of new “missing link” sidewalks along 95 th Ave north of Greenburg Road and North Dakota St. Sidewalks were built along two key neighborhood entrances connecting residents to the rest of the city’s sidewalks and nearby transit lines.
2016	Commercial Street Sidewalks	\$170,000	\$25,000	Construction of 500 feet of sidewalk along the north side of Commercial St. New sidewalks will connect the existing neighborhood sidewalks to the existing sidewalks along Commercial St.

Opportunities

Tigard’s Community Development department has appointed a staff member as the main CDBG point-person and applicant for future funding opportunities. Tigard has a good track record on grant awards for neighborhoods in need, and should continue to pursue grant opportunities.

¹⁹ Community Development Block Grant Cuts, by State. *Center on Budget and Policy Priorities*, 19 July 2013, http://www.cbpp.org/sites/default/files/atoms/files/7-19-13house-Table_D.pdf. Accessed 22 November 2016.

Housing Maintenance Programs

Housing Inspection Program, Housing Emergency Fund, and Enhanced Safety Properties Program

Barrier

Disrepair and funding constraints have shrunk the national supply for affordable housing while demand grows. This problem underscores the need for a two-pronged approach to housing that includes housing construction *and* preservation.

Cities can efficiently preserve their housing with thoughtful maintenance programs and services. Preservation typically costs between one-half and two-thirds the price of new construction²⁰, so proactive and efficient housing preservation will save cities money in local funding awards and development cost exemptions.

2002 Approach

The Affordable Housing Program included three strategies to maintain the quality and quantity of Tigard's rental housing stock: the Housing Inspection Program, the Housing Emergency Fund, and the Enhanced Safety Properties Program.

The *Housing Inspection Program* was implemented in the late 1990s to enforce the new Residential Property Maintenance Code. Prior to its implementation, Tigard convened a task force of landlords, tenants and community representatives to collaboratively create a fair and effective housing maintenance code. That code is enforced through the City's Housing Inspection Program. Tenants can file maintenance complaints against unresponsive landlords. This triggers a series of warnings and notifications that the landlord must address the code violation. If still unresponsive after three weeks, tenants are able to pursue further action in small claims court.

The *Housing Emergency Fund* (HEF) was created in 1999. The \$10,000 annual fund was available to residents of unsafe and uninhabitable housing to address safety concerns or find temporary living accommodations.

Tigard established the *Enhanced Safety Properties (ESP) Program* in 2000 to reduce crime and improve livability at the City's rental properties. The program, administered by the Tigard Police Department, included landlord training, property security assessments, and tenant crime prevention.

Effect

All three of the housing maintenance efforts have been underutilized or discontinued.

The Housing Inspection Program was broadly used when first implemented. Tigard was the fourth city in Oregon to adopt a Residential Property Maintenance Code, which generated local media attention. As such, local residents were aware of the service and used it. Today, without continued attention, the Housing Inspection Program is an underutilized city service; few residents know about the resource. Given that the program requires tenant participation to work, the program cannot succeed in preserving Tigard's housing stock without tenant complaints.

²⁰ Preserving Affordable Rental Housing: A Snapshot of Growing Need, Current Threats, and Innovative Solutions. HUD: *Evidence Matters*, Summer 2013, <https://www.huduser.gov/portal/periodicals/em/summer13/highlight1.html>. Accessed 22 November 2016.

The Housing Emergency Fund was an important emergency resource for people facing safety threats or immediate risk of homelessness in their current living situations. The funds helped vulnerable tenants relocate to safer living conditions. Unfortunately, the HEF was defunded in FY 14-15.

The ESP program drew modest participation, due to the financial commitments it required from property owners for repairs and enhanced safety measures. The few properties that did participate comprised over 375 rental units. Participants reported lower crime rates and high occupant retention. However, running the program for so many units was time and labor intensive for Tigard's small police department. Statewide staffing cuts in law enforcement further reduced TPD's capacity. Tigard police were unable to invest the necessary labor hours in the program. It was discontinued by 2005.

Opportunities

It is probable that Tigard's low rental vacancy rate and housing shortage will renew interest in robust property maintenance programs. Still, it is incumbent upon the City to take the lead to ensure the continued quality and safety of its housing stock.

Membership in County-wide Housing Advocacy Group

Barrier

City staff need opportunities to convene with housing practitioners, service agencies, and housing providers throughout the County to share information about housing news, best practices, and funding opportunities.

2002 Approach

City staff have participated in the County-wide housing group since 2000. Formerly the Housing Advocacy Group, the group is now called the Coalition of Housing Advocates (CHA).

Effect

The Washington County-wide housing group promotes affordable housing efforts and holds monthly meetings, convening housing providers with social services agencies and city staff.

In its current incarnation, the group convenes primarily as an information sharing forum for members. CHA writes letters of support to advocate for equitable housing solutions. Tigard is restricted in its ability to participate in these actions and primarily attends for educational purposes.

Opportunities

The City of Tigard renewed its membership in the Oregon Housing Alliance in September of 2016. Staff regularly attends membership meetings.

Affordable Housing Program Report Review

In light of the above research, can we deem the strategies from the Affordable Housing Program report successful? To determine this, one must first determine a barometer for success.

If the barometer is support for affordable housing developers and operators, the Affordable Housing Program has had some success. The City's foregone property tax revenues have saved housing operators roughly \$40,000 a year. The Community Housing Fund has an additional \$40,000 from the Fee Assistance Program that it can use to support affordable housing projects in Tigard. There have been over \$1 million in public improvements such as sidewalks and local parks in neighborhoods with low-income residents.

Unfortunately, other strategies were never implemented, failed to perform, or did not maintain City support. The yearly provisions for three different housing programs were defunded despite 12 years of City support, including support that lasted through difficult Recession years. Tigard Municipal Code still—nearly fifteen years after it was suggested—prohibits the City from donating or selling surplus land at below market rates to housing providers. If success looks like new affordable housing construction that meets demand, Tigard has not done enough.



Tigard Affordable Housing Strategies

The chart below illustrates that the majority of the strategies were not effective. The number of dots in the “Current and Successful” category are dwarfed by dots in the other columns, indicating that the program’s successes are not broad enough or effective enough to combat the effects of population growth and the highly competitive housing market.

Strategy	Never In Place	Expired	Current but Underperforming	Current and Successful
Streamlined Development			●	
Reduced Parking			●	
ADUs ***			●	
Tax Exemption***				●
AH Fee Assistance Program		●		
Good Neighbor Support				●
Sell/donate City land	●			
Grant Awards				●
Housing Inspection Program			●	
Housing Emergency Fund		●		
ESP Program		●		
Membership in Housing Groups			●	

*** Indicates programs that lead to new AH units

Half of the City's renters spend more on housing costs than what HUD recommends. According to Metro, Tigard has 705 units of affordable housing—a number that number reflects both regulated and unregulated units²¹. That is 2,500 fewer units than Metro's 1997 projection that Tigard would need to *add 3,205 new units by 2017*²².

The chart depicts the spotted patchwork of program successes and active policies. Were all of the strategies from the 2002 report in effect today, with robust support from the various City departments, Tigard would have an effective affordable housing platform.

As it stands, the housing needs of half of the renters in Tigard are not adequately addressed, and City support is not sufficient to draw affordable housing developers and operators to Tigard to the degree necessary.

²¹ "Regional Inventory of Regulated Affordable Housing." *Metro*, 30 August 2016, <http://www.oregonmetro.gov/sites/default/files/Inventory-of-Regulated-Affordable-Housing-2015.pdf>. Accessed 22 November 2016.

²² Affordable Housing Program Report. *City of Tigard*, September 2002. http://www.tigard-or.gov/document_center/CommunityDevelopment/affordable_housing_report.pdf. Accessed 22 November 2016.

Additional Housing Strategies

There is a clear need for the City to renew its commitment to a healthy spectrum of housing opportunities in Tigard. The current state of the Affordable Housing Program policies affords The City of Tigard an opportunity to reconsider and improve upon them, as well as adopt effective new housing approaches.

Cities and jurisdictions around the state utilize approaches that could also work well in the unique context of Tigard. What follows is an overview of the policies, services, and development incentives that have been successful in other cities. In addition to strategies from the Affordable Housing Program report, The City should consider these new opportunities when it revisits the ways in which it can support affordable housing.

Just Cause Eviction Standards

In compliance with Oregon Landlord-Tenant law, landlords are able to serve tenants with an eviction notice without explicit reason at any time.

Tenants in the Walnut Tree apartment complex in Tigard were given these “no cause” eviction notices in July, after a California property management company purchased the complex. Long time occupants of the de-facto affordable complex were given a three-month notice to find new housing. Some were able to stay in Tigard, but many opted to double up with friends and family or move to nearby cities like Wilsonville.

In an effort to provide tenants with a safeguard against no cause evictions, the cities of Portland and Milwaukie adopted renter’s protections. Tenants in both cities are now guaranteed at least a 90 day notice of eviction, up from 60 day notices for month-to-month tenancies in place for over one year at the time of eviction and 30 day notices for tenancies under one year.

While they are not a solution, longer noticing periods are a step in the right direction for renter protections. Additional time to budget for moving expenses and find new housing in a tight market can be the difference between a smooth housing transition and homelessness.

The City of Tigard should consider adopting a local ordinance that protects vulnerable residents, like the former Walnut Tree occupants, from rapid eviction processes.

In addition to renter safeguards, organizations like the Oregon Housing Alliance are pursuing a statewide ban on no cause evictions at the state legislature.

Rent Stabilization

In addition to just cause eviction standards, the City of Portland adopted limits to the amount by which landlords can increase rent within a 12-month period. As per Section C of Chapter 30.01.085 of Portland City Code:

A Landlord may not increase a Tenant’s Rent or Associated Housing Costs by 5 percent or more over a 12 month period unless the Landlord gives notice in writing to each affected Tenant: (a) at least 90 days prior to the effective date of the rent increase; or (b) the time period designated in the Rental Agreement, whichever is longer. Such notice must specify the amount of the increase, the amount of the new Rent of Associated Housing Costs and the date, as calculated under the Act, when the increase becomes effective.

As with longer eviction processes, the change from 30 days to 90 days allows tenants more time to budget for rent increases or find different housing accommodations.

Should low rental vacancy rates and escalating housing costs persist, Tigard should assess whether rent increase restrictions are appropriate for this city.

Landlord Tenant Mediation

To resolve disputes between landlords and tenants, jurisdictions including The City of Beaverton and Clackamas County offer dispute resolution services.

Inclusionary Zoning

Senate Bill 1533 lifted the ban on inclusionary zoning (IZ) policies in Oregon in June of 2016. Cities and counties are now allowed to require that new housing projects with more than 20 units construct 20% of those units to be affordable to people making 80% AMI or below. The bill stipulates that IZ policies must provide developers some flexibility in meeting program criteria, such as fee-in-lieu options allowing developers to forego constructing affordable units if they pay an avoidance fee into an affordable housing development fund.

Currently, the City of Portland is the only city in the region pursuing an IZ policy.

The City of Tigard should monitor the Portland as it implements its IZ policy to determine whether such an approach to mixed-income housing and affordable unit construction is feasible in Tigard.

Construction Excise Tax

Construction excise taxes (CETs) are assessed on new construction permits to fund other planning and development efforts. SB 1533 permitted Oregon cities to assess a CET on new residential, commercial and industrial construction. The bill allows 35% of the revenues collected to go toward affordable housing programs. The legislature had banned cities from assessing new CETs in 2007, and reversed that decision with SB 1533, the same bill that lifted the ban on inclusionary zoning. The CET on residential projects is capped at 1% of a project's permit value; there is no cap for a CET on commercial and industrial permits.

The following cities assessed CETs prior before the 2007 ban:

Ashland	Fairview
Bend	Jacksonville
Canby	Madras
Cornelius	Newberg
Depoe Bay	Rogue River

Metro has collected a CET since 2005.

The City of Portland adopted a new CET after the passage of SB 1533.

A new tax on building permits could allow Tigard to collect funds for a gap funding program, reinstate SDC reductions, or collect money for emergency rent assistance—three strategies detailed below.

Land Leases and Donations

As noted earlier, leasing, donating or selling surplus City-owned land below the market rate is one way jurisdictions can help housing providers keep costs low for occupants.

Tigard Municipal Code currently allows the City to give land to either the highest bidder in a public auction or to Urban Renewal agencies. The City cannot give surplus land to affordable housing developers unless they pay market rate.

Tigard has the ability to either amend Municipal Code Chapter 3.44 to allow land donations, or lease lands to affordable developers. Land leases would not require a change to Municipal Code.

The City of Beaverton has such a lease with CPAH for its Barcelona property. CPAH will pay \$20 for 75 years for the land.

In addition, Beaverton's Draft Housing Five Year Action Plan announced an Affordable Housing Land Acquisition Program to help developers secure land. Beaverton's FY16-17 budget includes in \$100,000 general funds and \$100,000 in Beaverton Urban Redevelopment Agency funds for the program²³.

The City of Portland supports land acquisition indirectly through its \$1 million investment in the Oregon Housing Acquisition Fund. The fund provides financial and technical assistance to developers, and leverages investments to enhance land banking opportunities.

In 2007, Washington County started leasing property to the Good Neighbor Center for \$1 a year for 20 years, with the stipulation that the property remains a homeless shelter.

Tigard's neighboring jurisdictions are leasing land, budgeting funds for land acquisition, or donating to land banks—or all three. The City of Tigard should identify public sites that can accommodate new housing development, and begin discussions with local housing providers regarding land opportunities and constraints.

Gap Funding

Housing providers must secure funds from as many as ten different sources, sometimes more, to cover land, development, and operating costs. Typically, project costs are paid for with a combination of bank financing, tax credits, and federal funds. Bond financing and HUD's Low Income Housing Tax Credit (LIHTC) are the most essential funding tools for housing development.

As budget cuts affect the provision of services at federal agencies, departments like HUD have had to use less funding to create more housing. Since 2010, Oregon has lost nearly \$21 million in HOME funds²⁴ and \$23 million in CDBG funds²⁵ from cuts related to the Federal Budget Control Act.

²³ Draft Housing Five Year Action Plan. *City of Beaverton*, 12 September 2016, <http://www.beavertonoregon.gov/documentcenter/view/16012>. Accessed 22 November 2016.

²⁴ HOME Funding Cuts, by State. Center on Budget and Policy Priorities, 19 July 2013, http://www.cbpp.org/sites/default/files/atoms/files/7-19-13house-Table_C.pdf. Accessed 22 November 2016.

²⁵ Community Development Block Grant Cuts, by State. *Center on Budget and Policy Priorities*, 19 July 2013, http://www.cbpp.org/sites/default/files/atoms/files/7-19-13house-Table_D.pdf. Accessed 22 November 2016.

Bond financing and LIHTC funds alone are not enough to get new affordable housing off of the ground. The difference between the funding from these two traditional sources, and the total funds needed to pay for a project create a funding gap. State and local jurisdictions have stepped in to minimize the gap left by federal funding cuts.

Oregon cities as diverse as Portland and Boardman have adopted gap funding programs to prod housing development.

The City of Portland's Equity Gap Contributions program provides new and existing affordable rental and mixed-used projects with public funds to cover development costs. The loan program was explicitly created to address the gap between project costs and available bank and federal financing. Applicants are eligible for loans in excess of \$1 million. The program stipulates that designated affordable units remain affordable for 60 years.

The City of Boardman's Housing Development Fund uses enterprise zone funds to provide gap lending opportunities for single-family, duplex, triplex, and fourplex development projects. Notably, the program is for new market-rate housing.

The City of Beaverton's Draft Housing Five Year Action Plan also announced an Affordable Housing Development Program, which will directly invest in one new affordable housing project in the next year. Beaverton's FY16-17 budget includes in \$100,000 general funds and \$100,000 in Beaverton Urban Redevelopment Agency funds for the program.

Tigard should look for opportunities to replicate these gap funding programs both as a city and in partnership with Washington County.

SDC Waivers and Reductions

System development charges place a substantial financial burden on nonprofit housing providers. Typical SDCs for multifamily developments can total nearly \$1 million. The City of Tigard began a \$10,000 set aside to offset permitting and SDC charges for affordable housing developers in 2002. That set aside was defunded in FY '14. Tigard has not since offered any form of SDC reductions for affordable housing.

At least 109 cities in Oregon levy system development charges, representing 45% of the state's 242 cities²⁶. Of those cities, 38 cities report that they offer some form of a payment accommodation. SDC accommodations utilized across the state include waivers, reductions, phased in payments, and payment deferrals.

The City of Portland waives SDCs for new accessory dwelling units.

The City of Eugene waives SDCs for all housing for low-income persons.

The City of Gresham allows developers to defer SDC payment until projects are occupied, or to finance SDCs over 10 year period. The program is not specifically for affordable housing, or even housing.

²⁶ System Development Charge Survey Data for the 2016 Survey. *League of Oregon Cities*, 2016, <https://data.orcities.org/City-Financial-Data/System-Development-Charge-Survey-Data/nb7c-wkjq/data>. Accessed 22 November 2016.

The City of West Linn permits the City Manager to waive or decrease SDCs based upon “unusual circumstance or event, past practices, demonstrated hardship, or public benefit.”

The following is an abbreviated list of Oregon cities that offer SDC waivers or reductions.

Waivers: Newburg, Portland, Gresham, West Linn, Pendleton, Troutdale, St. Helens, Coburg

Reductions: Gervais, Portland, Grants Pass, Redmond, Gresham, Roseburg, Newport, Klamath Falls, The Dalles

There is no shortage of ways in which Oregon cities allow SDC accommodations for developments that serve community goals. Though the City previously set funds aside for SDC offsets, Tigard should look for opportunities to more substantially alleviate the SDC burden on housing developers using any of the above programs as a model.

Emergency Housing Assistance

Emergency housing assistance helps people at imminent risk of homelessness secure emergency rent or hotel vouchers. The assistance keeps vulnerable residents from sleeping in the streets.

The City of Beaverton offers an emergency rent program. FY16-17 budget identifies \$20,000 in CDBG funds and \$30,000 in general funds for assistance. Budget forecasts for FY 18-19 show funds for rent assistance increasing more than twofold.

Community Action of Washington County offers emergency rent assistance, but funds are extremely limited. Those seeking assistance are frequently added to waitlists, but people in precarious housing situations often cannot afford to wait.

Tigard should contribute a yearly donation to the Emergency Rent Assistance program at Community Action of Washington County. The City could donate money to the organization with the stipulation that funds are used to help Tigard residents.

City staff should also monitor the Beaverton program, and if successful, to the extent possible, use it as a model to create a similar pilot program in Tigard.

Strategy Opportunities Review

To summarize the strategies discussed throughout this report, cities across Oregon have committed to the following housing actions:

SDC accommodations

Renter protections

Inclusionary zoning

Construction excise taxes

Land leases to affordable developers

Gap funding

Emergency rent assistance

Required parking reductions

Lax ADU standards

Tigard should consider all of these strategies in determining how it can best reinstate the vision of the Affordable Housing Program.

Strategy	Tigard	Beaverton	Hillsboro	Milwaukie	Portland	Bend	Eugene
Stream-lined Development						●	
Liberal ADUs					●	●	
Parking Reductions					●		
SDC Accommodation					●	●	●
Tax Exemption	●	●			●	●	●
Land Acquisition		●			●		
Enhanced Safety Property Program					●		●
No Cause Eviction Protection				●	●		
Rent Increase Protections					●		
IZ					●		
CETs					●	●	
Gap Funding Support		●			●	●	
Emergency Rent Assistance		●					
Density Bonuses					●	●	
VHDZ	●	●	●	●			●
Landlord Tenant Mediation		●					
Housing Maintenance Program		●			●		

Conclusions

This report revisited the housing strategies that the City of Tigard advanced in its Affordable Housing Program. As the 15 year anniversary of that report approaches, it is essential to establish an understanding of how those strategies have shaped the housing landscape in Tigard.

Some of the factors that affected housing availability were the inevitable result of rapid population growth and an emboldened economy. After an initial stalling, market rate housing construction picked up. There was renewed interest in housing options in the region's urban core. Housing costs increased overall.

The greatest hastener of the region's housing crisis was the sluggish response to demand for new units. The growth in demand was met with a stagnant supply of housing and prices outpaced income gains, leaving many to vie for the few remaining affordable units.

The Affordable Housing Program was created to support the provision of affordable housing in Tigard. However, many of the program's strategies were discontinued as the regional housing crisis deepened.

Of the 12 program elements, just three are still effective in 2016: the tax exemption, grant funding for public improvements, and Tigard's ongoing financial support for the Good Neighbor Center. In reality, the tax exemption is the only one that results in the construction of new affordable units, though indirectly. The existing patchwork of strategies that have not evolved since 2002 leaves Tigard residents vulnerable to volatile housing market trends.

To better plan for equitable housing, the City recently received a grant from Metro to pursue creative and lasting housing options along the SW Corridor light rail extension to Tigard. The City's Vertical Housing Development Zone presents an opportunity to locate high-density housing in walkable, amenity-rich areas of Tigard. The Burnham/Ash mixed-used apartment complex is set to add 166 rental units in Downtown Tigard. CPAH is in the planning process for a new affordable housing project in Tigard, which is projected to add nearly 100 dedicated affordable units in the Tigard Triangle.



The City of Tigard has facilitated important housing wins since it announced its Affordable Housing Program, but the underlying fabric of policies and services that ensures these outcomes has dissipated. The result is a local housing environment that does not represent the City's best effort to address the diverse housing needs of all of its citizens.

City governments have the ability to affect and instigate housing supply. Given the City of Tigard's goal to "provide opportunities to develop a variety of housing types that meet the needs, preferences, and financial capabilities of Tigard's present and future residents", it needs to reinstate an ambitious vision for affordable housing, like the one promoted by the 2002 program.

Neighboring cities in Washington County and across the Portland metropolitan area are testing new housing strategies. Eviction protections for renters can bolster housing security and minimize the demand on exacerbated homeless and transient shelters. Local gap funding programs will directly translate to new affordable housing units. Inclusionary zoning requirements are a promising tool for creating and integrating affordable units with market rate construction. There is no shortage of tools to promote affordable housing, there is a shortage of response.

The City should continue to pursue individual housing victories. In addition, it needs to integrate the new understanding of Tigard's history of affordable housing program provided in this report with other jurisdictions' best practice. Tigard has the ability to adopt a renewed and informed affordable housing program. This new approach will create an effective network of services and support for the needs of the underserved members of Tigard's housing community.

City
of
Tigard



Respect and Care | Do the Right Thing | Get it Done

Affordable Housing in Tigard, 2002- 2016

Presented by Hannah Holloway

December 20, 2016



Presentation Summary

- ▶ Defining “Affordable” and Tigard’s Contribution to Affordable Housing Supply
- ▶ 2002 Affordable Housing Program Review
- ▶ Affordable Housing Tools Utilized by Tigard’s Neighbors
- ▶ Conclusions

“Affordable” means what?

- ▶ 30% of gross income on rent/mortgage and utilities
- ▶ Subjective term that changes household to household
- ▶ “Market-rate” = built and operated without public subsidy or income restrictions
 - ▶ Includes “de facto” AH
- ▶ “Regulated” = permanently affordable due to public subsidy. Units are income restricted.
 - ▶ 60% AMI

Washington County Income Limits as Designated by HUD

FY 2016 Income Limits Summary

FY 2016 Income Limit Area	Median Income Explanation	FY 2016 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Washington County	\$73,300	Very Low (50%) Income Limits (\$) Explanation	25,700	29,350	33,000	36,650	39,600	42,550	45,450	48,400
		Extremely Low Income Limits (\$)* Explanation	15,400	17,600	20,160	24,300	28,440	32,580	36,730	40,890
		Low (80%) Income Limits (\$) Explanation	41,100	46,950	52,800	58,650	63,350	68,050	72,750	77,450

Tigard By the Numbers

- ▶ 60% AMI in Tigard: \$36,000 gross household income
Source: HUD Income Designations
- ▶ These households can afford \$875-900/month for rent and utilities
- ▶ By 2014, 51% of Tigard households were spending more than 30% of their gross income on rent

Source: 2014 American Community Survey



- **As of 2015, 705 units (regulated and unregulated) in Tigard**
Source: Regional Inventory of Regulated Affordable Housing, Metro
- **Lost 36 units in 2016 with the closing of Walnut Tree Apartments**

What is the City of Tigard doing to support the housing needs of the one-half of residents that are cost-burdened by housing?



AFFORDABLE HOUSING PROGRAM

SEPTEMBER 2002

12 Program Strategies

- ▶ Streamlined development review
- ▶ Reduced parking requirements
- ▶ Allowance of ADUs
- ▶ Tax exemption of AH properties
- ▶ Budget set-aside to reduce development fees
- ▶ Sale or donation of City-owned land for AH
- ▶ Financial support for Good Neighbor Center
- ▶ Pursue grants for public improvements near AH
- ▶ Housing Inspection Program
- ▶ Housing Emergency Fund
- ▶ Enhanced Safety Property Program
- ▶ Membership in housing advocacy groups

Streamlined Development Review

Status: **Needs Updating; No Affect on AH**

- ❖ 1998 “user-friendly” update
- ❖ 2009 and 2015 updates
- ❖ Staff currently working on another update

Reduced Parking Requirements

Status: **Needs Updating**

- ❖ Developers can apply on case-by-case basis for 20% reduction
- ❖ 3 AH projects received reduction since 2002

Allow ADUs

Status: **Needs Updating**

- ❖ Allowed in TCDC since 1998
 - ❖ 800 sq ft max
 - ❖ Attached to primary residence by wall
 - ❖ Additional off-street parking space
- ❖ Restrictive standards

Tax Exemption

Status: Effective AH Support; Requires Code Update

- ❖ Implemented in 1996
- ❖ 276 exempted units in 2016 totaling \$40K in foregone revenues for City
- ❖ Leads to new AH development sooner
- ❖ Code is inconsistent

Affordable Housing Fee Assistance

Status: **Discontinued**

- ❖ \$10,000 annually to offset permitting and SDC fees
- ❖ Defunded in FY '14
- ❖ Total set aside would have been less than 3% of CPAH's fees for The Knoll

Sell or Donate City-owned Land

Status: **Never Implemented**

- ❖ Prohibited by Muni Code
- ❖ Must sell surplus property to highest bidder in a public sale process
- ❖ Chapter update allowed land sales to UR agencies
- ❖ Easily amended; could pursue land lease in lieu of update

Financial Support for Good Neighbor Center

Status: **Effective**

- ❖ \$15,000 annually in undedicated funds
- ❖ Important in Center's budgeting process

Pursue Grant Opportunities for Public Improvements

Status: **Effective**

- ❖ Awarded 8 CDBG grants since 2002
- ❖ Total of nearly \$1.3M for public improvements in low-income neighborhoods

Housing Inspection Program

Status: **Needs improvement**

- ❖ Program that enforces Tigard's Residential Property Maintenance Code
- ❖ Requires tenant participation
- ❖ Underutilized service

Housing Emergency Fund

Status: **Discontinued**

- ❖ \$10,000 annually for inhabitants of unsafe housing
- ❖ Defunded in FY '14

Enhanced Safety Properties Program

Status: **Discontinued**

- ❖ Enforced by Tigard Police Department
- ❖ Included over 375 units
- ❖ Lower crime rates and higher occupant retention
- ❖ Labor intensive for small TPD

Membership in Housing Advocacy Groups

Status: Ongoing; no net effect

- ❖ Coalition of Housing Advocates (CHA), FKA Housing Advocacy Group
- ❖ Regular staff participation
- ❖ City of Tigard recently joined Oregon Housing Alliance

2002 Program Strategies Review

Strategy	Never In Place	Expired	Current but Underperforming	Current and Successful
Streamlined Development			●	
Reduced Parking			●	
ADUs ***			●	
Tax Exemption***				●
AH Fee Assistance Program		●		
Good Neighbor Support				●
Sell/donate City land	●			

*** Indicates programs that lead to new AH units

2002 Program Strategies Review

Strategy	Never In Place	Expired	Current but Underperforming	Current and Successful
Sell/donate City land	●			
Grant awards				●
Housing Inspection Program			●	
Housing Emergency Fund		●		
ESP Program		●		
Membership in Housing Groups			●	
*** Indicates programs that lead to new AH units				

Other Oregon Cities Offer:



- SDC Accommodations
- Renter Protections
- Inclusionary Zoning
- Construction Excise Taxes
- Land Leasing
- Gap Funding
- Emergency Rent Assistance
- Parking Reductions
- Liberal ADU standards

Affordable Housing Strategies by City

Strategy	Tigard	Beaverton	Hillsboro	Milwaukie	Portland	Bend	Eugene
Stream-lined Development						●	
Liberal ADUs					●	●	
Parking Reductions					●		
SDC Accommodation					●	●	●
Tax Exemption	●	●			●	●	●
Land Acquisition		●			●		

Affordable Housing Strategies by City

Strategy	Tigard	Beaverton	Hillsboro	Milwaukie	Portland	Bend	Eugene
Stream-lined Development						●	
Liberal ADUs					●	●	
Parking Reductions					●		
SDC Accommodation					●	●	●
Tax Exemption	●	●			●	●	●
Land Acquisition		●			●		
Enhanced Safety Property Program					●		●

Affordable Housing Strategies by City

Strategy	Tigard	Beaverton	Hillsboro	Milwaukie	Portland	Bend	Eugene
Enhanced Safety Program					●		●
No Cause Eviction Protection				●	●		
Rent Increase Protection					●		
IZ					●		
CETs					●	●	

Affordable Housing Strategies by City

Strategy	Tigard	Beaverton	Hillsboro	Milwaukie	Portland	Bend	Eugene
Gap Funding Support		●			●	●	
Emergency Rent Assistance		●					
Density Bonuses					●	●	
VHDZ	●	●	●	●			●
Landlord-Tenant Mediation		●					
Housing Maintenance Program					●		

On Tigard's Affordable Housing Horizon

- ▶ Metro Equitable Housing Grant for SW Corridor
- ▶ CPAH's project to bring nearly 100 AH units to the Triangle

In Conclusion

- ▶ Tigard is well below 1997 and 2013 projections for needed rental units
- ▶ The 2002 Affordable Housing Program policies have a checkered history of success and efficacy; most are no longer in place
- ▶ While Tigard's housing policies have not changed since 2002, local housing dynamics have shifted dramatically
- ▶ Tigard should look to innovative and proven strategies from neighboring jurisdictions when it reassesses its approach to housing equity

Any Questions?



AIS-2858

8.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 30 Minutes

Agenda Title: Safe Routes to School Update

Submitted By: Anna Dragovich, Community Development

Item Type: Update, Discussion, Direct Staff

Meeting Type: Council Workshop Mtg.

Public Hearing: No

Publication Date:

Information

ISSUE

Update on the City of Tigard Safe Routes to Schools Program.

STAFF RECOMMENDATION / ACTION REQUEST

No action requested.

KEY FACTS AND INFORMATION SUMMARY

The Tigard Safe Routes to School Program is well into its second year. While each school's program is different and at different stages of development, the SRTS coordinator is working to develop a comprehensive program and Action Plan for each Tigard-area elementary and middle school. The following are a few successes the city has had as it implements the SRTS program.

- Walk and Bike to School Day - Over 600 students participated in Walk and Bike to School Day on October 5. These events are enormously popular amongst students, parents and school administrators evidenced by the 58% increase in students walking and biking to school on these days. This is also a testament to how having more frequent walk and bike to school days helps to inspire students and parents to walk or bike more regularly. The next walk and bike to school day will be Wednesday, May 10.
- Youth Bike Fair - A community-wide bicycle "rodeo" aimed to teach traffic skills to school age children will be achieved through a series of bicycle handling drills and simulated traffic situations. The first event took place in April 2016 with nearly 100 participants. The next event will take place on May 6, 2017 right before the spring walk and bike to school day.
- Infrastructure - A few on-the-ground projects have been completed since the start of the SRTS program. Leading Pedestrian Interval signals were installed at a number of

crossings on Durham Rd., a "No Parking Zone" was created at Mary Woodward to improve circulation of buses and most recently a trail connection between Oak St. and Lincoln St. near Metzger Elementary.

- Action Plans - A few schools have action plans that are nearing the final stages of development. Templeton Elementary adopted it's plan in April of 2016. It is anticipated that the SRTS coordinator will have action plans completed for all schools by summer 2017.

The SRTS Coordinator is working to build a lasting foundation for a SRTS program at each school. Looking forward, the following are a number of ways the program can move towards a more sustainable program.

- Parent Champion Recruitment - Engaged and energetic parents and teachers are essential to this program. Parent volunteers can significantly strengthen a school's program by helping out at an event, coordinating with other parents, establishing a working group or sharing information with other parents.
- Middle School Engagement - With the purchase of a bike fleet this spring, Tigard middle schools will have the opportunity to teach bicycle safety education curriculum to their students. Leadership students at both Twality and Fowler Middle Schools organize their own walk and bike to school days in spring and fall.
- Crossing Guard Program - With the technical support of the City of Tigard, Tigard-Tualatin School District is working to create a district-wide crossing guard program. The coming months will focus on funding sources, recruitment and training of guards, and prioritizing intersections in need of guards.
- Evaluation - Less than 10% of Tigard-area students walk or bike to school. Parent surveys show that traffic volume, speed and safe crossing of intersections are major deciding factors on whether to allow their child to walk or bike to school.
- Walking School Bus/Bike Train Route Maps - The thought is that a big first barrier to getting families to start walking or biking to school is finding a safe, convenient route. The goal of route maps are to break down that barrier by suggesting routes and showing that a one mile route could be as short as 20 minutes.

Finally, the Tigard SRTS program has made impressive strides in the past year and will continue to do so with continued funding awarded by Metro for fiscal years 2018 and 2019. However, there is much more work to be done. Implementation of the school action plans will require funding and a prioritization of potential projects around schools.

OTHER ALTERNATIVES

None.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

1. Facilitate walking connections to develop an identity
2. Ensure development advances the vision
3. Engage the community through dynamic communication

DATES OF PREVIOUS COUNCIL CONSIDERATION

April 19, 2016

Attachments

SRTS Presentation

City
of
Tigard



Respect and Care | Do the Right Thing | Get it Done

Safe Routes to School Program Update

City of Tigard City Council

December 20, 2016

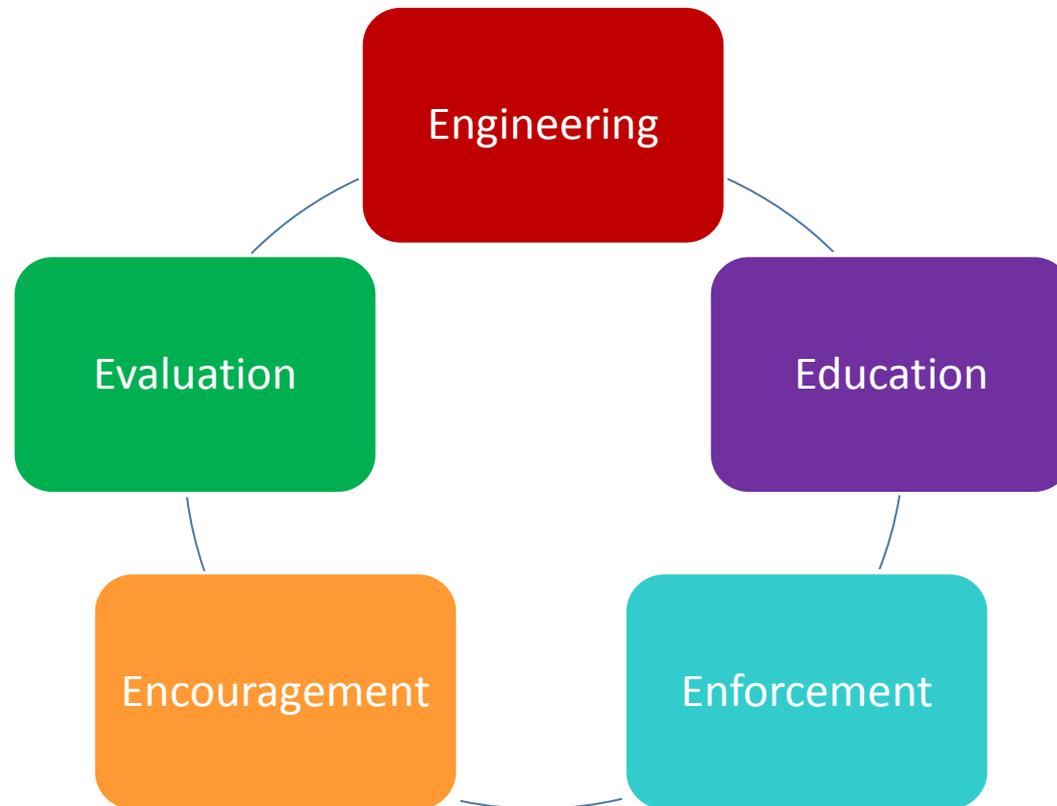


Overview

- ▶ What is Safe Routes to School?
- ▶ Where we've been
- ▶ Where we're going
- ▶ Final Thoughts



What is Safe Routes to School?



Program Goals

1. Reduce the number of driving trips to schools
2. Educate families about the benefits of active transportation
3. Improve traffic safety and circulation around schools
4. Identify champions to build the program and sustain activities

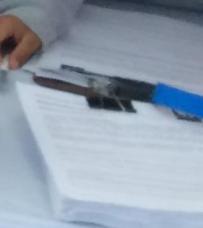
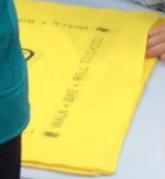
Where we've been

- ▶ Walk and Bike to School Days
 - ▶ 636 students participated on Oct. 5
 - ▶ 1,800 participated last school year
 - ▶ Golden Sneaker Award

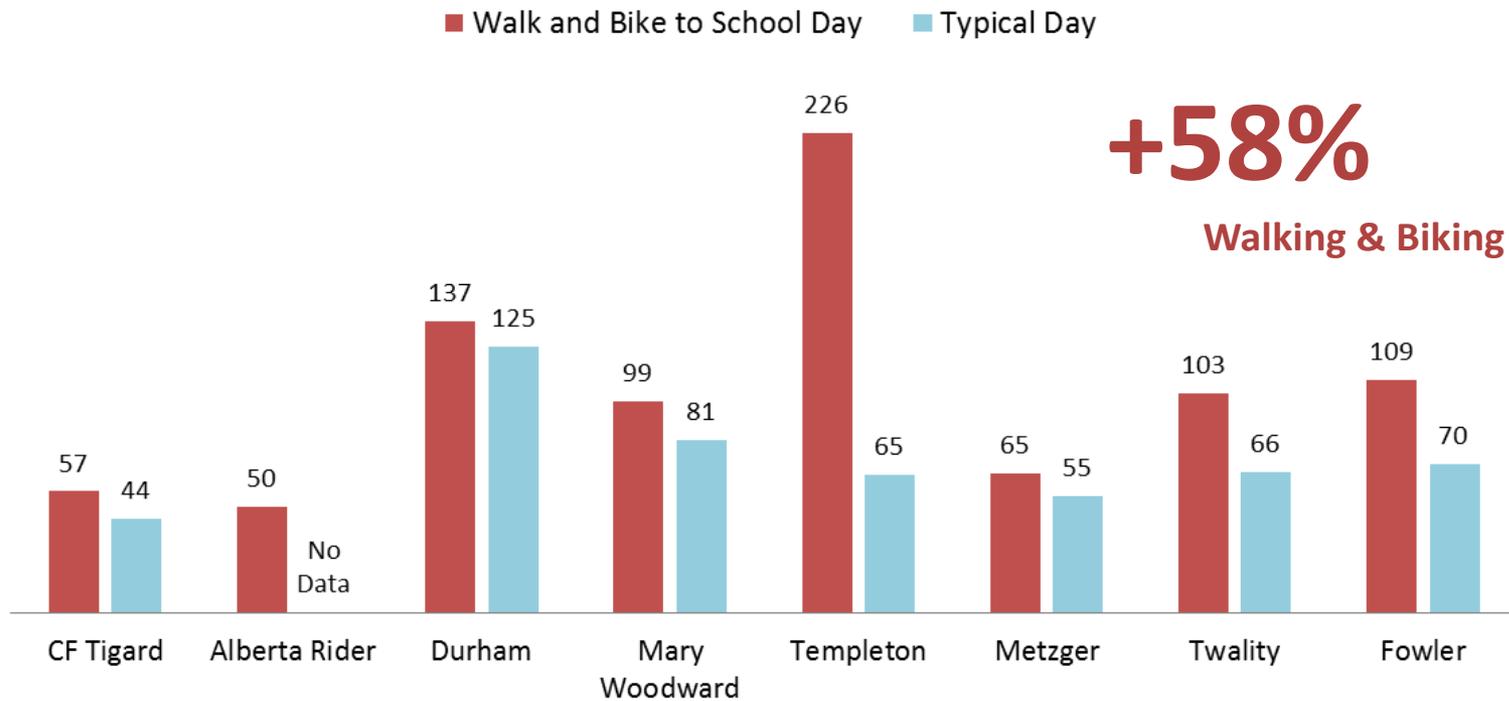




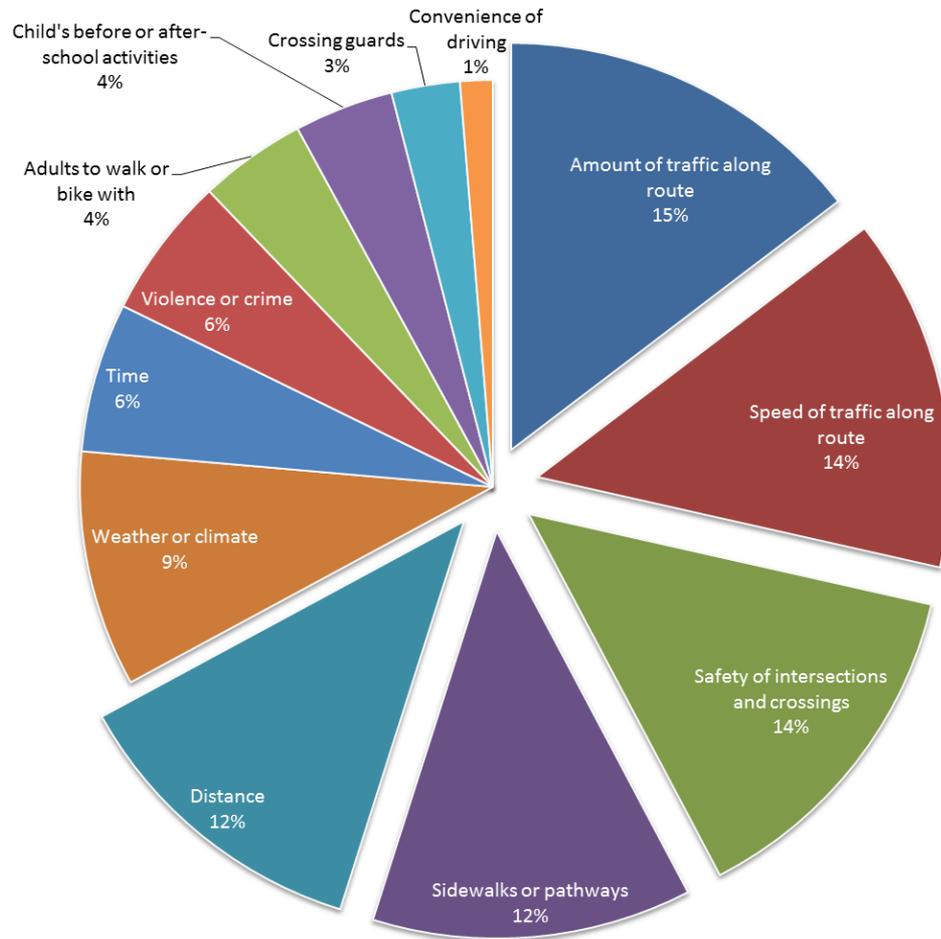
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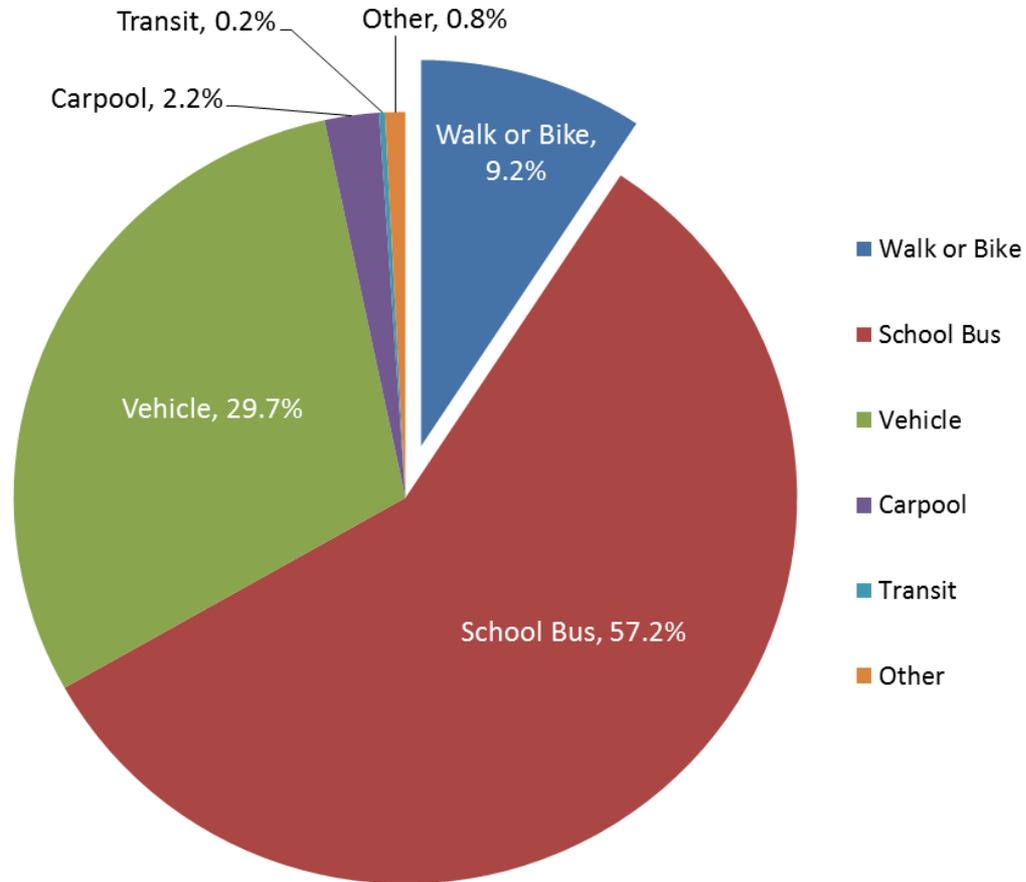
Comparison of the Number of Students Who Participate in Walk and Bike to School Day to the Number of Students Who Walk or Bike on a Typical Day



Issues Affecting Parents' Decision to Allow Child to Walk or Bike to and from School



Mode Share for Tigard City Schools



Where we've been

- ▶ Youth Bike Fair
 - ▶ ~ 100 participants April 2016
 - ▶ 2017 date: May 6



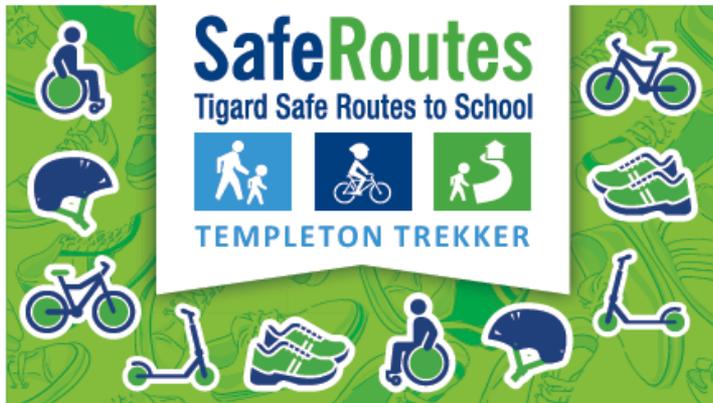
Where we've been

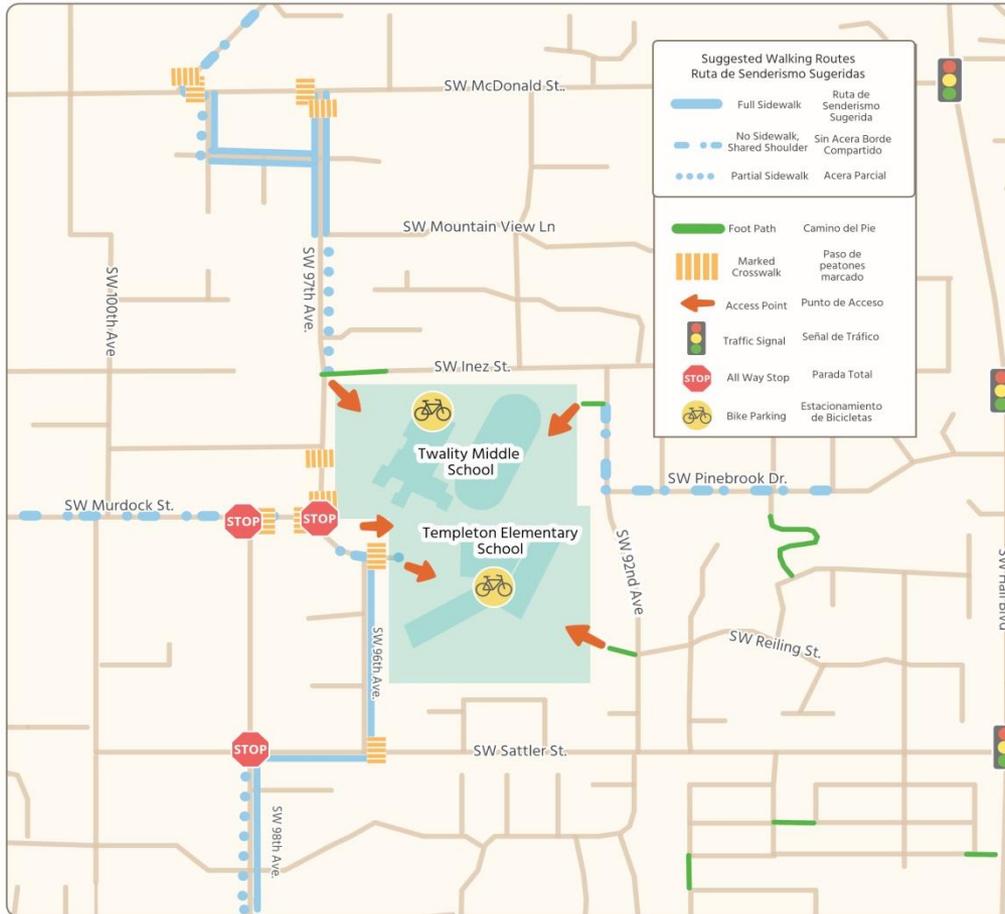
- ▶ On-the-Ground Projects
 - ▶ Metzger - Trail Connection Lincoln to Oak St.
 - ▶ Mary Woodward - No Parking Zone
 - ▶ Durham - Leading Pedestrian Interval Signal



Where we're going

- ▶ Parent Recruitment is KEY!
- ▶ Walking School Bus/Bike Train Route Maps





TEMPLETON ELEMENTARY SCHOOL

Suggested Walking Routes to School
Rutas Sugeridas para ir a la Escuela

Walk & Bike to School with us!

The first Wednesday of every month is Templeton Walk & Bike to school Day.

Live too far away?

No worries! There are two park and walk locations less than a half mile or -- a 10 minute walk-- from Templeton (see back).

This map is intended for informational purposes only. The City of Tigard or the Tigard-Tualatin School District cannot and does not guarantee the safety of these routes or the persons utilizing them, and assumes no responsibility or liability therefore. The City of Tigard encourages parents and students to use this map to explore options for commuting between home and school, but parents and students are responsible for their own safety and for choosing the most appropriate commuting option based upon their knowledge of route conditions and the specific needs and/or experience level of their student.

Caminar y Andar en Bicicleta a la Escuela con Nosotros!

The first Wednesday of every month is Templeton a pie y en bicicleta al día escolar

Vivir demasiado lejos?

¡Sin preocupaciones! Hay dos park and walk lugares a media milla o -- 10 minutos a pie -- de Templeton (ver otro lado).

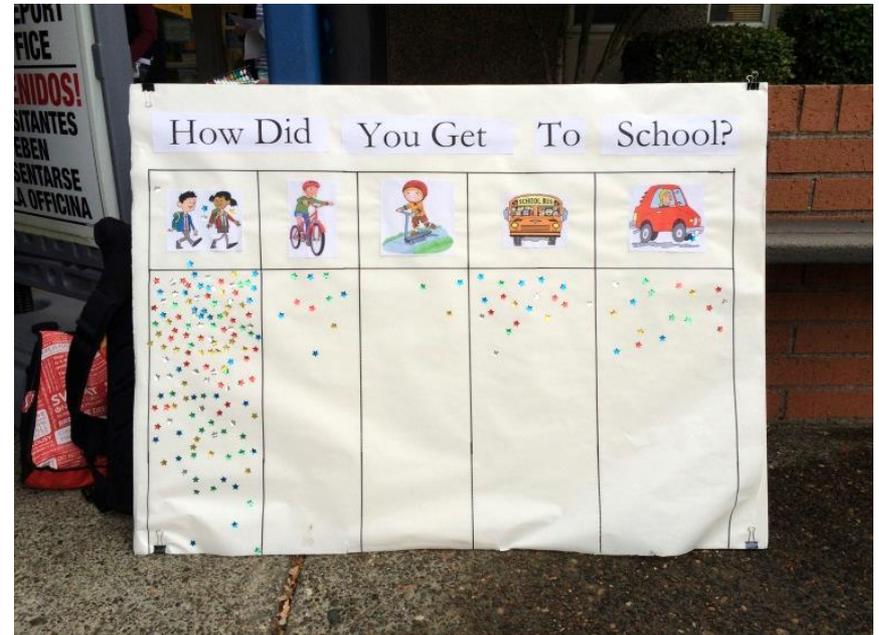
Este mapa es sólo informativo. La Ciudad de Tigard o el Distrito Escolar Tigard-Tualatin no pueden y no garantizan la seguridad de estas rutas o las personas que las utilizan, y no asumen responsabilidad alguna por ellas. La Ciudad de Tigard anima a los padres y estudiantes a utilizar este mapa para explorar opciones para desplazarse entre el hogar y la escuela, pero los padres y los estudiantes son responsables de su propia seguridad y de elegir la opción de traslado más apropiada basándose en su conocimiento de las condiciones de la ruta y las condiciones específicas. Necesidades y / o nivel de experiencia de su estudiante.

SafeRoutes
Tigard Safe Routes to School



Where we're going

- ▶ Middle School Engagement
- ▶ Finalizing All Action Plans
- ▶ Purchase Bike Fleet & Foster Bike/Ped Safety Education
- ▶ Crossing Guard Program
- ▶ Parent Coalition
- ▶ Metro RTO Grant Award!
 - ▶ FY 2017-2019



Final Thoughts

- ▶ Going forward:
 - ▶ Retrofitting Suburbia
 - Let's build schools on safe routes (not safe routes to schools)
 - Sidewalks, sidewalks, SIDEWALKS
 - ▶ Continued outreach and engagement – small projects



Thank You

Anna Dragovich
Safe Routes to School Coordinator
annad@tigard-or.gov
503.718.2708

AIS-2813

9.

Business Meeting

Meeting Date: 12/20/2016

Length (in minutes): 30 Minutes

Agenda Title: Discuss Non-Residential Tigard Transportation SDC

Prepared For: Toby LaFrance, Finance and Information Services

Submitted By: Kelly Burgoyne, Central Services

Item Type: **Meeting Type:** Council
Workshop
Mtg.

Public Hearing: No

Publication Date:

Information

ISSUE

Continued discussion of a Tigard Transportation System Development Charge (TSDC) for non-residential development.

STAFF RECOMMENDATION / ACTION REQUEST

Staff seeks guidance from Council on desired next steps.

KEY FACTS AND INFORMATION SUMMARY

On April 28, 2015, in Ordinance 15-08, Tigard updated TMC 3.24 System Development Charge Program and adopted a System Development Charge (SDC) Methodology Report for Transportation SDCs. At the same meeting, Council adopted Resolution 15-15 updating the Master Fees and Charges of the city to adopt the Transportation SDC in the amount recommended in the methodology report. On June 9, 2015, during the Master Fees and Charges Hearing as a part of adopting the budget, Council amended Resolution 15-15 with Resolution 15-31 which delayed implementation of the Transportation SDC by six months in areas outside of River Terrace. This was done at the request of the development community that attended the hearing.

The adopted methodology report covers a Transportation SDC for residential and non-residential development. During the hearing on the Transportation SDC, the non-residential development community requested additional outreach to learn about the Transportation SDC. The discussion centered around the amount of participation allowed to the residential development community through the River Terrace Infrastructure Funding process and the lack of input afforded to the non-residential development community. Based on this input, Council adopted the Transportation SDC for residential development and did not adopt the non-residential charge. Council instructed staff to conduct outreach with the

non-residential developers.

Tigard staff set up an initial meeting with the non-residential developers for July 15, 2015.

Unfortunately, staff had to cancel that meeting due to pending litigation by the Homebuilders Association related to the residential Transportation SDC. That lawsuit was settled this last summer.

Staff did conduct two meetings with the non-residential developers on July 20, 2016 and August 11, 2016. During the meetings, staff reminded the non-residential developers of the policy decisions made for the residential Transportation SDC. These policy decisions were:

- Implement the recommended fee amount. This recommended fee amount is discounted by 70 percent from the maximum fee justified in the methodology study.
- A six month delay on the implementation
- No phase-in of the Transportation SDC.

Non-residential developers expressed a number of concerns:

- Implementation of the Transportation SDC will price Tigard out of the market for non-residential development
- The additional cost of the Transportation SDC for schools will reduce the number of classrooms that can be built. Similar concerns were expressed for other types of development.
- Planning for non-residential development has a longer time frame than residential development. Typically industrial development has a 12 month time frame and commercial development can have up to a 36 month time frame for planning.
- The Washington County Transportation Development Tax (TDT) has a redevelopment credit on the first 5,000 square feet of a building that will have a change of use. The amount of the credit depends on the age of the building.

Based on the concerns of the non-residential development community, staff is recommending that:

- The Transportation SDC be implemented at the amount recommended by the methodology study. The amount recommended discounts the charge by about 90 percent. Attached to this agenda is a report by Mackenzie that compares Portland jurisdictions for three types of development. Tigard has been added to the list showing the cost per square foot developed both with, and without, the Transportation SDC. Under both scenarios, Tigard has a high cost per square foot to develop these three types of commercial buildings. The Transportation SDC revenues are needed to aide our infrastructure.
- Implementation of the non-residential Transportation SDC start in 12 months from adoption.
- The charge be phased in over the 12 to 36 month time frame.
- Council consider whether or not to charge all types of non-residential development equally.
- The city offer the same redevelopment credit offered by the TDT.

OTHER ALTERNATIVES

Council can provide staff with alternate recommendations.

COUNCIL GOALS, POLICIES, APPROVED MASTER PLANS

Enable Groundbreaking in River Terrace by Summer 2015

DATES OF PREVIOUS COUNCIL CONSIDERATION

05/20/2014 - River Terrace Funding Strategy Introduction

06/17/2014 - River Terrace Preliminary Funding Strategy and Parks and Transportation System Plan Addenda Briefing

07/08/2014 - Infrastructure Financing Project (River Terrace & Citywide) Discussion

08/12/2014 - LCRB award to FCS Group for Infrastructure Financing Study

09/23/2014 - River Terrace Draft Funding Strategy Briefing

10/21/2014 - River Terrace Draft Funding Strategy Plan Briefing Follow-up

12/16/2014 - River Terrace Funding Strategy Adoption

02/17/2015 - Parks and Transportation SDCs Workshop

03/17/2015 - Second Parks and Transportation SDCs Workshop

04/28/2015 - Adoption of residential Transportation SDC Methodology, TMC, and Fee.
Non-residential Transportation SDC adoption postponed.

06/09/2015 - Amendment of the implementation date for the residential Transportation SDC.

Attachments

Ordinance 15-08 Adopting SDC Methodology and TMC changes

Resolution 15-15 Establishing Adopted Amount of the TSDC for Residential

Mackenzie Report Comparing Development Costs of Portland Area Jurisdictions

**CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
ORDINANCE NO. 15- 08**

AN ORDINANCE REPEALING ORDINANCE NO. 95-28 AND 93-33 IN THEIR ENTIRETY AND ADOPTING A METHODOLOGY AND OTHER PROVISIONS RELATING TO THE IMPOSITION AND COLLECTION OF SYSTEM DEVELOPMENT CHARGES FOR ~~PARKS AND~~ TRANSPORTATION FACILITIES AND REPLACING TMC 3.24. , *as amended*

WHEREAS, the City has commissioned and authorized the preparation of a methodology for calculation of transportation related system development charges (SDCs) for the City of Tigard, resulting in a new “Parks SDC Methodology Report” and “Transportation SDC Methodology Report,” ; and

WHEREAS, the City intends to use its transportation SDCs as a way to balance the capital funding needed for improved transportation facilities between existing residents and future residents of this community; and,

WHEREAS, the City Council desires to adopt a revised and updated system development charge program that reflects the current requirements and authorizations of ORS 223.297 through 223.314.

NOW, THEREFORE, THE CITY OF TIGARD ORDAINS AS FOLLOWS:

- SECTION 1: TMC 3.24 set by Ordinance No. 95-28 and 93-33 are hereby repealed in their entirety
- SECTION 2: The System Development Charge program in Exhibit A is hereby adopted pursuant to ORS 223.297 through 223.314 and replaces TMC 3.24.
- SECTION 3: ~~The Parks SDC Methodology Report in Exhibit B is adopted~~
- SECTION 4: *Revised* The Transportation SDC Methodology Report in Exhibit C is adopted.
- SECTION 5: This ordinance shall be effective on July 1, 2015 after its passage by the council, signature by the mayor, and posting by the city recorder.

PASSED: By unanimous vote of all council members present after being read by number and title only, this 28th day of April, 2015.

Carol A. Krager
Carol A. Krager, City Recorder

APPROVED: By Tigard City Council this 28th day of April, 2015.

Jason B. Snider
Jason B. Snider, Council President

Approved as to form:

Justin W. Perrin
City Attorney

May 4, 2015
Date

Exhibit A

System Development Charge Program

Sections

3.24.010	Purpose
3.24.020	Scope
3.24.030	Definitions
3.24.040	System Development Charge Established
3.24.050	Methodology
3.24.060	Authorized Expenditures
3.24.070	Expenditure Restrictions
3.24.080	Capital Improvement Plan
3.24.090	Collection of Charge
3.24.100	Installment Payments
3.24.110	Exemptions
3.24.120	Credits
3.24.130	Notice
3.24.140	Segregation and Use of SDC Revenue
3.24.150	Appeals and Procedure
3.24.160	Prohibited Connection
3.24.170	Penalty
3.24.180	Severability
3.24.190	Effective Date

3.24.010 Purpose

- A. This ordinance is intended to implement the authority provided by ORS 223.297 through 223.314 adopting and imposing system development charges (SDC) for capital improvements for the purpose of creating a fund to pay for the installation, construction, extension, and expansion of capital improvements. The purpose of the system development charge is to impose a portion of the cost of capital improvements for water, wastewater drainage, streets, flood control, and parks upon those developments and redevelopments that create the need for or increase the demands on the system.

3.24.020 Scope

- A. The SDC created and imposed by this ordinance is separate from, and in addition to, any applicable tax, assessment, charge, fee in lieu of assessment, or fee otherwise provided by law or imposed as a condition of development.

3.24.030 Definitions

For purposes of this Ordinance, the following definitions apply:

- A. "Accessory dwelling unit" means a second residential dwelling unit created on a single lot with a single-family or a manufactured housing dwelling unit. The second unit is created auxiliary to, and is always smaller than, the single family or manufactured housing residential dwelling unit.
- B. "Administrator" means that person, or persons, appointed by the City to manage and implement the SDC program or portions thereof.
- C. "Applicant" means the person who applies for a building permit.
- D. "Building Official" means that person, or designee, certified by the State and designated as such to administer the State Building Codes for the City.
- E. "Building Permit" means that permit issued by a Building Official pursuant to the State of Oregon Structural Specialty Code Section 301 or as amended, and the State of Oregon One and Two Family Dwelling Code Section R-109 or as amended. In addition, "Building Permit" shall mean a Manufactured Home Installation Permit issued by the Building Official, relating to the placement of manufactured homes in the City.
- F. "Capital Improvements" means facilities or assets used for the following:
 - 1. Water supply, treatment, distribution, or any combination;
 - 2. Sewage and wastewater collection, transmission, and disposal;
 - 3. Drainage or flood control;
 - 4. Transportation; or
 - 5. Parks and Recreation.
- G. "Capital Improvements Plan" also called the CIP, means the City program that identifies facilities and improvements projected to be funded, in whole or in part, with SDC revenues.
- H. "City" means the City of Tigard, Oregon.
- I. "Condition of Development Approval" is any requirement imposed on an Applicant by the City, a City or County land use or limited land use decision, or site plan approval.
- J. "Construction Cost Index" means the Engineering News Record (Seattle) Construction Cost Index.
- K. "County" means Washington County, Oregon.

- L. "Credit" means the amount by which an Applicant may be able to reduce the SDC fee as provided in this Ordinance.
- M. "Development" means a building or other land construction, or making a physical change in the use of a structure or land, in a manner which increases the usage of capital improvements or which may contribute to the need for additional or enlarged capital facilities.
- N. "Duplex" means two attached single-family dwelling units on a single lot.
- O. "Improvement Fee" means a fee for costs associated with capital improvements to be constructed after the effective date of this ordinance.
- P. "Multi-Family Housing" means three or more attached residential dwelling units located on a single lot.
- Q. "New Development" means development for which a Building Permit is required.
- R. "Over-capacity" means that portion of an improvement that is built larger or with greater capacity than is necessary to serve the Applicant's New Development or mitigate for system impacts attributable to the Applicant's New Development.
- S. "Permit" means a Building Permit.
- T. "Permittee" means the person to whom a building permit, development permit, a permit or plan approval to connect to the sewer or water system, or right-of-way access permit is issued.
- U. "Previous use" means the most intensive use conducted at a particular property within the past 18 months prior to the date of application for a building permit. Where the site was used simultaneously for several different uses (mixed use) then, for the purposes of this Ordinance, all of the specific use categories shall be considered. Where the previous use is composed of a primary use with one or more ancillary uses that support the primary use and are owned and operated in common, that primary use shall be deemed to be the sole use of the property for purposes of this Ordinance.
- V. "Proposed use" means the use proposed by the Applicant for the New Development. Where the Applicant proposes several different uses (mixed use) for the New Development then, for purposes of this Ordinance, all of the specific use categories shall be considered. Where the proposed use is composed of a primary use with one or more ancillary uses that support the primary proposed use and are owned and operated in common, that primary use shall be deemed to be the sole proposed use of the property for purposes of this Ordinance.
- W. "Qualified Public Improvement" means any system capital facility or conveyance or an interest in real property that increases the capacity of the City's System and is:
 1. Required as a condition of development approval;
 2. Identified as a need in the SDC Methodology Report; and

3. Not located on or contiguous to property that is the subject of development approval, or
 4. Located in whole or in part on or contiguous to property that is the subject of development approval and, in the opinion of the Administrator, is required to be built larger or with greater capacity (over-capacity) than is necessary for the Applicant's New Development or mitigate for system impacts attributable to the Applicant's New Development. There is a rebuttable presumption that improvements built to the City's minimum standards are required to serve the Applicant's New Development and to mitigate for system impacts attributable to the Applicant's New Development.
- X. "Reimbursement Fee" means a fee for costs associated with capital improvements that have been constructed or were under construction prior to the effective date of this ordinance.
- Y. "Remodel" or "remodeling" means to alter, expand or replace an existing structure.
- Z. "Residential Dwelling Unit" means a building or a portion of a building consisting of one or more rooms, which include sleeping, cooking, and plumbing facilities and are arranged and designed as permanent living quarters for one family or household.
- AA. "Row house" means an attached single-family residential dwelling unit on a single lot.
- BB. "Single-family dwelling unit" means one detached residential dwelling unit, or one-half of a duplex, or one row house.
- CC. "Parks SDC Methodology Report" means the report entitled *Parks and Recreation System Development Charge Methodology Report*, dated April 27, 2015.
- DD. "Transportation SDC Methodology Report" means the report entitled *Transportation System Development Charge Methodology Report*, dated April 27, 2015.
- EE. "SDC Administration Procedures Guide" means that report entitled *System Development Charges Administration Procedures Guide*, dated April 27, 2015.

3.24.040 Systems Development Charge Established

- A. SDCs shall be established and may be revised from time to time by resolution of the council. The resolution shall set the amount of the charge, the type of permit to which the charge applies, the methodology used to set the amount of the charge, and if the charge applies to a geographic area smaller than the entire city, the geographic area subject to the charge.

- B. Unless otherwise exempted by the provisions of this ordinance or any other applicable local or state law, a SDC is hereby imposed upon all development within the city. SDCs are imposed upon the act of making a connection to the City water or sewer system within the City, upon all development outside the boundary of the City that connects to or otherwise uses the sewer or water facilities of the City, and whenever the City Council has authorized an intergovernmental agreement which permits the City to impose a parks SDC outside the City limits.

3.24.050 Methodology

- A. The methodology used to establish the reimbursement fee shall be based on ratemaking principles employed to finance publicly owned capital improvements, prior contributions by then-existing users, gifts or grants from federal or state government or private persons, the value of unused capacity available to future system users or the cost of the existing facilities, and other relevant factors identified by the city council. The methodology shall promote the objective that future systems users shall contribute no more than an equitable share of the cost of then-existing facilities and shall be available for public inspection.
- B. The methodology used to establish the improvement fee shall consider the projected cost of capital improvements identified in the plan and list adopted pursuant to Section 3.24.080 that are needed to increase the capacity of the systems to which the fee is related and for which the need for increased system capacity will be required to serve the demands placed on the system by future users. Improvement fees shall be calculated to obtain the cost of capital improvements for the projected need for available system capacity for future users.
- C. The methodology shall also provide for periodic indexing of system development charges for inflation, as long as the index used satisfies the following criteria:
 - 1. “(A) A relevant measurement of the average change in prices or costs over an identified time period for materials, labor, real property or a combination of the three;
 - 2. (B) Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
 - 3. (C) Incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution or order.”
- D. Except when authorized in methodology adopted under subsection 3.24.050, any fees imposed or required to be paid, assessed, or collected as part of a local improvement district or a charge in lieu of a local improvement district assessment, or the cost of complying with requirements or conditions imposed by a land use decision are separate from and in addition to the SDC and shall not be used as a credit against an SDC.

- E. The methodology used to establish the improvement fee or the reimbursement fee, or both, shall be adopted by resolution by the council.

3.24.060 Authorized Expenditures

- A. Reimbursement fees. Reimbursement fees shall be applied only to capital improvements (and not operating expenses) associated with the system for which the fees are associated, including expenditures relating to repayment of indebtedness.
- B. Improvement Fees.
 - 1. Improvement fees shall be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for the improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the improvements funded by improvement fees must be related to the need for increased capacity to provide service for future users.
 - 2. A capital improvement being funded wholly or in part from revenues derived from the improvement fee shall be included in the plan adopted by the city pursuant to Section 3.24.080.
 - 3. Notwithstanding subsections 3.24.060.B.1 and .2, SDC revenues may be expended on the costs of complying with the provisions of this Chapter, including the costs of developing systems development charge methodologies and providing an annual accounting of systems development charge funds.

3.24.070 Expenditure Restrictions

- A. SDCs shall not be expended for the following:
 - 1. Costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements; or
 - 2. Costs of the operation or routine maintenance of capital improvements.

3.24.080 Capital Improvement Plan

- A. The council shall adopt a capital improvement plan that:
 - 1. Lists the capital improvements that may be funded with improvement fee revenues; and

2. Lists the estimated cost, percentage of costs eligible to be funded with revenues from the improvement fee for each improvement, and time of construction; and
3. Describes the process for modifying the plan. If a SDC will be increased by a proposed modification of the list to include a capacity increasing capital improvement, the city shall provide, at least thirty (30) days prior to the adoption of the modification, notice of the proposed modification to the persons who have requested written notice under Section 3.24.130. The city shall hold a public hearing if a written request for a hearing on the proposed modification is received within seven (7) days of the date the proposed modification is scheduled for adoption.

3.24.090 Collection of Charge

A. The SDC is payable upon issuance of:

1. A building or construction permit of any kind, including any permit or permits issued in connection with the set-up or installation of any trailer, mobile or manufactured home;
2. A development permit;
3. A development permit for development not requiring the issuance of a building permit;
4. A permit to connect to the sewer system; or
5. A permit to connect to the water system.

B. If development is commenced or connection is made to the water system, sewer system, or storm system without an appropriate permit, the SDC shall be immediately due and payable upon the earliest date that a permit was required.

C. The Administrator shall collect the applicable SDC from the Permittee. The Administrator shall not issue such permit or allow such connection until the charge has been paid in full, or unless an exemption is granted pursuant to Section 3.24.110, or unless provision for installment payments has been made, pursuant to Section 3.24.100, which follows.

3.24.100 Installment Payment

A. When a SDC is due and payable, the Permittee may apply for payment in twenty (20) semi-annual installments, secured by a lien on the property upon which the development is to occur or to which the utility connection is to be made, to include the SDC along with the following:

1. Interest on the obligation at the rate stated in the city's Master Fees and Charges. If no rate is set, then the interest on the obligation will default to prime rate as published by the Wall Street Journal the day of application plus 4%;
 2. Any and all costs, as determined by the Administrator, incurred in establishing payment schedules and administering the collections process;
- B. The intent of this section is to recognize that the payment of an SDC by installments increases the administrative expense to the city. It is the intent of this subsection to shift that added expense to the applicant, so that the city will not lose SDC revenue by accepting installment payments on such charges. Subject to the provisions of this section, all costs added to the SDC will be determined by the Administrator.
- C. An Applicant requesting installment payments shall have the burden of demonstrating the Applicant's authority to assent to the imposition of a lien on the property and that the interest of the Applicant is adequate to secure payment of the lien.
- D. The Administrator shall docket the lien in the lien docket. From that time, the City shall have a lien upon the described parcel for the amount of the SDC together with the costs in paragraph 3.24.100.A.1 and .2. The lien shall be enforceable in the manner provided in ORS Chapter 223, and shall be superior to all other liens pursuant to ORS 223.230.

3.24.110 Exemptions

- A. The following are exempt from a SDC.
1. Structures and uses established and existing on or before the effective date of the resolution which sets the amount of the SDC are exempt from the charge, except water and sewer charges, to the extent of the structure or use existing on that date and to the extent of the parcel of land as it is constituted on that date. Structures and uses affected by this subsection shall pay the water or sewer charges pursuant to the terms of this Chapter upon the receipt of a permit to connect to the water or sewer system.
 2. Additions to single-family dwellings that do not constitute the addition of a dwelling unit, as defined by the Building Code adopted pursuant to Section 14.04 of this Code, are exempt from all portions of the SDC.
 3. An alteration, addition, replacement or change in use that does not increase the parcel's or structure's use of a capital improvement are exempt from all portions of the SDC.

3.24.120 Credits

- A. A SDC shall be imposed when a change of use of a parcel or structure occurs, but credit shall be given in an amount equal to the existing SDC as applied to the pre-existing type and level use. The credit so computed shall not exceed the calculated SDC. No refund or credit shall be made on account of such credit.
- B. An improvement fee credit shall be given for the cost of a bonded or completed qualified public improvement associated with a development upon acceptance by the City of the improvement, subject to the following conditions:
 - 1. Such credit shall be only for the improvement fee charged for the type of improvement being constructed, and credit for qualified public improvements under Subsection 3.24.030.W may be granted only for the actual, estimated, or agreed-upon cost of that portion of such improvement that exceeds the city's minimum standard facility size or capacity needed to serve the particular development property or project. The applicant shall have the burden of demonstrating that a particular improvement qualifies as a Subsection 3.24.030.W qualified public improvement. The request for credit shall be filed in writing no later than sixty (60) days after acceptance of the improvement by the City.
 - 2. When the construction of a qualified public improvement gives rise to a credit amount greater than the improvement fee that would otherwise be levied against the project receiving development approval, the excess credit may be applied against improvement fees that accrue in subsequent phases of the original development project, if any.
- C. Credits shall be used within ten (10) years from the date the credit is given, after which the credit shall expire, and be null and void, without the need for the city to take any further action.
- D. Credit shall not be transferable from one type of capital improvement to another.
- E. Credits may be transferable from one development to another.
- F. Credits for any SDC, or for the Washington County Transportation Development Tax, shall only be used for obligations relating to the charge and capital improvement type for which the credit was issued.

3.24.130 Notice

- A. After the effective date of this ordinance, the city shall maintain a list of persons who have made a written request for notification prior to adoption or amendment of a methodology for any SDC. Written notice shall be mailed to persons on the list at least ninety (90) days prior to the first hearing to establish or modify a SDC, and the methodology supporting the adoption or amendment shall be available at least sixty (60) days prior to the first hearing to adopt or amend. The failure of a person on the list to receive a notice that was mailed shall not invalidate the city's subsequent action.

- B. The city may periodically delete names from the list, but at least thirty (30) days prior to removing a name from the list the city must notify the person whose name is to be deleted that a new written request for notification is required if the person wishes to remain on the notification list.
- C. A change in the amount of a reimbursement fee or an improvement fee is not a modification of the SDC methodology if the change in amount is based on a change in cost of materials, labor or real property applied to projects or project capacity as set forth on the list adopted pursuant to Section 3.24.080 or the periodic application of one or more specific cost indices published by a recognized organization or agency and is incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution, or order.

3.24.140 Segregation and Use of SDC Revenue

- A. All funds derived from a particular type of SDC are to be segregated by accounting practices from all other funds of the city. That portion of the SDC calculated and collected on account of a specific facility system shall be used for no purpose other than those set forth in this Chapter.
- B. The Administrator shall provide an annual accounting of SDCs showing the total amount of system development charge revenues collected for each type of facility and the projects funded from the account.

3.24.150 Appeals and Procedure

- A. A person aggrieved by a decision required or allowed to be made by the city recorder under this ordinance or a person challenging the propriety of an expenditure of SDC revenues may appeal the decision or the expenditure to the City Council by filing a written request with the Administrator describing with particularity the decision of the Administrator or the expenditure from which the person appeals.
- B. Appeal of an Expenditure: An appeal of an expenditure must be filed within two (2) years of the date of the alleged improper expenditure. The council shall determine whether the Administrator's decision or the expenditure is in accordance with this ordinance and the provisions of ORS 223.297 to 223.314 and may affirm, modify or overrule the decision. If the Council determines that there has been an improper expenditure of SDC revenues, the council shall direct that a sum equal to the misspent amount shall be deposited within one (1) year to the credit of the account or fund from which it was spent.
- C. Appeal of an SDC Methodology: Legal action challenging the methodology adopted by the council pursuant to Section 3.24.050 shall not be filed later than sixty (60) days after the date of adoption, and shall be contested according to the

procedure set forth in ORS 34.010 to 34.100, and not otherwise.

D. Appeal of an SDC Calculation or Credit Determination.

1. A person aggrieved by a decision made by the Administrator relating to the calculation of SDCs may file an appeal within ten (10) days of the Administrator's action.
2. Appeals must be made by filing a written request with the Administrator and must include a recommended solution to the issue that has initiated the appeal.
3. Appeals may be filed to challenge only the trip generation rate or land use category that is applicable to the project.
4. The City Council shall consider all appeals and shall render a decision to affirm, modify, or overrule the decision of the Administrator.
5. The City Council's decision shall be made in accord with the intent of the provisions of this ordinance.

3.24.160 Prohibited Connection

- A. No person may connect to the water or sewer or storm systems of the City unless the appropriate SDC has been paid.

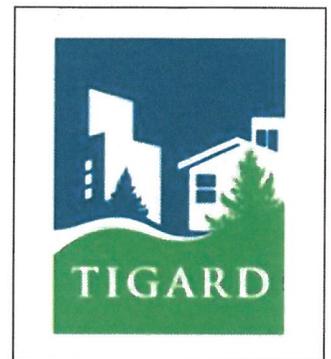
3.24.170 Penalty

- A. Violation of this Chapter is a Class A infraction punishable by a fine not to exceed \$500.

3.24.180 Severability

- A. The provisions of this ordinance are severable, and it is the intention to confer the whole or any part of the powers herein provided for. If any clause, section, or provision of this ordinance shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of this ordinance shall be in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein. It is hereby declared to be the Council's intent that this ordinance would have been adopted had such an unconstitutional provision had not been included herein.

Tigard, Oregon



Revised
TRANSPORTATION SYSTEM
DEVELOPMENT CHARGE
METHODOLOGY REPORT

April 28, 2015



This entire report is made of readily recyclable materials, including the bronze wire binding and the front and back cover, which are made from post-consumer recycled plastic bottles.

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TABLE OF CONTENTS

SECTION I: BACKGROUND	1
A. Policy.....	1
B. Project	1
SECTION II: METHODOLOGY	3
A. Reimbursement Fee Cost basis.....	3
B. Improvement Fee Cost basis	3
C. Compliance Fee Cost Basis.....	3
D. Growth.....	3
E. Geographic Allocation	4
F. Summary	4
SECTION III: GROWTH CALCULATION	5
A. Relevant Types of Growth	5
B. Growth in Trip Ends.....	5
B.1 Expected Growth Levels.....	5
B.2 Calculating the Eligible SDC Cost Share	5
SECTION IV: COST CALCULATION	7
A. Reimbursement Fee	7
B. Improvement Fee.....	7
B.1 SDC-Eligible Costs	8
B.2 Adjustment for SDC Fund Balance	8
B.3 Improvement Fee Summary by District.....	8
C. Compliance Fee Cost Basis.....	9
D. Summary Calculated SDCs	9
SECTION V: RECOMMENDATIONS	10
A. Transportation SDC Calculation	10
A.1 Residential SDC Calculation.....	10
A.2 Non-Residential SDC Calculation	10
B. Annual Adjustment	11
C. Credits and Exemptions	11
C.1 Credits	11
C.1.a Credit Policy.....	11
C.2 Exemptions	12
D. Discounts	12
E. Existing and Proposed SDCs	12
E.1 SDCs with 50% Credit Policy for River Terrace Boulevard.....	12

APPENDIX 14
 Appendix A – Transportation Capital Project List..... 15
 Appendix B – Capacity Share Assumptions..... 20
 Appendix C – Reimbursement Fee Calculation 21

SECTION I: BACKGROUND

This section describes the policy context and project scope upon which the body of this report is based.

A. POLICY

Oregon Revised Statutes (ORS) 223.297 to 223.314 authorize local governments to establish system development charges (SDCs). These are one-time fees on new development, and they are paid at the time of development. SDCs are intended to recover a fair share of the cost of existing and planned facilities that provide capacity to serve future growth.

ORS 223.299 defines two types of SDC:

- ◆ A reimbursement fee that is designed to recover “costs associated with capital improvements already construct, or under construction when the fee is established, for which the local government determines that capacity exists”
- ◆ An improvement fee that is designed to recover “costs associated with capital improvements to be constructed”

ORS 223.304(1) states, in part, that a reimbursement fee must be based on “the value of unused capacity available to future system users or the cost of existing facilities” and must account for prior contributions by existing users and any gifted or grant-funded facilities. The calculation must “promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities.” A reimbursement fee may be spent on any capital improvement related to the system for which it is being charged (whether cash-financed or debt-financed) and on the costs of compliance with Oregon’s SDC law.

ORS 223.304(2) states, in part, that an improvement fee must be calculated to include only the cost of projected capital improvements needed to increase system capacity for future users. In other words, the cost of planned projects that correct existing deficiencies or do not otherwise increase capacity for future users may not be included in the improvement fee calculation. An improvement fee may be spent only on capital improvements (or portions thereof) that increase the capacity of the system for which it is being charged (whether cash-financed or debt-financed) and on the costs of compliance with Oregon’s SDC law.

B. PROJECT

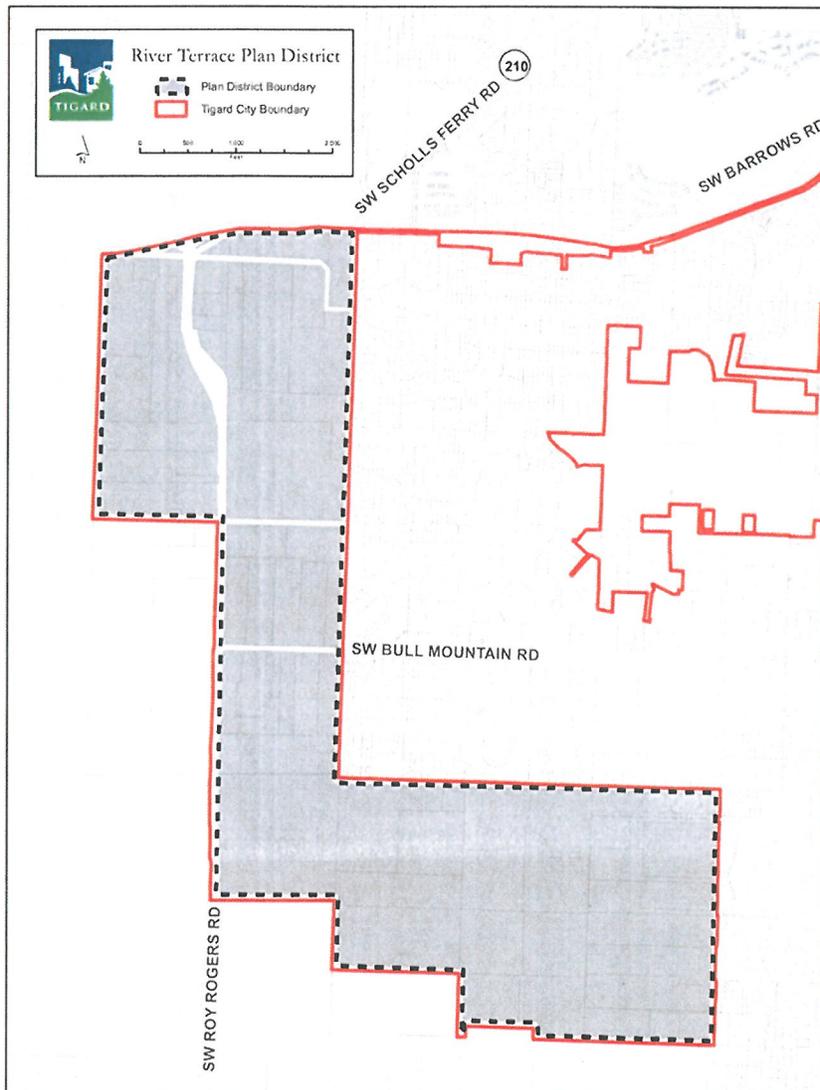
In August 2014, the City of Tigard (City) contracted with FCS GROUP to prepare a new local SDC for transportation facilities that take into account the projects identified in the Tigard Transportation System Plan and the River Terrace TSP Addendum, June 2014. This report documents our findings and recommendations.

We approached this project as a series of three steps:

- ◆ **Framework for Charges.** In this step, we worked with City staff to identify the approach to be used and the components to be included in the analysis.
- ◆ **Technical Analysis.** In this step, we worked with City staff to isolate the recoverable portion of planned facility costs and calculate draft SDC rates.
- ◆ **Draft Methodology Report Preparation.** In this step, we documented the calculation of the draft SDC rates included in this report.

For analysis purposes, the new Tigard Transportation SDC is intended to be consistent with the River Terrace Funding Strategy, adopted by Tigard City Council in December 2014. This Transportation SDC Methodology Report supports the creation of a special SDC overlay district within the River Terrace Plan District boundary (**Exhibit 1.1**). Please refer to City of Tigard Community Development Code: Map 18.660 for tax lots that are included in the River Terrace Plan District. With the adoption of this SDC methodology, future development in Tigard would be subject to a citywide SDC and development within River Terrace would also be subject to the River Terrace SDC overlay fee.

Exhibit 1.1



SECTION II: METHODOLOGY

This section provides a non-numeric overview of the calculations that result in SDC rates.

A. REIMBURSEMENT FEE COST BASIS

The reimbursement fee is the cost of available capacity per unit of growth that such available capacity can serve. In order for a reimbursement fee to be calculated, excess transportation infrastructure capacity must be available to serve future growth. For facility types that have no excess capacity, no reimbursement fee may be charged. This analysis uses the original cost of all SDC or Transportation Development Tax (TDT) infrastructure less the amount currently used as the basis for the reimbursement fee.

B. IMPROVEMENT FEE COST BASIS

The improvement fee is the cost of capacity-increasing capital projects per unit of growth that those projects will serve. Since the capacity added by most projects serves a dual purpose of both meeting existing demand and serving future growth, growth-related costs for each project must be isolated and costs that meet current demand or repair a deficiency must be excluded.

We have used the capacity approach to allocate costs to the improvement fee basis. Under this approach, the cost of a given project is allocated to growth in proportion to the growth-related capacity that projects of a similar type will create. The portion of each project that is attributable to growth is determined and the SDC-eligible costs are calculated by dividing the total costs of growth-required projects by the projected increase in demand.

C. COMPLIANCE FEE COST BASIS

ORS 223.307(5) authorizes the expenditure of SDCs on “the costs of complying with the provisions of ORS 223.297 to 223.314, including the costs of developing system development charge methodologies and providing an annual accounting of system development charge expenditures.” To avoid spending monies for compliance that might otherwise have been spent on growth-related projects, this report assumes that compliance costs are equal to 3% of the SDC improvement fee basis.

D. GROWTH

Growth for SDCs is in units that most directly reflect the source of demand. In the case of transportation, the most applicable unit of growth is trips on the infrastructure. In this methodology we have analyzed growth in terms of average daily person trips (ADPT) and P.M. peak hour vehicle trip ends (PHVT).

E. GEOGRAPHIC ALLOCATION

SDCs are often calculated and applied uniformly throughout a municipality, but such uniformity is not a legal requirement. Municipalities can calculate and impose area-specific SDCs. Area-specific SDCs allow a municipality to identify and isolate differential costs to serve particular areas within its jurisdiction. SDCs are calculated separately for each area, and improvement fees must be spent on projects in the improvement fee cost basis for the area in which those improvement fees were earned.

Area-specific SDCs can be implemented in two ways. The first way is to divide the municipality into a set of non-overlapping areas. Under this method, the SDCs for a particular area are determined by the assets, projects, and projected growth in that area. The second method is a layered approach. The first layer consists of a citywide SDC based on assets and projects of citywide benefit. The second layer consists of one or more overlays. Each overlay is a separate list of assets and projects that benefit a particular area within the city. Development within an overlay pays both the citywide SDC and the overlay SDC. Development outside of any overlay pays only the citywide SDC.

Given the City’s desire to isolate the costs of serving certain areas and findings in the River Terrace Funding Strategy adopted by Tigard City Council in December 2014, we recommend (and have calculated in this report) both a citywide SDC and an overlay SDC for River Terrace.

F. SUMMARY

In general, SDC rates are calculated by adding the reimbursement fee component, improvement fee component, and compliance cost component. Each component is calculated by dividing the eligible cost by the growth of units of demand. The unit of demand becomes the basis of the charge. **Exhibit 2.1** shows this calculation in equation format:

Exhibit 2.1: SDC Equation				
Eligible costs of available capacity in existing facilities	+	Eligible costs of capacity-increasing capital improvements	+	Costs of complying with Oregon SDC law
-----				=
Units of growth in demand				SDC per unit of growth in demand

Section III of this report provides detailed calculations related to growth in demand, which is the denominator in the SDC equation. **Section IV** of this report provides detailed calculations on eligible costs, which is the numerator in the SDC equation. **Section V** identifies SDC recommendations.

SECTION III: GROWTH CALCULATION

This section provides detailed calculations related to growth in demand, which is the denominator in the SDC equation.

A. RELEVANT TYPES OF GROWTH

Transportation engineers commonly use peak-hour trip or average person trip estimates to assess transportation performance and determine system needs. This transportation SDC methodology utilizes both average daily person trips (ADPT) and P.M. peak hour vehicle trip ends (PHVT) in the calculation of the SDC fee.

ADPTs include vehicle trips on collector and arterial streets and non-motor vehicle trips that utilize bicycle, pedestrian, and transit facilities. The proposed SDC charges provide a PHVT to ADPT conversion factor so that non-residential SDCs can also take into account linked trips for certain types of developments, such as fast food restaurants and fuel stations, which have relatively high rates of linked-trip activity.

B. GROWTH IN TRIP ENDS

Having established relevance of ADPT and PHVT, we now quantify expected growth rates.

B.1 Expected Growth Levels

As mentioned above, this methodology utilizes a citywide SDC with a River Terrace overlay.

Exhibits 3.1 and 3.2 show the growth in person trips (ADPT) and vehicle trips (PHVT) between now and 2035 for River Terrace and the rest of Tigard. The modeled trip growth forecasts result in a factor of approximately 0.047 for converting average daily person trips (ADPT) into peak hour vehicle trips (PHVT). Conversely, for every 21 average daily person trip-ends that originate or terminate in Tigard (including trips by vehicles, bicycle, pedestrian and transit), there is one P.M. peak-hour vehicle trip-end expected (PHVT).

B.2 Calculating the Eligible SDC Cost Share

The growth share for any project varies by the project type and the percent of the project that serves future growth. See **Appendix A** for a complete list of projects with the appropriate growth shares. In general, new collector or arterial facilities (including the roadways, bicycle, and pedestrian facilities) that are needed only to serve growth are 100% SDC eligible. Existing roadways and bicycle/pedestrian facilities that are planned for expansion to accommodate growth may only be partially eligible for SDC funding.

The share of existing transportation facilities that are planned for capacity upgrades to serve future growth needs varies by type of project and the rubric to determine future growth share is shown in **Appendix B**.

Exhibit 3.1: Average Daily Person Trip-End (ADPT) Growth

Area	2010	2015	2035	Growth - 2015 to 2035
River Terrace	469	1,083	30,737	29,654
Rest of Tigard	525,451	560,100	733,130	173,030
All Tigard	525,920	561,183	763,867	202,684

Source: Trip growth estimates and forecasts were compiled by DKS Associates using data derived from the Metro Regional Transportation Plan model that's consistent with the River Terrace Community Plan Transportation System Plan Addendum (June 2014).

Exhibit 3.2: Tigard Peak-Hour Vehicle Trip-End (PHVT) Growth

Area	2010	2015	2035	Growth - 2015 to 2035
River Terrace	63	119	1,536	1,417
Rest of Tigard	28,319	30,019	38,341	8,322
All Tigard	28,382	30,379	39,877	9,498

Source: Trip growth estimates and forecasts were compiled by DKS Associates using data derived from the Metro Regional Transportation Plan model that's consistent with the River Terrace Community Plan Transportation System Plan Addendum (June 2014).

SECTION IV: COST CALCULATION

This section provides detailed calculations on eligible costs, which is the numerator in the SDC equation.

A. REIMBURSEMENT FEE

As noted in **Section II**, the reimbursement fee is based on the present value of unused capacity that the City has funded in Tigard. For analysis purposes, we have based the reimbursement SDC cost basis on the actual amount of prior capacity investments the city has made using Transportation Development Tax funds over the past nine fiscal years. The expenditures from previous years have been discounted by the trip growth rate in this report to account for increased use since initial construction. **Exhibit 4.1** summarizes the cost basis for the reimbursement fee. Detailed calculations are included in **Appendix C**.

Exhibit 4.1: Reimbursement Fee Basis Calculation

Reimbursement Fee Calculation	Total
Capital Project Expenditures	\$4,955,023
Less Capacity Used Up	\$369,470
Reimbursement fee basis	\$4,585,553

Source: City of Tigard, compiled by FCS GROUP.

Using the calculated growth in PHVT from the previous section and the reimbursement fee basis, **Exhibit 4.2** shows the calculated reimbursement fee. Note that the reimbursement fee is charged irrespective of the SDC overlay district.

Exhibit 4.2: Reimbursement Fee Calculation

Reimbursement Fee per PMPHT	Total
Cost of SDC/TDT Capital Project Expenditures	\$4,585,553
Change in ADPT (2015-2035)	202,684
Reimbursement Fee per ADPT	\$23
Equivalent Reimbursement Fee per PHVT*	\$483

Source: Previous tables and Appendix C, compiled by FCS GROUP. *Assumes ADPT to PHVT conversion factor of 21.34

B. IMPROVEMENT FEE

City staff identified a list of project needs for the transportation SDC using several sources:

- ◆ The Tigard Transportation System Plan
- ◆ The River Terrace Transportation System Plan Addendum
- ◆ The Metro's Regional Transportation Plan
- ◆ The Tigard's Capital Improvement Plan

In addition, the current Transportation Development Tax Road Project List has been considered to ensure that potential SDC project expenditures are not included on the TDT project list as well.

Exhibit 4.3 shows a summary list of the Tigard transportation project costs. Overall, the City identified a total need of \$625 million. For a detailed list of Tigard transportation projects see **Appendix A**.

Exhibit 4.3: Transportation Project Capital Costs, City of Tigard, 2015-2035 (in \$1,000s)

Project Location	Arterial	Collector	Bridge	Bike/Ped	TSM*	Total
Citywide	\$479,592	\$39,000	\$15,000	\$34,030	\$17,500	\$585,122
River Terrace	\$0	\$37,850	\$0	\$1,800	\$0	\$40,150
Total	\$479,592	\$76,850	\$15,000	\$35,830	\$17,500	\$625,272

Source: City of Tigard, compiled by FCS GROUP. * TSM = transportation system management.

B.1 SDC-Eligible Costs

Total SDC-eligible costs are a percentage of total projects. The percent of each individual project is calculated and then summed by infrastructure type. Because there is an overlay districts, each project is categorized as either benefitting the overlay district or the entire city. **Exhibit 4.4** shows a summary table by SDC overlay and type of transportation costs. See **Appendix A** for detailed calculations of SDC-eligible costs.

Exhibit 4.4: Transportation SDC Project Capital Costs, City of Tigard, 2015-2035 (in \$1,000s)

Project Location	Arterial	Collector	Bridge	Bike/Ped	TSM*	Total
Citywide	\$222,818	\$19,669	\$5,250	\$5,911	\$13,882	\$267,530
River Terrace	\$0	\$14,623	\$0	\$0	\$0	\$14,623
Total	\$222,818	\$34,292	\$5,250	\$5,911	\$13,882	\$282,153

Source: City of Tigard, compiled by FCS GROUP. * TSM = transportation system management (e.g., traffic signal synchronization and turning movement/access modifications).

B.2 Adjustment for SDC Fund Balance

There is no existing local transportation SDC in Tigard and therefore no fund balances to consider at this time.

B.3 Improvement Fee Summary by District

Similar to the reimbursement fee cost basis above, we calculate the improvement fee cost basis by district in PHVT using growth estimates from the previous section and the SDC-eligible projects shown above. **Exhibit 4.5** shows the potential improvement fee by district before discounts or adjustments.

Exhibit 4.5: SDC Improvement Fee by District

Improvement Fee Calculations (before discounts)	SDC-Eligible Project Costs	Growth in ADPT	Fee per ADPT	Equivalent Fee per PHVT*	SDC Fee per Single-Family Residence
Citywide base charge	\$267,530,222	202,684	\$1,320	\$28,168	\$15,924
River Terrace Overlay	\$14,622,750	29,654	\$493	\$10,523	\$5,949
Total River Terrace SDC	\$282,152,972	232,339	\$1,813	\$38,690	\$21,873

Source: Previous tables and Appendix, compiled by FCS GROUP. *Assumes ADPT to PHVT conversion factor of 21.34; compiled by FCS Group.

C. COMPLIANCE FEE COST BASIS

For the purpose of this study, we assume the compliance costs equal 3% of the SDC improvement fee.

D. SUMMARY CALCULATED SDCS

Exhibit 4.6 shows the calculated SDC per person trip (ADPT) by each fee basis and by district. Note that this is the maximum defensible SDC that Tigard can charge based on forecasted growth in person-trips.

Exhibit 4.6: Total SDC per ADPT (SDC per person trip before discounts)

Area	Reimbursement Fee per ADPT	Improvement Fee per ADPT	Compliance Fee per ADPT	Total SDC per ADPT	SDC Fee per Dwelling Unit
Citywide	\$23	\$1,320	\$40	\$1,382	\$16,675
River Terrace Overlay		\$493	\$15	\$508	\$6,127
River Terrace Total	\$23	\$1,813	\$54	\$1,890	\$22,802

Source: Previous tables and Appendix, compiled by FCS GROUP.

Exhibit 4.7 expresses the maximum SDC that Tigard can charge in terms of growth in P.M peak-hour vehicle trip-ends (PHVT) by each fee basis and by district. This is also the maximum defensible SDC that Tigard can charge based on vehicle trip growth.

Exhibit 4.7: Equivalent Total SDC per PHVT (before discounts)

Area	Reimbursement Fee	Improvement Fee	Compliance Fee	Total SDC per PHVT	SDC Fee per Dwelling Unit
Citywide	\$483	\$28,168	\$845	\$29,495	\$16,675
River Terrace Overlay		\$10,523	\$316	\$10,839	\$6,127
River Terrace Total	\$483	\$38,690	\$1,161	\$40,334	\$22,802

Source: Previous tables and Appendix, compiled by FCS GROUP. *Assumes ADPT to PHVT conversion factor of 21.34; compiled by FCS Group.

SECTION V: RECOMMENDATIONS

This section provides calculations of the residential and non-residential SDCs and recommended SDCs after accounting for credit and discount policies.

A. TRANSPORTATION SDC CALCULATION

The transportation SDC is based on the number of trips that a change in land use generates. The Institute of Transportation Engineers (ITE) *Trip Generation Manual* contains trip rates based on studies conducted nationwide and provides the base data of unadjusted counts of trips generated by various types of land use.

Unadjusted trip counts mean that certain land use types will have high trip counts including all traffic entering or leaving a location but does not account for traffic that passes by or interrupts a primary trip between origin and destination. Trips that interrupt a primary trip are called linked trips and this SDC methodology recommends removing them from the non-residential calculation because they would occur regardless of development activity.

A.1 Residential SDC Calculation

The proposed SDCs identified in this report include specific recommendations for initial SDCs to be charged based on new single family detached and multifamily/other dwellings added to the City. These types of calculations are relatively simple and take into account the net new dwellings added multiplied by the SDC per dwelling unit. Residential land use types do not entail a linked trip adjustment factor.

SDC rates for specific developments are to be determined using the ITE Trip Generation Handbook in which there are land use categories depicting single family detached (code #210), apartments (code #220), rental townhouses (code #224), and other residential types.

A.2 Non-Residential SDC Calculation

The proposed SDCs identified in this report include specific recommendations for initial SDCs to be charged based on new PHVT added for non-residential development. New non-residential development in Tigard may include land use types with linked trips. The number of new PHVTs generated for non-residential land use should take into account the following formula:

$$\text{ITE Vehicle Trip Rate} \times (1 - \% \text{ Linked Trips}) = \text{Net New PHVT}$$

The SDC per unit of development is calculated for each type of land use by multiplying the new PHVT for each land use by the SDC per PHVT. It is important to note that the *Trip Generation Manual* may not contain some land use categories or may not include trip rates or number of net new trips generated. For such land use categories without data, the City administrator shall use her/his judgment to calculate the transportation SDC.

B. ANNUAL ADJUSTMENT

Annual adjustment of transportation SDCs as summarized in the City's "Master Fees & Charges Schedule" shall be made with City Council approval. The index to be used for adjusting transportation SDCs will be based on the weighted average of the year over year escalation for two measurements: 90 percent multiplied by the Engineering News Record Construction Cost Index for the Seattle Area percent change plus 10 percent multiplied by the Oregon Department of Transportation monthly asphalt price (annualized) percent change.

C. CREDITS AND EXEMPTIONS

The Tigard SDC Procedures Guide will establish local policies for issuing credits and exemptions, annual adjustments, and other administrative procedures.

C.1 Credits

A credit is a reduction in the amount of SDCs paid for a specific development. The Oregon SDC Act requires that credit be allowed for the construction of a "qualified public improvement" which (1) is required as a condition of development approval, (2) is identified in the City's capital improvements program, and (3) either is not located on or contiguous to property that is the subject of development approval, or is located on or contiguous to such property and is required to be built larger or with greater capacity than is necessary for the particular development project.

The credit for a qualified public improvement may only be applied against an SDC for the same type of improvement (e.g., transportation right of way or improvements provided by a developer can only be used for a credit for transportation SDC improvement fee payments), and must be granted only for the cost of that portion of an improvement which exceeds the minimum standard facility size or capacity needed to serve the particular project up to the amount of the improvement fee. For multi-phase projects, any excess credit may be applied against SDCs that accrue in subsequent phases of the original development project.

In addition to these required credits, the City may, if it so chooses, provide a greater credit, establish a system providing for the transferability of credits, provide a credit for a capital improvement not identified in the City's SDC Capital Improvements Plan, or provide a share of the cost of an improvement by other means (i.e., partnerships, other City revenues, etc.).

C.1.a Credit Policy

The City will establish the following credit policy for the transportation SDC.

The Tigard credit policy assumes that the City implements a credit policy which applies the Washington County Transportation Development Tax (TDT) credit policy to SDC eligible projects in the city with an exception made for the planned River Terrace Boulevard project. By expanding the creditable portion of River Terrace Boulevard to 50% of the roadway improvement cost, the city would need to fund the difference by increasing its SDC improvement fee.

The City also stipulates that credits provided within the River Terrace district cannot be used in another part of the City. However, citywide SDC credits could be utilized anywhere within the City. This would help ensure that any transportation SDC credits issued in River Terrace will result in continued development investment in River Terrace.

C.2 Exemptions

The City may exempt specific classes of development (i.e., minor additions, etc.) from the requirement to pay SDCs.

D. DISCOUNTS

This Tigard Transportation SDC Methodology Report has documented the maximum defensible SDC that can be established in Tigard (provided earlier in **Exhibits 4.6 and 4.7**).

The City can discount the SDC amount by reducing the portion of growth-required improvements to be funded with SDCs and the City can decide to charge only a percentage (i.e., 50%, 75%, etc.) of the SDC rates required to fund identified growth-related facility costs. The SDC Procedures Manual will specify how discounts should apply to certain developments, such as transit-oriented development. If the City discounts SDCs, revenues will decrease and amounts that must come from other sources, such as general fund contributions, will increase in order for the City to maintain levels of service.

In accordance with the River Terrace Funding Strategy, the City of Tigard desires to establish its Transportation SDC at a level that is below the maximum amount that it can charge. The City's currently policy objective for transportation SDCs is to establish an initial citywide average SDC of \$5,000 per dwelling unit; and a River Terrace average SDC of \$7,312 per dwelling unit. For SDC analysis purposes, this SDC methodology study analysis assumes that the residential and non-residential SDC rate discounts are equal among the customer groups.

Since the Citywide and River Terrace SDCs would be lower than the maximum SDC the City can justify, additional funding sources would be needed to ensure that all projects contained in the long term capital project list can be funded by year 2035.

E. EXISTING AND PROPOSED SDCS

Exhibit 5.1 summarizes the existing and proposed total Transportation SDCs for the City of Tigard for reimbursement, improvement, and compliance charges after accounting for discounts.

Once this Methodology Report is adopted, Transportation SDCs would vary by location. SDCs within the city (outside River Terrace) would initially be charged \$5,714 per single family dwelling, and \$3,333 per multifamily/other dwelling, and \$2,872 per P.M. peak-hour vehicle trip-end (PHVT) for non-residential uses.

Note that the City Council may decide to defer some of the SDC charges identified in the following tables (for example, the City Council could vote to defer implementation of the SDC reimbursement fees but charge SDC improvement fees).

E.1 SDCs with 50% Credit Policy for River Terrace Boulevard

This scenario assumes that the cost of constructing River Terrace Boulevard is 50% credit eligible for "local street" elements and 100% credit eligible for improvements beyond "local street" elements; and all other transportation facilities would rely upon the current TDT credit policy.¹ The resulting

¹ Please refer to the Tigard Parks and Transportation Systems Development Charge Procedures Manual for additional information.

SDCs within River Terrace would initially be charged \$8,356 per single family dwelling, \$4,875 per multifamily dwelling, and \$2,944 per PHVT for non-residential uses (**Exhibit 5.1**).

Exhibit 5.1: Tigard Transportation SDCs (Option B2)*

Development Type	SDC Current	Citywide Base SDC-r	SDC-i (after discount) ¹		Total SDC (after discount)	
			Citywide	River Terrace Overlay	Citywide Total	River Terrace Total
Residential Development ²						
Avg. charge per dwelling	n/a	\$273	\$4,727	\$2,312	\$5,000	\$7,312
Charge per single family detached dwelling	n/a	\$312	\$5,402	\$2,642	\$5,714	\$8,356
Charge per multifamily dwelling	n/a	\$182	\$3,151	\$1,541	\$3,333	\$4,875
Non-Residential Development ³						
Avg. charge per PHVT ⁴	n/a	\$483	\$2,389	\$72	\$2,872	\$2,944

Notes: This option discounts the non-residential TSDC to be on par with the residential TSDC discounts. It increases the citywide transportation capital funding gap by \$19.7 M (from \$423 M to \$443 M) over 20 years.

* Credit policy assumes River Terrace Blvd. "local" elements are 50% credit eligible and elements beyond local streets are 100% credit eligible; with increase in cost basis being recovered through SDCs and TDTs collected by future River Terrace development. All other facilities would be subject to the current credit policy.

¹ Includes compliance fee.

² Variance between single family detached and multifamily dwelling unit charges take into account peak trip adjustment factors derived from the ITE Handbook.

³ Non-residential SDCs include similar discounts as the residential SDCs and will be based on average charges by PHVT and shall vary by land use type using procedures established in the Tigard SDC Procedures Guide. Adjustments may include reductions for linked-trips.

⁴ Average charge per P.M. peak-hour vehicle trip-end (PHVT) is shown before making potential adjustments for linked-trips. Source: compiled by FCS GROUP based on preceding tables.

APPENDIX

Appendix A – Transportation Capital Project List

Project ID	Road	Road Classification	Description	Project Costs	% City Share	Local Private Funding	ODOT/County Funding	Total City Cost	City Cost After Identified Local Funding	Capacity Related Percent	Growth Percent of Capacity	Total SDC /TDI Eligible Costs	Capacity Related City Cost (TDI)	Capacity Related City Cost (SDC)	TDI % of Eligible Project Costs	SDC % of Eligible Project Costs	Source
River Terrace Benefit																	
Project ID 23A	150th Ave	Collector	Improve 150th Ave. from Bull Mountain Rd. to Beef Bend Rd.	\$400,000	24%	\$306,000		\$94,000	\$94,000	50%	50%	\$23,500	\$0	\$23,500	0%	100%	RT TSP Addendum
Project ID 21A	Bull Mountain Rd	Collector	Upgrade to urban standards	\$1,200,000	2%	\$850,000		\$350,000	\$350,000	50%	50%	\$87,500	\$350,000	\$0	100%	0%	RT TSP Addendum
Project ID 18	Intersection	Collector	Bull Mountain Rd. / N-S collector intersection or roundabout	\$1,500,000	100%			\$1,500,000	\$1,500,000	100%	100%	\$1,500,000	\$0	\$1,500,000	0%	100%	RT TSP Addendum
Project ID 20	Intersection	Collector	Woodhue St. / 161st Ave. extension intersection or roundabout	\$2,000,000	0%	\$2,000,000		\$0	\$0	100%	100%	\$0	\$0	\$0			RT TSP Addendum
Project ID NA 21	Intersection	Street	Improvements where new streets meet existing streets - Phase 1	\$500,000	100%			\$500,000	\$0	50%	100%	\$0	\$0	\$0			RT TSP Addendum
Project ID 2	Lorenzo Ln	Collector	Extend Lorenzo Ln. from West UGB to Roy Rodgers Rd.	\$2,500,000	5%	\$2,360,000		\$120,000	\$120,000	100%	100%	\$120,000	\$0	\$120,000	0%	100%	RT TSP Addendum
Project ID 3	Lorenzo Ln	Collector	Extend Lorenzo Ln. from Roshak Rd. to Roy Rodgers Rd.	\$3,500,000	100%			\$3,500,000	\$3,500,000	100%	100%	\$3,500,000	\$0	\$3,500,000	0%	100%	RT TSP Addendum
Project ID NA 1	River Terrace Trail	Bike/Ped	River Terrace Trail from Roy Rodgers Rd. to 150th Ave.	\$1,800,000	100%			\$1,800,000	\$1,800,000	0%	100%	\$0	\$0	\$0			RT TSP Addendum
Project ID 5A	RT Blvd	Collector	3 lane N-S collector from Scholls Ferry to Lorenzo Ln. extension - Phase 1	\$4,630,000	43%	\$3,417,000		\$2,613,000	\$2,613,000	100%	100%	\$2,613,000	\$653,250	\$1,959,750	25%	75%	RT TSP Addendum
Project ID 5B	RT Blvd	Collector	3 lane N-S collector from Scholls Ferry to Lorenzo Ln. extension - Phase 2	\$2,970,000	100%			\$2,970,000	\$2,970,000	100%	100%	\$2,970,000	\$742,500	\$2,227,500	25%	75%	RT TSP Addendum
Project ID 6A	RT Blvd	Collector	3 lane N-S collector from Lorenzo Ln. extension to Bull Mountain Rd. - Phase 1	\$4,875,000	48%	\$2,550,000		\$2,325,000	\$2,325,000	100%	100%	\$2,325,000	\$581,250	\$1,743,750	25%	75%	RT TSP Addendum
Project ID 7A	RT Blvd	Collector	3 lane N-S collector from Bull Mountain Rd. to the south City limit - Phase 1	\$4,125,000	46%	\$2,244,000		\$1,881,000	\$1,881,000	100%	100%	\$1,881,000	\$470,250	\$1,410,750	25%	75%	RT TSP Addendum
Project ID 7B	RT Blvd	Collector	3 lane N-S collector from south City limit to the south UGB (phase 2)	\$6,250,000	46%	\$3,400,000		\$2,850,000	\$2,850,000	100%	100%	\$2,850,000	\$712,500	\$2,137,500	25%	75%	RT TSP Addendum
Project ID 8		Collector	2 lane E-W collector between Roy Rodgers Rd. and N-S collector	\$2,500,000	0%	\$2,500,000		\$0	\$0	0%	0%	\$0	\$0	\$0			RT TSP Addendum
Downtown Benefit (included in citywide)																	
Metro Project ID	Ash Ave	Collector	Extend Ash Avenue from Burnham, across the RR, to Commercial Street	\$10,000,000	100%			\$10,000,000	\$10,000,000	50%	100%	\$5,000,000	\$0	\$5,000,000	0%	100%	TSP, RTP, CIP
Tigard Triangle Benefit (included in citywide)																	
Beveland St 70th to 7117 Beveland)	Beveland St	Bike/Ped	Fill 330' Sidewalk Gap	\$40,000	100%			\$40,000	\$40,000	50%	100%	\$20,000	\$0	\$20,000	0%	100%	City staff
Red Rock Creek Greenway	Trail	Bike/Ped	New trail parallel to and south of 99W in triangle	\$3,000,000	100%			\$3,000,000	\$3,000,000	25%	50%	\$375,000	\$0	\$375,000	0%	100%	City staff

Project ID	Road	Road Classification	Description	Project Costs	% City Share	Local Private Funding	ODOT/County Funding	Total City Cost	City Cost After Identified Local Funding	Capacity Related Percent	Growth Percent of Capacity	Total SDC/TDI Eligible Costs	Capacity Related City Cost (TDI)	Capacity Related City Cost (SDC)	TDI % of Eligible Project Costs	SDC % of Eligible Project Costs	Source
Citywide Benefit																	
121st Ave. Whittier to Tippitt	121st Ave	Bike/Ped	Add Sidewalks and Bike Lanes	\$3,500,000	100%			\$3,500,000	\$3,500,000	50%	100%	\$1,750,000	\$3,500,000	\$0	100%	0%	City staff
121st Ave over Summer Creek	121st Ave	Bike/Ped	Pedestrian bridge on west side of road	\$50,000	100%			\$50,000	\$50,000	50%	100%	\$25,000	\$0	\$25,000	0%	100%	City staff
121st Street Widening	121st St	Collector	Walnut Street to North Dakota Street – two lanes with turn lanes where necessary plus bike lanes and sidewalks	\$6,000,000	100%			\$6,000,000	\$6,000,000	50%	100%	\$3,000,000	\$6,000,000	\$0	100%	0%	City staff
Metro Project ID 10755	72nd Ave	Arterial	Widen 72nd Ave. to 5 lanes from Hunziker Rd. to Hwy. 99	\$35,000,000	100%			\$35,000,000	\$35,000,000	80%	100%	\$28,000,000	\$9,269,598	\$18,730,402	33%	67%	TSP, RTP, CIP
Metro Project ID 10756	72nd Ave	Arterial	Widen 72nd Ave. to 5 lanes from Hunziker Rd. to Bonita	\$28,166,850	100%			\$28,166,850	\$28,166,850	80%	100%	\$22,533,480	\$7,261,185	\$15,272,295	32%	68%	TSP, RTP, CIP
Metro Project ID 10757	72nd Ave	Arterial	Widen 72nd Ave. to 5 lanes from Bonita Rd. to Durham Rd.	\$15,425,000	100%			\$15,425,000	\$15,425,000	80%	100%	\$12,340,000	\$9,269,598	\$3,070,402	75%	25%	TSP, RTP, CIP
72nd Avenue	72nd Ave	TSM	Provide Arterial Corridor Management along Corridor #19 (Hwy 217) (Hwy 217) in the Metro TSMO Plan	\$1,700,000	100%			\$1,700,000	\$1,700,000	100%	100%	\$1,700,000	\$0	\$1,700,000	0%	100%	City staff
72nd Avenue	72nd Ave	TSM	Provide Arterial Corridor Management on 72nd Avenue along Corridor #2 (I-5) (I-5) near the Upper Boones Ferry Road Interchange in the Metro TSMO Plan	\$1,600,000	100%			\$1,600,000	\$1,600,000	100%	100%	\$1,600,000	\$1,368,928	\$231,072	86%	14%	City staff
Barrows Road	Barrows Rd	Bike/Ped	Add Sidewalks and bike lanes	\$3,000,000	100%			\$3,000,000	\$3,000,000	50%	100%	\$1,500,000	\$0	\$1,500,000	0%	100%	City staff
Metro Project ID 10752	Bonita Rd	Arterial	Widen Bonita Rd. to 4 lanes from Bangy to Hall Blvd.	\$45,000,000	100%			\$45,000,000	\$45,000,000	80%	90%	\$32,400,000	\$5,272,615	\$27,127,385	16%	84%	TSP, RTP, CIP
Bull Mountain Road (Hwy 99W to Benchview Ter)	Bull Mountain Rd	Collector	Widen to three lanes with bike lanes and sidewalks	\$8,000,000	100%			\$8,000,000	\$8,000,000	50%	100%	\$4,000,000	\$8,000,000	\$0	100%	0%	RT TSP Addendum
Cascade Ave	Cascade Ave	Bike/Ped	Pave northbound bike lane gap	\$30,000	100%			\$30,000	\$30,000	50%	100%	\$15,000	\$0	\$15,000	0%	100%	City staff
Metro Project ID 10759	Dartmouth St	Collector	Widen Dartmouth St. to 4 lanes from 72nd Ave. to 68th Ave.	\$5,000,000	100%			\$5,000,000	\$5,000,000	80%	100%	\$4,000,000	\$1,853,920	\$2,146,080	46%	54%	TSP, RTP
Metro Project ID 10753	Durham Rd	Arterial	Widen Durham Rd. to 5 lanes from Boones Ferry to Hall Blvd.	\$20,000,000	100%			\$20,000,000	\$20,000,000	80%	90%	\$14,400,000	\$0	\$14,400,000	0%	100%	TSP, RTP, CIP
Metro Project ID 10754	Durham Rd	Arterial	Widen Durham Rd. to 5 lanes from Hall Blvd. to Hwy. 99	\$25,000,000	100%			\$25,000,000	\$25,000,000	80%	95%	\$19,000,000	\$0	\$19,000,000	0%	100%	TSP, RTP, CIP
Durham Road	Durham Rd	TSM	Provide Arterial Corridor Management along Corridor #19 (Hwy 217) in the Metro TSMO Plan	\$1,500,000	100%			\$1,500,000	\$1,500,000	100%	95%	\$1,425,000	\$0	\$1,425,000	0%	100%	City staff
Fanno Creek Trail	Fanno Creek Trail	Bike/Ped	Durham Rd to Tualatin River Trail	\$1,500,000	100%			\$1,500,000	\$1,500,000	25%	100%	\$375,000	\$0	\$375,000	0%	100%	City staff
Metro Project ID 10748	Greenburg Rd	Arterial	Widen Greenburg Rd. from Shady Lane to North Dakota	\$7,000,000	100%			\$7,000,000	\$7,000,000	80%	95%	\$5,520,000	\$6,745,098	\$0	100%	0%	"Project Request"
Metro Project ID 10750	Greenburg Rd	Arterial	Widen Greenburg Rd. to 5 lanes from Tideman Ave. to Hwy. 99	\$12,000,000	100%			\$12,000,000	\$12,000,000	80%	100%	\$9,600,000	\$9,269,598	\$330,402	97%	3%	TSP, RTP
Metro Project ID 11220	Hall Blvd	Arterial	Hall Blvd. Improvements from Locust to Durham	\$16,000,000	100%			\$16,000,000	\$16,000,000	50%	100%	\$8,000,000	\$0	\$8,000,000	0%	100%	TSP, RTP, CIP
Hall Blvd / Fanno Creek Bridge	Hall Blvd	Bridge	Replace with wider bridge with sidewalks and bike lanes	\$6,000,000	100%			\$6,000,000	\$6,000,000	50%	100%	\$3,000,000	\$0	\$3,000,000	0%	100%	City staff

Project ID	Road	Road Classification	Description	Project Costs	% City Share	Local Private Funding	ODOT/County Funding	Total City Cost	City Cost After Identified Local Funding	Capacity Related Percent	Growth Percent of Capacity	Total SDC/TDT Eligible Costs	Capacity Related City Cost (TDT)	Capacity Related City Cost (SDC)	TDT % of Eligible Project Costs	SDC % of Eligible Project Costs	Source
Citywide Benefit (continued)																	
Hall Boulevard	Hall Blvd	TSM	Provide Arterial Corridor Management and Transit Signal Priority on Hall Boulevard from Highway 217 to Highway 99W	\$3,700,000	100%			\$3,700,000	\$3,700,000	100%	100%	\$3,700,000	\$0	\$3,700,000	0%	100%	City staff
Hall Boulevard	Hall Blvd	Arterial	Add an eastbound through lane on Hall Blvd. from Pamela Road to Greenburg Road	\$500,000	100%			\$500,000	\$500,000	100%	95%	\$475,000	\$0	\$475,000	0%	100%	City staff
Hunziker St (72nd to 77th) sidewalk	Hunziker St	Bike/Ped	Add sidewalk on north side; completes sidewalk from 72nd to Hall	\$1,000,000	100%			\$1,000,000	\$1,000,000	50%	100%	\$500,000	\$0	\$500,000	0%	100%	City staff
Hwy 217 Northbound Aux Lane	Hwy 217	Arterial	Add a northbound through lane under the Hwy 99W overpass to address a capacity pinch point	\$20,000,000	0%		\$20,000,000	\$0	\$0	50%	100%	\$0	\$0	\$0			City staff
Metro Project ID 10720	Hwy 99	Arterial	Hwy. 99 Intersection Improvements from 64th Ave. to Durham Rd.	\$50,000,000	100%			\$50,000,000	\$50,000,000	80%	95%	\$38,000,000	\$9,800,000	\$28,140,000	24%	74%	TSP, RTP
Project ID 13	Intersection	Arterial	Roy Rogers Road / E-W collector traffic signal	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$0	\$1,000,000	0%	100%	RT TSP Addendum
Project ID 14	Intersection	Arterial	Roy Rogers Road / Bull Mountain Rd traffic signal	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	95%	\$950,000	\$0	\$950,000	0%	100%	RT TSP Addendum
Project ID 16	Intersection	Arterial	Scholls Ferry Road / N-S collector traffic signal	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$0	\$1,000,000	0%	100%	RT TSP Addendum
Metro Project ID 10769	Intersection	Arterial	Intersection improvements at Hall Blvd. And Tiedman Ave.	\$8,000,000	100%			\$8,000,000	\$8,000,000	25%	80%	\$1,600,000	\$0	\$1,600,000	0%	100%	TSP, RTP
Metro Project ID 11223	Intersection	Arterial	Hall/Hunziker/Scaffins Intersection Realignment	\$5,000,000	100%			\$5,000,000	\$5,000,000	75%	100%	\$3,750,000	\$3,862,332	\$0	100%	0%	TSP, RTP, CIP
Metro Project ID 11224	Intersection	Arterial	Greenburg/Tiedeman/N. Dakota Reconfiguration	\$10,000,000	100%			\$10,000,000	\$10,000,000	50%	80%	\$4,000,000	\$0	\$4,000,000	0%	100%	TSP
Hwy 99W/72nd Ave Intersection	Intersection	Arterial	Turn lanes, aux lanes, sidewalks, bike lanes, crossings; transit improvements	\$8,000,000	100%			\$8,000,000	\$8,000,000	90%	100%	\$6,400,000	\$772,466	\$5,627,534	12%	88%	City staff
Highway 217 SB / Hall Blvd Interchange Improvements	Intersection	Arterial	SB right-turn lane at Hall Blvd/OR 217 ramp	\$5,000,000	100%			\$5,000,000	\$5,000,000	25%	100%	\$1,250,000	\$0	\$1,250,000	0%	100%	City staff
Hwy 99W/68th Ave	Intersection	Arterial	Intersection Improvements. Provide protected left at 68th; transit queue bypass	\$4,000,000	100%			\$4,000,000	\$4,000,000	80%	100%	\$3,200,000	\$2,394,446	\$805,354	75%	25%	City staff
Hall Blvd / Pfaffle St Traffic Signal	Intersection	TSM	Install new traffic signal; maintain existing lane configuration	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$1,000,000	\$0	100%	0%	City staff
68th/Atlanta/Haines	Intersection	TSM	Install a traffic signal and add turn lanes where necessary	\$500,000	100%			\$500,000	\$500,000	100%	100%	\$500,000	\$173,805	\$326,195	35%	65%	City staff
I-5 / Upper Boones / Corman Interchange	Intersection	Arterial	Add turn lanes and/or auxiliary through lanes, sidewalks, etc	\$10,000,000	100%			\$10,000,000	\$10,000,000	80%	90%	\$7,200,000	\$0	\$7,200,000	0%	100%	City staff
Scholls Ferry / Nibus Intersection Improvements	Intersection	Arterial	Retain eastbound right-turn lane when 3rd lane added on Scholls Ferry Rd; Retain westbound right-turn lane when 3rd lane added on Scholls Ferry Rd; southbound right-turn lane; Reconfigure northbound and southbound lanes to create exclusive left-turn lanes	\$6,000,000	20%		\$4,800,000	\$1,200,000	\$1,200,000	100%	100%	\$1,200,000	\$1,200,000	\$0	100%	0%	City staff
Scholls Ferry Rd / North Dakota St / 125th Ave	Intersection	Arterial	Intersection Improvement	\$1,500,000	100%			\$1,500,000	\$1,500,000	80%	100%	\$1,200,000	\$0	\$1,200,000	0%	100%	City staff

Project ID	Road	Road Classification	Description	Project Costs	% City Share	Local Private Funding	ODOT/County Funding	Total City Cost	City Cost After Identified Local Funding	Capacity Related Percent	Growth Percent of Capacity	Total SDC/TDI Eligible Costs	Capacity Related City Cost (TDI)	Capacity Related City Cost (SDC)	TDI % of Eligible Project Costs	SDC % of Eligible Project Costs	Source
Citywide Benefit (continued)																	
72nd/Upper Boones Ferry (Caman)	Intersection	Arterial	Intersection Improvement	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$1,000,000	\$0	100%	0%	City staff
Bonita / Sequoia Intersection	Intersection	TSM	Traffic Signal	\$1,000,000	100%			\$1,000,000	\$1,000,000	80%	100%	\$800,000	\$1,000,000	\$0	100%	0%	City staff
Tiedeman Street/Tigard Street	Intersection	Collector	Install a traffic signal; construct left-turn lanes, sidewalk, and bike lanes	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$0	\$1,000,000	0%	100%	City staff
121st/ North Dakota	Intersection	Bike/Ped	Traffic signal	\$500,000	100%			\$500,000	\$500,000	100%	100%	\$500,000	\$231,740	\$268,260	46%	54%	City staff
McDonald/Hall RT Lane	Hall Blvd	Collector	Add turn lanes and auxiliary lanes with bike lanes and sidewalks on Hall, McDonald, and Bonita to improve traffic flow	\$9,000,000	100%			\$9,000,000	\$9,000,000	90%	90%	\$7,290,000	\$766,702	\$6,523,298	11%	89%	City staff
Durham/Upper Boones	Intersection	Bike/Ped	Sidewalk on NW Corner, Curb Ramp	\$40,000	100%			\$40,000	\$40,000	50%	100%	\$20,000	\$0	\$20,000	0%	100%	City staff
Greenburg Rd / Shady Ln	Intersection	Bike/Ped	Pedestrian Islands to facilitate crossing Shady Ln on east side of Greenburg	\$30,000	100%			\$30,000	\$30,000	50%	100%	\$15,000	\$0	\$15,000	0%	100%	City staff
Bonita Rd near 29th Ave	Intersection	Bike/Ped	Enhanced Ped Crossing - RRFB?	\$20,000	100%			\$20,000	\$20,000	25%	100%	\$5,000	\$0	\$5,000	0%	100%	City staff
Greenburg Rd	Intersection	Bike/Ped	Enhanced Crossing between Tiedeman and Center St - at 95th?	\$20,000	100%			\$20,000	\$20,000	25%	100%	\$5,000	\$0	\$5,000	0%	100%	City staff
Hwy 217 SB Ramps/Highway 99W	Intersection	Arterial	Intersection Capacity Improvements including 2nd right turn lane from off ramp	\$2,500,000	100%			\$2,500,000	\$2,500,000	100%	100%	\$2,500,000	\$0	\$2,500,000	0%	100%	City staff
Hwy 217 NB Ramps/Highway 99W	Intersection	Arterial	Add a second northbound left turn lane	\$1,500,000	100%			\$1,500,000	\$1,500,000	100%	100%	\$1,500,000	\$0	\$1,500,000	0%	100%	City staff
Metro Project ID 11217	McDonald Rd	Arterial	McDonald Rd. improvements from Hall Blvd. To Hwy. 99	\$8,000,000	100%			\$8,000,000	\$8,000,000	50%	50%	\$2,000,000	\$0	\$2,000,000	0%	100%	TSP, RTP, CIP
McDonald St	McDonald Rd	Bike/Ped	Enhanced Crossing between Hall and Hwy 99W - at O'Mara? 97th?	\$30,000	100%			\$30,000	\$30,000	25%	50%	\$3,750	\$0	\$3,750	0%	100%	City staff
Project ID 22A	Roy Rodgers Rd	Arterial	Widen Roy Rodgers Rd. to 5 Ln. from N of Scholls Ferry Rd. to S. of Beel Bend Rd., Phase 1 (half-treet segments)	\$4,000,000	100%			\$4,000,000	\$4,000,000	100%	100%	\$4,000,000	\$3,000,000	\$1,000,000	75%	25%	RT TSP Addendum
Project ID 22B	Roy Rodgers Rd	Arterial	Widen Roy Rodgers Rd. to 5 Ln. from N of Scholls Ferry Rd. to S. of Beel Bend Rd., Phase 2 (half-treet segments)	\$4,000,000	100%			\$4,000,000	\$4,000,000	100%	100%	\$4,000,000	\$3,000,000	\$1,000,000	75%	25%	RT TSP Addendum
Scholls Ferry Rd Widening, Hwy 217 to 121st	Scholls Ferry Rd	Arterial	Widen to 7 lanes with bike lanes and sidewalks	\$50,000,000	75%		\$12,500,000	\$37,500,000	\$37,500,000	100%	100%	\$37,500,000	\$18,745,186	\$18,754,814	50%	50%	City staff
Scholls Ferry Rd	Scholls Ferry Rd	TSM	Provide Arterial Corridor Management from River Road to Hall Boulevard	\$4,200,000	100%			\$4,200,000	\$4,200,000	100%	100%	\$4,200,000	\$0	\$4,200,000	0%	100%	City staff
Tiedeman Ave	Tiedeman Ave	Bike/Ped	Sidewalks from Tigard St to Greenburg Rd	\$1,000,000	100%			\$1,000,000	\$1,000,000	50%	50%	\$250,000	\$0	\$250,000	0%	100%	City staff
Tigard St (Fanno Creek) Bridge Replacement	Tigard St	Bridge	New bridge with bike lanes and sidewalks	\$3,000,000	100%			\$3,000,000	\$3,000,000	50%	50%	\$750,000	\$0	\$750,000	0%	100%	City staff
Metro Project ID 11227	Trail	Bike/Ped	Neighborhood Trails & Regional Trail Connections	\$1,100,000	100%			\$1,100,000	\$1,100,000	25%	50%	\$137,500	\$0	\$137,500	0%	100%	TSP, RTP

Project ID	Road	Road Classification	Description	Project Costs	% City Share	Local Private Funding	ODOT/County Funding	Total City Cost	City Cost After Identified Local Funding	Capacity Related Percent	Growth Percent of Capacity	Total SDC/TDT Eligible Costs	Capacity Related City Cost (TDT)	Capacity Related City Cost (SDC)	TDT % of Eligible Project Costs	SDC % of Eligible Project Costs	Source
Citywide Benefit (continued)																	
Metro Project ID 11228	Trail	Bike/Ped	Portland & Western Rail Trail from Tideman Ave. to Main St.	\$1,250,000	100%			\$1,250,000	\$1,250,000	25%	50%	\$156,250	\$0	\$156,250	0%	100%	TSP, RTP
Tualatin River Trail	Trail	Bike/Ped	Complete multiuse path from Cook Park to the Powerlines Corridor	\$10,000,000	100%			\$10,000,000	\$10,000,000	25%	50%	\$1,250,000	\$0	\$1,250,000	0%	100%	City staff
Fanno Creek Trail	Trail	Bike/Ped	Woodard Park to Grant	\$670,000	100%			\$670,000	\$670,000	25%	50%	\$83,750	\$670,000	\$0	100%	0%	City staff
Fanno Creek Trail	Trail	Bike/Ped	Tiedeman Crossing Realignment	\$250,000	100%			\$250,000	\$250,000	25%	50%	\$31,250	\$0	\$31,250	0%	100%	City staff
Fanno Creek Trail	Trail	Bike/Ped	Complete gaps along the Fanno Creek multiuse path from the Tualatin River to City Hall and from Highway 99W to Tigard Street	\$6,000,000	100%			\$6,000,000	\$6,000,000	25%	50%	\$750,000	\$0	\$750,000	0%	100%	City staff
Upper Boones (Durham to Sequoia)	Upper Boones	Arterial	Widen to five lanes with bike lanes and sidewalks	\$10,000,000	100%			\$10,000,000	\$10,000,000	90%	90%	\$9,100,000	\$4,106,784	\$3,993,216	51%	49%	City staff
Upper Boones Ferry Road	Upper Boones Ferry Rd	TSM	Provide Arterial Corridor Management along Corridor #2 (I-5) in the Metro TSMO Plan	\$1,300,000	100%			\$1,300,000	\$1,300,000	100%	100%	\$1,300,000	\$0	\$1,300,000	0%	100%	City staff
Metro Project ID 11229	Walnut St	Arterial	Widen Walnut St. to 3 lanes from Hwy. 99 to Tiedeman Ave	\$8,000,000	100%			\$8,000,000	\$8,000,000	40%	100%	\$3,200,000	\$4,325,812	\$0	100%	0%	TSP, RTP, CIP
Metro Project ID 10251		Arterial	Hwy. 217 overcrossing Hunziker-72nd Ave.	\$30,000,000	100%			\$30,000,000	\$30,000,000	80%	100%	\$24,000,000	\$0	\$24,000,000	0%	100%	TSP
Hwy 99W/Darfmouth St.		Arterial	Turn lanes, aux lanes, sidewalks, bike lanes, crossings; transit improvements	\$6,000,000	100%			\$6,000,000	\$6,000,000	100%	100%	\$6,000,000	\$308,987	\$5,691,013	5%	95%	City staff
Greenburg Rd. (Hwy 217 to Hall Blvd)		Arterial	Widen to 5 lanes from Locust St to Greenburg Rd; add turn/aux lanes; add bike lanes and sidewalks throughout corridor	\$20,000,000	20%		\$16,000,000	\$4,000,000	\$4,000,000	50%	100%	\$3,200,000	\$0	\$3,200,000	0%	100%	City staff
108th Street Crossing of Tualatin River		Bridge	New bridge crossing north-south over the Tualatin River near 108th Avenue	\$3,000,000	100%			\$3,000,000	\$3,000,000	50%	50%	\$750,000	\$0	\$750,000	0%	100%	City staff
North Dakota St / Fanno Creek		Bridge	Replace with wider bridge with sidewalks and bike lanes	\$3,000,000	100%			\$3,000,000	\$3,000,000	50%	50%	\$750,000	\$0	\$750,000	0%	100%	City staff
Dirksen - 121st Ave trail	Trail	Bike/Ped	New trail along Summer Creek from Dirksen Nature Park to 121st Ave	\$1,000,000	100%			\$1,000,000	\$1,000,000	25%	50%	\$125,000	\$0	\$125,000	0%	100%	City staff
Washington Square Area Signals		TSM	Adaptive Signal Coordination	\$1,000,000	100%			\$1,000,000	\$1,000,000	100%	100%	\$1,000,000	\$0	\$1,000,000	0%	100%	City staff
Totals				\$625,271,850		\$19,647,000	\$53,300,000	\$552,324,850	\$551,824,850			\$392,345,980	\$127,738,750	\$277,069,222			

Notes:
1. Project IDs are consistent with existing local or regional transportation plan project listings.
2. All projects listed are assumed to be completed by year 2035.
3. All widening and newly constructed road projects will include bikelanes and sidewalks, even if not called out specifically.
4. Capacity related portions of projects are consistent with parameters shown in Appendix B.
5. Growth shares are estimated by City staff using Metro 2035 travel demand model, comparing 2010 to 2035 volume/capacity ratios.

Appendix B – Capacity Share Assumptions

Improvement Type	Proportion of Project related to capacity
New travel lanes added	100%
Turn lanes or new traffic signals	100%
New interconnected traffic signals	100%
Road upgrades (widen from 3 to 5 lanes)	80%
Road upgrades (change from local to collector standard)	75%
Traffic signal upgrades	75%
Road upgrades (widening & adding double left turn lanes)	50%
Road upgrades (widening with new bike/pedestrian facilities)	50%
Road upgrades (widening from 2 to 3 lanes)	40%
Access management & center turn lanes	25%
Roadway realignment	25%

Source: consistent with Washington County methodology per Appendix C, Amended TDT Road Project List, Jan. 2014

Appendix C – Reimbursement Fee Calculation

Transportation Capital Project Expenditures

Reimbursement Fee Calculation	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Reimbursement Fee Basis
Tigard Traffic Impact Fee Fund	\$408,826	\$460,540	\$1,283,017	\$611,167	\$953,489	\$0	\$0	\$0	\$359,140	
Urban Services Traffic Impact Fee Fund	\$450	\$2,554								
Tigard Transportation Development Tax Fund					\$0	\$0	\$0	\$0	\$875,840	
Total	\$409,276	\$463,094	\$1,283,017	\$611,167	\$953,489	\$0	\$0	\$0	\$1,234,980	
Discount Factor (trip growth rate)	12.98%	11.46%	9.96%	8.48%	7.01%	5.57%	4.15%	2.75%	1.37%	
Net Present Value of Capacity Investment	\$356,155	\$410,034	\$1,155,273	\$559,366	\$886,604	\$0	\$0	\$0	\$1,218,120	\$4,585,553

Source: City of Tigard, compiled by FCS GROUP.

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CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 15- 15

A RESOLUTION ADOPTING THE ~~PARKS AND~~ TRANSPORTATION SYSTEM DEVELOPMENT CHARGES WHICH AMENDS RESOLUTION NO 14-31 AND AUTHORIZING THE CITY MANAGER TO APPROVE AND AMEND SYSTEM DEVELOPMENT CHARGE PROCEDURES GUIDE., *as amended. Parks SDCs were not adopted.*

WHEREAS, the City of Tigard has a Master Fees and Charges Schedule, including System Development Charges (SDCs); and

WHEREAS, City of Tigard has adopted new SDC Methodology Reports for ~~Parks and~~ Transportation SDCs;

WHEREAS, system development charges are one-time fees paid by developers to help offset the impact of growth on the city's infrastructure; and

WHEREAS, the SDC Administrative Procedures Guide will provide staff procedures for implementation and administration of the City of Tigard's System Development Charges for new development within the City;

WHEREAS, the system development charges will be indexed to account for changes in costs of infrastructure;

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The system development charges for ~~parks and~~ transportation for the City of Tigard are enumerated and set as shown in the attached schedule (Exhibit A).

SECTION 2: The City Manager is authorized to approve and amend the System Development Charge Administrative Procedures Guide (Exhibit B).

SECTION 3: This resolution is effective July 1, 2015.

PASSED: This 28th day of April 2015.



Council President – City of Tigard

ATTEST:



City Recorder - City of Tigard

Exhibit A

City of Tigard, Oregon

Residential Transportation System Development Charge Schedule

Fiscal Year 2015 - 2016

Adopted
April 28, 2015



Department	Revenue Source	Fee or Charge	Effective Date
COMMUNITY DEVELOPMENT - DEVELOPMENT SERVICES PLANNING			
Residential Transportation System Development Charge (SDC)*			
	Single Family Detached Dwelling - Reimbursement	\$312.00	7/1/2015
	Single Family Detached Dwelling - Improvement	\$5,402.00	7/1/2015
	Single Family Detached Dwelling - River Terrace Overlay**	\$2,642.00	7/1/2015
	Multi-Family Dwelling - Reimbursement	\$182.00	7/1/2015
	Multi-Family Dwelling - Improvement	\$3,151.00	7/1/2015
	Multi-Family Dwelling - River Terrace Overlay	\$1,541.00	7/1/2015

***See Adopted Methodology Report used to calculate the charges.**

****Based on 50% Credit Policy for the "local" elements of River Terrace Blvd.**

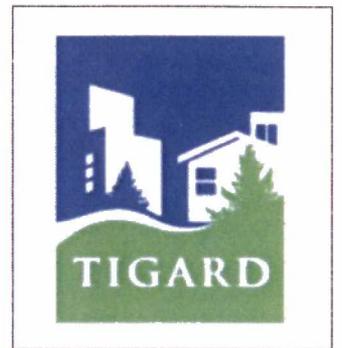
For more detailed and updated information on calculating Transportation SDC's see "Transportation System Development Charge Methodology Report," by FCS Group, April 28, 2015.

Transportation SDC Annual Adjustment

7/1/2015

Transportation SDC fees shall be adjusted annually on July 1st of each year beginning in 2016. The index to be used for adjusting transportation SDCs will be based on the weighted average of the year over year escalation for two measurements: 90 percent multiplied by the Engineering News Record Construction Cost Index for the Seattle Area plus 10 percent multiplied by the Oregon Department of Transportation monthly asphalt price (annualized) percent change.

City of Tigard



SYSTEM DEVELOPMENT
CHARGE
ADMINISTRATIVE
PROCEDURES GUIDE

April 27, 2015

FCS GROUP

TABLE OF CONTENTS

SECTION I: PURPOSE OF ADMINISTRATIVE PROCEDURES GUIDE	1
SECTION II: SDC CREDITS	2
A. Tigard Credit Policy Basis	2
B. Parks credit policy.....	2
C. Transportation Credit Policy.....	2
D. SDC Credit application and administration	5
E. Redeeming Credits	7
SECTION II: APPLICABILITY OF SDCS	8
SECTION III: EXEMPTIONS	9
A. Fully Exempt New Development	9
C. Applying for Exemption	9
D. Appealing a Denial of Exemption	9
SECTION IV: AMOUNT AND PAYMENT OF SDCS	10
A. Calculation of the SDC Amount	10
A.1 New Development.....	10
A.2 Parks SDC Calculations	10
A.2.a Residential SDC Calculations.....	10
A.2.b Non-Residential SDC Calculations.....	10
A.3 Transportation SDC Calculations.....	11
A.3.a Residential SDC Calculation	11
A.3.b Non-Residential SDC Calculation	12
A.4 Modification, Expansion, or Redevelopment	12
B. SDC Discounts for Transit Oriented Mixed Use Developments in Downtown.....	12
C. Alternative SDC Rate Calculation.....	13
D. When Payment is Due.....	14
SECTION V: UPDATING THE SDC RATES.....	16
A. Annual Cost Adjustment	16
A.1 Parks SDC Adjustment	16
A.2 Transportation SDC Adjustment.....	16

SECTION VI: RECEIPT, EXPENDITURE AND REFUNDS OF SDC REVENUE	18
A. Deposits	18
B. Permitted Uses	18
B.1 Reimbursement Fees.....	18
B.2 Improvement Fees	18
B.3 Compliance Fees	19
C. Prohibited Uses	19
D. Refunds of SDCs	19
SECTION VII: CHALLENGES AND APPEALS	21
A. Challenges of Expenditures	21
SECTION VIII: RECORD KEEPING	22
A. Records of Receipts	22
B. Records of Investments.....	22
C. Records of Expenditures	22
D. Timeliness of Records	22
E. Reports	22
APPENDIX	23
Appendix A: River Terrace District	24
Appendix B: Transportation SDCs by Use (as of July 1, 2015)	25
Appendix C: System Development Charge Form	27

SECTION I: PURPOSE OF ADMINISTRATIVE PROCEDURES GUIDE

The purpose of this guide is to provide procedures for implementation and administration of the City of Tigard's (City) System Development Charges (SDCs) for new development within the City. This document provides guidance regarding the following items:

- Determination of when SDCs should be charged;
- Calculation of SDCs for individual developments;
- Treatment of SDC revenues and expenditures; and
- SDC refunds, appeals, and record keeping.

The guide presents information that is to be referenced by the Transportation SDC Ordinance and provides forms, notifications, and directions at a level of detail more specific than is provided in the Transportation SDC Methodology Report(s).

Note information provided in text boxes, as the one below, references specific portions of Tigard code related to SDCs or references to the SDC credit policy in **Section II**.

... ORS 223.297 - 223.314, adopted in 1989, authorizes local governments to impose system development charges to provide equitable funding for orderly growth and development...

SECTION II: SDC CREDITS

A. TIGARD CREDIT POLICY BASIS

An applicant for a building permit, or occupancy permit if deferral has been granted, shall be entitled to a credit against the SDC for constructing eligible capital improvements as defined in this section. Tigard's Transportation SDC credit policy, for the most part, follows the Washington County TDT credit policy and procedures guide with a special condition for River Terrace Boulevard.

B. PARKS CREDIT POLICY

Credit eligibility shall be determined by the SDC administrator. The value of the SDC Credits under this section shall be determined by the SDC administrator based on the cost of the Qualified Public Improvement, or the value of Real Property Interests, as follows:

1. For Real Property Interests, the value shall be based upon a written appraisal of fair market value by a qualified, professional appraiser based upon comparable sales of similar property between unrelated parties in an arms-length transaction;
2. For improvements yet to be constructed, value shall be based upon the anticipated cost of construction. Any such cost estimates shall be certified by a professional architect or engineer or based on a fixed price bid from a contractor ready and able to construct the improvement(s) for which SDC Credit is sought. The City will give immediate credits based on estimates, but it will provide for a subsequent adjustment based on actual costs: a refund to the Applicant if actual costs are higher than estimated, and an additional SDC to be paid by the Applicant if actual costs are lower than estimated. The City shall inspect all completed Qualified Public Improvement projects before agreeing to honor any credits previously negotiated. The City shall limit credits to reasonable costs. Credits shall be awarded only in conjunction with an application for development;
3. For improvements already constructed, value shall be based on the actual cost of construction as verified by receipts submitted by the Applicant.

C. TRANSPORTATION CREDIT POLICY

An applicant for a building permit, or occupancy permit if deferral has been granted, shall be entitled to a credit against the SDC for constructing eligible capital improvements as defined in this section. Credit eligibility shall be determined by the SDC administrator.

- A. A transportation capital improvement constructed on a public road or transit facility, and accepted by the city, is eligible for credit provided it meets all the following criteria:
 1. The city's authorized SDC administrator determines that the timing, location, design, and scope of the improvement is consistent with and furthers the objectives of the capital improvement program of the city.
 2. The improvement is required to fulfill a condition of development approval issued by the city.

3. The improvement must provide additional capacity to meet future transportation needs, or be constructed to address an existing safety hazard. Improvements to mitigate a safety hazard created primarily by the development are not eligible.
 4. Improvements which primarily function as access to a private street, driveway, or development parcel are not eligible.
 5. The applicant shall have the burden of demonstrating in its application for credit that a particular improvement qualifies for credit.
 6. Improvements, including travel lanes and bike lanes, must be at ultimate alignment, line, and grade. No credit shall be granted for interim (e.g., half street) improvements.
 7. No credit shall be granted for minor realignments not designated on the comprehensive plan.
 8. New roads are eligible projects as long as they meet the remaining project eligibility criteria. An existing dirt or gravel road is deemed new if its daily traffic volume is below two hundred vehicles per day.
 9. Bike lanes and multiuse pathways are eligible if required pursuant to applicable transportation or road standards.
 10. No credit shall be granted for utility relocation except for that portion which otherwise would have been the legal obligation of the jurisdiction pursuant to a franchise, easement, or similar relationship.
 11. No credit shall be granted for minor realignments not designated on the comprehensive plan.
 12. No more than thirteen point five percent (13.5%) of the total eligible construction cost shall be creditable for survey, engineering, and inspection.
 13. No credits shall be granted for storm sewer improvements that are also eligible for stormwater SDC credits.
- B. The SDC administrator shall provide credit for the documented, reasonable cost of construction of all or part of a qualified public improvement listed in the Methodology Report Appendix A based on the following criteria:
1. Transportation improvements located neither on nor contiguous to the property that is the subject of development approval shall be eligible for full credit.
 2. Transportation improvements located on or contiguous to the property that is the subject of development approval, and required to be built larger, or with greater capacity than is necessary for the particular development project shall be eligible. Credit for these improvements may be granted only for the cost of that portion of the improvement that a) exceeds the local government's minimum standard facility size; or b) exceeds the capacity needed to serve the particular development project or property.
 3. Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development conditions is eligible as follows:
 - a. To the extent an improvement is located neither on nor contiguous to the property that is the subject of development approval, the reasonable market value of land purchased by the applicant from a third party and necessary to complete that improvement is creditable.
 - b. Road right-of-way located on or contiguous to the property that is the subject of development approval shall be eligible for credit to the extent necessary to construct the facility in excess of the local government's minimum standard facility needed to serve the particular development project or property. Credit for such right-of-way shall be allowed based on market value as determined by the county SDC records.
- C. For an improvement that is eligible for both TDT and Tigard TSDC credits, the TDT credits shall be calculated first. Total credits, including Tigard TSDC credits, together with TDT credits, shall not be issued in an amount that exceeds the eligible capital improvement cost for which the credits were issued.

- D. For all improvements for which TSDC credit is sought within a TSDC overlay, the city’s SDC administrator shall apportion the credit based upon the percent of the total SDC charge attributable to the City SDC and the overlay SDC.

Please refer to **Exhibits 2.1 and 2.2** for how to determine credit values.

Exhibit 2.1: Guidance on Determination of Transportation Credits

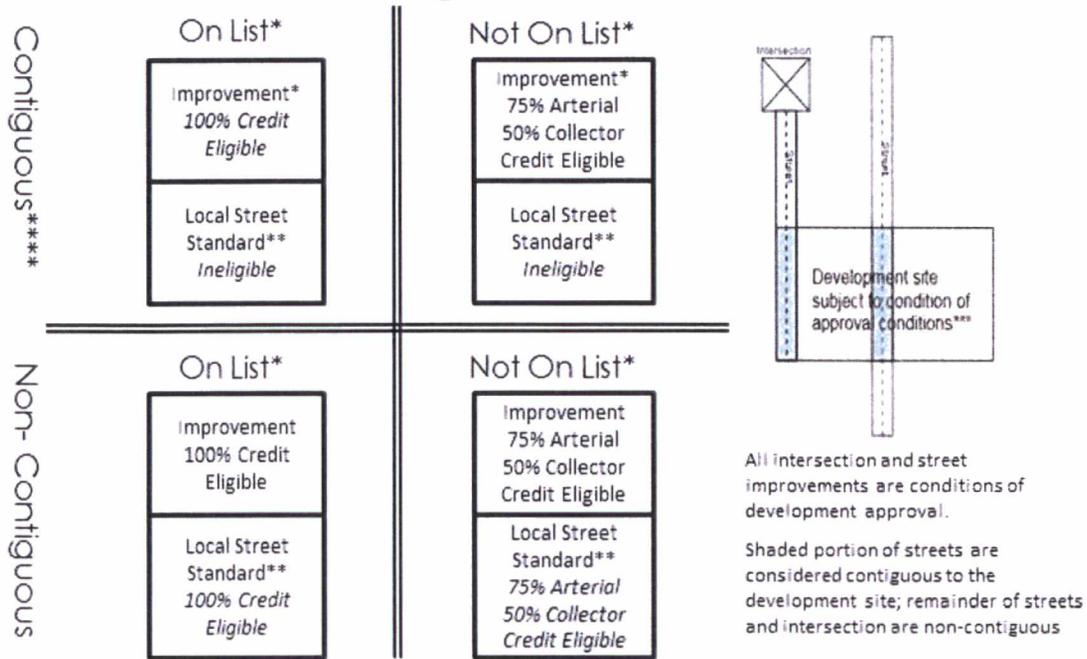
Road Classification	Is the Project...		Credit % of Project Costs (Eligible Components Only)	Credit Eligible (at applicable credit %)	
	Contiguous?	On Project List?		Local Street Standard	Right of Way
Collector	No	No	50%*	Yes	Yes
Collector	Yes	No	50%*	No	No
Collector	No	Yes	100%	Yes	Yes
Collector	Yes	Yes	100%	No*	Yes**
Arterial	No	No	75%	Yes	Yes
Arterial	Yes	No	75%	No	No
Arterial	No	Yes	100%	Yes	Yes
Arterial	Yes	Yes	100%	No	Yes**

Source: adapted from the Washington County TDT procedures manual.

* River Terrace Boulevard improvements are 100% credit eligible for elements beyond the local street standard; and 50% credit eligible for other project elements.

** Right of way credit applies only to the portion above local standard.

Exhibit 2.1: Guidance for Determination of Contiguity Contiguous Definition



* Contiguous Improvements must also exceed the local street standard
 ** "Local street standard" is a stand-in for "necessary to serve the development."
 *** Reasons for conditions are defined through the land development process – TDT rules apply uniformly and after the condition.
 **** "Contiguous" is defined based on frontage of site prior to subdivision or partition.

Adapted from Washington County TDT procedures manual

D. SDC CREDIT APPLICATION AND ADMINISTRATION

- A. All requests for credit vouchers must be in writing and filed with the SDC administrator not more than sixty days after acceptance of the improvement. Improvement acceptance shall be in accordance with the practices, procedures, and standards of the city. The amount of any credit shall be determined by the SDC administrator and based upon the subject improvement contract documents and other appropriate information provided by the applicant for the credit. In the request, the applicant must identify the improvement(s) for which credit is sought and explain how the improvement(s) meet the requirements of this section. The applicant shall also document, with credible evidence, the value of the improvement(s) for which credit is sought. If, in the SDC administrator's opinion, the improvement(s) meets the requirements of this section and the SDC administrator concurs with the proposed value of the improvement(s), a SDC credit shall be granted for the eligible amount. The value of the SDC credits under this section shall be determined by the SDC administrator based on the actual cost of construction and right-of-way, as applicable, as verified by receipts and other credible evidence submitted by the applicant. Upon a finding by the SDC administrator that the contract amounts, including payments for right-of-way, exceed prevailing market rates for a similar project, the credit shall be based upon market rates.
- B. The SDC administrator shall respond to the applicant's request in writing within thirty days of receipt of a technically complete request. The SDC administrator shall provide a written explanation of the decision on the SDC credit request.

- C. Upon approval, the SDC administrator shall provide the applicant with a credit voucher, on a form provided by the department. The original of the credit voucher shall be retained by the department. The credit voucher shall state a dollar amount that may be applied against any SDC imposed against the subject property. In no event shall a subject property be entitled to redeem credit vouchers in excess of the SDC imposed. Credits are limited to the amount of the charge attributable to the development of the specific lot or parcel for which the credit is sought and shall not be a basis for any refund.
- D. A credit shall have no cash or monetary value. A credit shall only apply against the SDC and its only value is to be used to reduce the SDC otherwise due, subject to all conditions, limitations, and requirements of this chapter.
- E. Tigard transportation SDC credits may not be used for TDT obligations or for payment of other SDCs.
- F. TDT credits may not be used for payment of Tigard transportation SDC obligations.
- G. When issued by the SDC administrator, a credit shall be the personal property of the applicant. Credits shall remain the personal property of the applicant unless transferred by the applicant or its authorized agent as transferor. Any person claiming the right to redeem a credit shall have the burden of demonstrating that any credit issued to another person has been transferred to him or her.
- H. Credits shall be apportioned against the property that was subject to the requirement to construct an improvement eligible for credit. Unless otherwise requested by the applicant, apportionment against lots or parcels constituting the property shall be proportional to anticipated average weekday trips generated by the respective lots or parcels. Upon written application to the SDC administrator, however, credits shall be reapportioned from any lot or parcel to any other lot or parcel within the confines of the property originally eligible for the credit. In the case of multi-phase development, excess credit generated in one phase may be applied to reduce the SDC in subsequent phases of the original development project. Reapportionment shall be noted on the original credit voucher retained by the department.
- I. Credits may be reassigned from a property to another property if all the following conditions are met.
 - 1. A request for reassignment of a credit voucher must be made in writing to the SDC administrator signed by the person who owns the credit. The request for reassignment of a credit voucher shall contain all the information necessary to establish that such a reassignment is allowable under this subsection. The burden of proof that a reassignment is allowable is on the applicant. The SDC administrator shall respond in writing to the applicant's request for reassignment within thirty days of receipt of the request.
 - 2. A credit voucher for the River Terrace SDC overlay district may not be reassigned to a property outside the identified SDC overlay district as identified by the map in **Appendix A.**
 - 3. Credits may be reassigned if the SDC administrator determines that either:
 - i. The lot or parcel that is to receive the credit is adjacent to and served by the transportation improvements that generated the credits, or
 - a. The development on property receiving the credit would have impacts and traffic patterns affecting substantially the same facilities as the property that generated the credit.
 - 4. When a credit voucher or portion of a credit voucher is reassigned a notation shall be placed on the initial credit voucher that a reassignment has been made. The amount reassigned shall be deducted from the credit voucher.
 - 5. When a reassignment occurs a new credit voucher shall be issued for the reassigned credit amount.

- a. The new credit voucher shall note the property to which the initial credit was assigned, subsequent reassignments shall also note the property to which the initial credit was assigned.
 - b. The new credit voucher shall note the credit voucher number from which it was reassigned, if multiple reassignments occur each credit voucher number shall be noted.
 - c. The new credit voucher shall have the same expiration date as the initial credit voucher.
 - d. Apportionment against lots or parcels constituting the property to which a reassignment has been made is allowed as described in subsection F of this section.
6. A reassigned credit voucher shall follow all rules regarding redemption of credits.
 7. The city may charge a fee for administering the reassignment of credits.
 8. SDC credit reassignments approved in connection with new development outside SDC overlay districts, if applied to SDCs payable on new development inside overlay districts, may only be applied to the portion of that new development's SDC charges payable under the City SDC. Such SDC credit reassignments may not be applied to SDCs payable for a SDC overlay.
- J. Any credit must be redeemed not later than the issuance of the building permit or, if deferral was permitted, issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the building or occupancy permit. Under no circumstances shall any credit redemption be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.
 - K. Credit vouchers shall expire on the date ten years after the acceptance of the applicable improvement by the appropriate jurisdiction. No extension of this deadline shall be granted.

E. REDEEMING CREDITS

A developer can redeem credits for development within the City subject to the following constraints.

Credit Application and Administration

- J. Any credit must be redeemed not later than the issuance of the building permit or, if deferral was permitted, issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the building or occupancy permit. Under no circumstances shall any credit redemption be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.

SECTION II: APPLICABILITY OF SDCs

SDCs apply to all new development within the City unless it is specifically exempted from the SDC (see Chapter 3 of this guide regarding exemptions). Tigard Municipal Code states that SDCs are imposed on the following development within the City.

3.24.040 System Development Charge Imposed; Method for Establishment Created.

- A. Unless otherwise exempted by the provisions of this ordinance or any other applicable local or state law, a SDC is hereby imposed upon all development within the city. SDCs are imposed upon the act of making a connection to the City water or sewer system within the City, upon all development outside the boundary of the City that connects to or otherwise uses the sewer or water facilities of the City, and whenever the City Council has authorized an intergovernmental agreement which permits the City to impose a parks SDC outside the City limits.

In a case where there is a modification to an existing structure (such as a change in use, alteration, expansion, or replacement), the SDC is charged only if the modification will result in a net increase in the impact on the system for which the SDC is charged.

SECTION III: EXEMPTIONS

Certain types of new development are either fully or partially exempt from paying SDCs.

A. FULLY EXEMPT NEW DEVELOPMENT

The following types of development are fully exempt from SDC charges.

3.24.110 Exemptions

- A. The following are exempt from a SDC.
1. Structures and uses established and existing on or before the effective date of the resolution which sets the amount of the SDC are exempt from the charge, except water and sewer charges, to the extent of the structure or use existing on that date and to the extent of the parcel of land as it is constituted on that date. Structures and uses affected by this subsection shall pay the water or sewer charges pursuant to the terms of this Chapter upon the receipt of a permit to connect to the water or sewer system.
 2. Additions to single-family dwellings that do not constitute the addition of a dwelling unit, as defined by the Building Code adopted pursuant to Section 14.04 of this Code, are exempt from all portions of the SDC.
 3. An alteration, addition, replacement or change in use that does not increase the parcel's or structure's use of a capital improvement are exempt from all portions of the SDC.

C. APPLYING FOR EXEMPTION

Developers may apply for exemptions against the amount of SDCs owed to the City of Tigard. Correspondence must be made in writing to the City Manager or the SDC administrator. Exemptions may be given by the SDC administrator or designee for portions of the development that meets the above conditions. The City Manager or designee will respond to the Applicant's request in writing within 30 days of when a complete request is submitted. The City Manager or designee shall provide a written explanation of the decision on the SDC Exemption request.

D. APPEALING A DENIAL OF EXEMPTION

The decision of the City Manager or designee may be appealed to the City Council, as described in **Section VII** of these guidelines. In addition, all persons who object to the calculation of a system development charge have a right to challenge the decision and petition for review of a final City decision pursuant to ORS 34.010 to 34.100.

SECTION IV: AMOUNT AND PAYMENT OF SDCs

A. CALCULATION OF THE SDC AMOUNT

A.1 New Development

SDCs for new development are calculated in accordance with the System Development Charge Methodology Report, using the worksheet included in Appendix C.

The City Manager or designee (i.e., Building Department) shall calculate SDCs by doing the following:

- Identifying the SDC rates per unit of development for each system;
- Multiplying each SDC rate (from step 1) by the appropriate number of units of development (e.g., thousand square feet of gross floor area [T.S.F.G.F.A.], students, VFPs, equivalent dwelling units). Any proposed use which constitutes 10% or less of the total building space is considered an ancillary use and does not require a separate calculation; however, the building space for such uses must be included in the total for other non-residential uses.

A.2 Parks SDC Calculations

A.2.a Residential SDC Calculations

Parks SDCs for residential development is calculated by multiplying the number of dwellings (by housing category) by the corresponding SDC rate:

$$\text{Number of Dwellings} \times \text{Parks SDC Rate (by use)} = \text{Total Parks SDC charge}$$

A.2.b Non-Residential SDC Calculations

To calculate parks SDCs for proposed redevelopment of existing buildings, the SDC for non-residential uses will take into account the amount of floor area (square feet) proposed as a change in use. The Parks SDC for non-residential development will vary by the classification of development as shown in **Exhibit 4.1** with the calculation as follows:

$$\text{Development Floor Area (by use)} \times \text{Parks SDC Rate Per Employee} \\ \times \text{Employees to SF Conversion Factor} = \text{Total Parks SDC charge}$$

Note that development floor area is to be based on the net leasable floor area of new development.

Exhibit 4.1

Parks SDC Conversion Factors for Non-Residential Uses

Category	Parks SDC Per Employee ¹	Employees Per 1,000 SF ²	Parks SDC Per 1,000 SF
General Industrial	\$707	1.25	\$884
Warehousing/Distribution	\$707	0.80	\$566
Flex	\$707	1.60	\$1,132
Office	\$707	3.33	\$2,357
Retail	\$707	2.22	\$1,572
Institutional	\$707	2.00	\$1,414

¹SDC reflects proposed reimbursement fee, improvement fee, and compliance fee.

²Derived from Metro factors used for 2014 Urban Growth Report

Source: Compiled by FCS GROUP.

A.3 Transportation SDC Calculations

A.3.a Residential SDC Calculation

Transportation SDC calculations for residential development will be charged based on new single family detached and multifamily/other dwellings added to the City. These types of calculations take into account the net new dwellings added multiplied by the SDC per dwelling unit.

SDC rates for specific residential developments are to be determined using the ITE Trip Generation Handbook, there are land use categories depicting single family detached (code #210), apartments (code #220), rental townhouses (code #224), and other residential types. Because there is presently no ITE land use code for small, standard or large single family dwellings, **Exhibit 4.2** will be used to calculate SDC rates for single family detached homes.

Exhibit 4.2

Average Daily Vehicle Trips and TSDC Adjustment Factors by SFD home size

Home Size Category	ADPT per 1,000 SF	TSDC Adjustment Factor A (revenue neutral)	Dwelling Unit Size (living area sq.ft.)
Small	4.25	0.81	under 1,900 SF
Medium	5.43	1.03	1,900 to 3,500 SF
Large	5.70	1.08	over 3,500 SF
All SFD	5.28		

Source: compiled by FCS Group based on: *Summary of 2011 Travel Activity Survey Results*, Metro Transportation Research and Modeling Services; and National Association of Home Builders, *Characteristics of Home Buyers*, Feb. 8, 2013. ADPT = average daily person trips; SFD = single family detached home.

The number of new PHVTs generated for residential land use should take into account the following formula:

$$\text{ITE Vehicle Trip Rate (by use code)} \times \text{Dwellings} \times \text{TSDC Adjustment Factor (if applicable)} \\ = \text{Total TSDC charge}$$

A.3.b Non-Residential SDC Calculation

The proposed SDCs identified in this report include specific recommendations for initial SDCs to be charged based on new PHVT added for non-residential development. New non-residential development in Tigard may include land use types with linked trips. The number of new PHVTs generated for non-residential land use should take into account the following formula:

$$\text{ITE Vehicle Trip Rate} \times (1 - \% \text{ Linked Trips}) = \text{Net New PHVT}$$

The SDC per unit of development is calculated for each type of land use by multiplying the new PHVT for each land use by the SDC per PHVT (see **Appendix B**). It is important to note that the *Trip Generation Manual* may not contain some land use categories or may not include trip rates or number of net new trips generated. For such land use categories without data, the City administrator shall use her/his judgment to calculate the transportation SDC.

In the event that the proposed land use is a use that is not listed in the SDC Methodology Report or applicable ITE Handbooks (for transportation SDCs), the City may calculate the SDC charge based on the estimated increase in units of development for the proposed use, or may consider independent engineering studies submitted by the developer indicating the net impact of the proposed development.

A.4 Modification, Expansion, or Redevelopment

If the new development is a modification or expansion of an existing structure, or redevelopment of a property from a previous use, the SDC amount is based on the net increase in the number of units for each system, calculated as follows:

1. Calculate an SDC for each system in the new development as though the entire development was subject to the SDC;
2. Calculate an SDC for each system in the existing development, before modification, expansion, or redevelopment, as though the existing development was subject to the SDC;
3. Calculate the net SDC amount for each system by subtracting the results of Step 2 from the results of Step 1; if the result is zero or less than zero for a system, no SDC is due for that system.

B. SDC DISCOUNTS FOR TRANSIT ORIENTED MIXED USE DEVELOPMENTS IN DOWNTOWN

Additional transportation SDC discounts may be permitted by the SDC administrator if the proposed new development meets the conditions for transit oriented mixed use developments (TOD) shown in **Exhibit 4.3**. The discounts for transit oriented mixed use developments apply to new development in downtown Tigard that are within 0.50 miles of the Tigard Transit Center. Additionally, transportation SDC discounts are allowed when new development is to be constructed with the minimum density and floor area mix assumptions shown in **Exhibit 4.3**. These discounts are based on the expected level of internal trip capture as documented by the U.S. Environmental Protection Agency (EPA) *Mixed-Use Trip Generation Model 4.0*. The discount takes into account the level of transit access afforded by the combination of frequent bus service and commuter rail service from this location. The total discount ranges from 10% to 25% of transportation SDC base calculations and the TOD discounts are not additive.

Exhibit 4.3 TSDC Discount Criteria in Downtown Tigard

Benefit Based on...	Reduction Level	Transportation Impact & Potential TSDC Reduction	Development Requirement
Proximity to Transit Service	Level 1	10% Vehicle Trip Reduction	Location within 0.5 miles from Tigard Transit Center
Proximity to Transit Service and Development Type/Mix	Level 2	17% Vehicle Trip Reduction	Minimum Res. Density of 24 dwellings per gross acre
	Level 3	20% Vehicle Trip Reduction	Minimum Res. Density of 24 dwellings per acre and at least 15% of the ground floor area devoted to commercial
			or Minimum FAR of 1.0 per acre for non-res. development
	Level 4	25% Vehicle Trip Reduction	Minimum res. density of 55 dwellings per acre and at least 15% of ground floor area devoted to commercial uses
or Minimum FAR of 1.5 per acre for non-res. development			

Notes:

¹ Some portion of the development site must be located within a 0.50 (one half) mile radius (straight line distance measurement) of Tigard Transit Center to qualify for TSDC reduction.

² The minimum residential density for this TSDC reduction level has been interpolated based on ITE results.

Source: ITE, Trip Generation Handbook, 9th Edition, Appendix B; and EPA Travel Demand Model, 4.0.

C. ALTERNATIVE SDC RATE CALCULATION

An Applicant may request an alternative SDC rate calculation if:

1. The Applicant believes that the impact of facilities resulting from the new development is, or will be, less than that contemplated in the SDC Methodology Report, and for that reason, the Applicant's SDC should be lower than that calculated by the City.
2. The Applicant believes that SDCs paid by the property subject to development are, or will be, more than is provided by any credit for SDC payments which may be included in the SDC Methodology Report, and for that reason, the Applicant's SDC should be lower than that calculated by the City.
3. The Applicant agrees to reimburse the City for any additional time or resources necessary to provide a decision.

The following process shall be used for an alternative SDC rate request.

1. If an Applicant believes that the assumptions for the class of structures that includes the new development are not appropriate for the subject new development, the Applicant must request an alternative SDC rate calculation, under this Section, no later than the time of issuance of a Building Permit for the New Development. Alternative SDC rate calculations for occupancy

- must be based on analysis of occupancy of classes of structures, not on the intended occupancy of a particular new development.
2. In support of the Alternative SDC rate request, the Applicant must provide complete and detailed documentation, including verifiable data, analyzed and certified by a suitable and competent professional (such as a Transportation Engineer with a current professional engineering license to practice in the State of Oregon). The Applicant's supporting documentation must rely upon generally accepted sampling methods, sources of information, cost analysis, demographics, growth projections, and techniques of analysis as a means of supporting the proposed alternative SDC rate. The proposed Alternative SDC Rate calculation shall include an explanation with particularity why the rate established in the SDC Methodology does not accurately reflect the new development's impact on the City's capital improvements.
 3. The City Manager or designee shall apply the Alternative SDC Rate if, in the City Manager's opinion, the following are found:
 - a. The evidence and assumptions underlying the Alternative SDC Rate are reasonable, correct, and credible and were gathered and analyzed in compliance with generally accepted principles and methodologies consistent with this Chapter;
 - b. The calculation of the proposed Alternative SDC rate was by a generally accepted methodology;
 - c. The proposed alternative SDC rate better or more realistically reflects the actual impact of the new development than the rate set forth in the SDC Methodology Report; and
 - d. The applicant has compensated the City for the additional cost of administrative services associated with the review of the alternative SDC rate (administrative review charges to be calculated by the City Manager or designee).¹
 4. Within 30 days of the Applicant's submission of the request, the City Manager or designee shall provide a written decision explaining the basis for rejecting or accepting the request.

The decision of the City Manager or designee may be appealed to the City Council, as described in **Section VII** of these guidelines. In addition, all persons who object to the calculation of a system development charge have a right to challenge the decision and petition for review of a final City decision pursuant to ORS 34.010 to 34.100.

D. WHEN PAYMENT IS DUE

Payment is due according to the following criteria.

¹ It is noted that any additional SDC charges for this purpose are in addition to the charges included in the SDC Methodology Report, including the improvement fee, reimbursement fee and the compliance fee; as well as other permitting and inspection charges, fees or SDCes applied to new developments.

3.24.090 Collection of Charge

- A. The SDC is payable upon issuance of:
 - 1. A building or construction permit of any kind, including any permit or permits issued in connection with the set-up or installation of any trailer, mobile or manufactured home;
 - 2. A development permit;
 - 3. A development permit for development not requiring the issuance of a building permit;
 - 4. A permit to connect to the sewer system; or
 - 5. A permit to connect to the water system.
- B. If development is commenced or connection is made to the water system, sewer system, or storm system without an appropriate permit, the SDC shall be immediately due and payable upon the earliest date that a permit was required.
- C. The Administrator shall collect the applicable SDC from the Permittee. The Administrator shall not issue such permit or allow such connection until the charge has been paid in full, or unless an exemption is granted pursuant to Section 3.24.110, or unless provision for installment payments has been made, pursuant to Section 3.24.100, which follows.

The permittee, or the one paying the SDC, can apply to make installment payments on the SDC according to the following section of Tigard code.

3.24.100 Installment Payment

- A. When a SDC is due and payable, the Permittee may apply for payment in twenty semi-annual installments, secured by a lien on the property upon which the development is to occur or to which the utility connection is to be made, to include the SDC along with the following:
 - 1. Interest on the obligation at the prime rate as published by the Wall Street Journal the day of application plus 4%;
 - 2. Any and all costs, as determined by the Administrator, incurred in establishing payment schedules and administering the collections process;
- B. The intent of this section is to recognize that the payment of an SDC by installments increases the administrative expense to the city. It is the intent of this subsection to shift that added expense to the applicant, so that the city will not lose SDC revenue by accepting installment payments on such charges. Subject to the provisions of this section, all costs added to the SDC will be determined by the Administrator.
- C. An Applicant requesting installment payments shall have the burden of demonstrating the Applicant's authority to assent to the imposition of a lien on the property and that the interest of the Applicant is adequate to secure payment of the lien.

SECTION V: UPDATING THE SDC RATES

A. ANNUAL COST ADJUSTMENT

Oregon law dictates that the City is allowed to adjust SDCs based on escalation factors. Please refer to the respective SDC methodology for specific cost escalations. After calculating the SDC adjustment factor, each of the adopted SDC rates, fees, and charges included in a methodology report and outlined in this Administrative Procedures Guide shall be adjusted, effective on July 1st of each year to coincide with the start of a new fiscal year.

A.1 Parks SDC Adjustment

The adjusted parks SDC fee will be determined by the multiplying the existing fees by the average of two indices, one reflecting changes in land acquisition costs and one reflecting changes in development/construction costs (**Exhibit 5.1**).

The index for the land acquisition component will be based on cost of residential tract land in Tigard, as determined by the Washington County Assessor/Appraiser. The average cost for residential land and year over year change (e.g., July 1 to July 1) will be measured as a percentage basis, to create the level of change in the original index, and projected as the overall change in Land Acquisition cost for Tigard.

The index for the construction cost component of the SDC will be the Construction Cost Index for the City of Seattle as published in May issue of the Engineering News Record (ENR). The Seattle Cost Index will be used because it is the most proximate city to Tigard of the twenty metropolitan areas for which the ENR maintains cost data. The index is adjusted monthly and will be calculated based on year to year changes in construction cost (e.g., July 1 to July 1) and projected as the overall change in construction cost for Tigard.

Exhibit 5.1: Parks SDC Escalation

$$\begin{aligned} & \text{(Change in Average Residential Land Value} \times 0.50) \\ & + \text{(Change in Construction Cost Index} \times 0.50) \\ & = \text{Parks SDC Adjustment Factor} \end{aligned}$$

A.2 Transportation SDC Adjustment

The adjusted parks SDC fee will be determined by the multiplying the existing fees by the average of two indices, one reflecting changes in construction costs and one reflecting changes in asphalt prices (**Exhibit 5.2**).

The index for the construction cost component of the SDC will be the Construction Cost Index for the City of Seattle as published in May issue of the Engineering News Record (ENR). The index is adjusted monthly, and will be calculated based on year to year changes in construction cost (e.g., July 1 to July 1) and projected as the overall change in Construction cost for Tigard. The index for the asphalt price will be the annualized change in Oregon Department of Transportation (ODOT) published monthly change in asphalt prices.

Exhibit 5.2: Transportation SDC Escalation

$$\begin{aligned} & \text{(Change in Construction Cost Index} \times 0.90) \\ & + \text{(Change in Annualized ODOT Asphalt Price} \times 0.10) \\ & = \text{Transportation SDC Adjustment Factor} \end{aligned}$$

SECTION VI: RECEIPT, EXPENDITURE, AND REFUNDS OF SDC REVENUE

A. DEPOSITS

All SDC revenues collected by the City must be deposited in the appropriate SDC accounts. Until needed for an authorized use, funds deposited in the SDC accounts may be invested by the City with interest earned credited to the SDC accounts.

3.24.140 Segregation and Use of Revenue

- A. All funds derived from a particular type of SDC are to be segregated by accounting practices from all other funds of the city. That portion of the SDC calculated and collected on account of a specific facility system shall be used for no purpose other than those set forth in this Chapter.

B. PERMITTED USES

Each type of SDC has specific permitted uses listed below.

B.1 Reimbursement Fees

Reimbursement Fee SDC revenues can be used for any type of capital improvement within the system for which the fee is collected. The capital improvements must be included in the City's Capital Improvement Plan (CIP). The CIP must do the following:

- ♦ List the specific projects that may be funded with SDC revenues,
- ♦ Provide the cost of each project,
- ♦ Provide the estimated timing of each project, and
- ♦ Provide the percentage of each project being funded with SDC revenues.

The CIP may be amended at any time.

3.24.060 Authorized Expenditures

- A. Reimbursement fees. Reimbursement fees shall be applied only to capital improvements (and not operating expenses) associated with the system for which the fees are associated, including expenditures relating to repayment of indebtedness.

B.2 Improvement Fees

Improvement Fee SDC revenues can be used only for capacity-increasing capital improvements.

3.24.060.B Authorized Expenditures; Improvement Fees

1. Improvement fees shall be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for the improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the improvements funded by improvement fees must be related to the need for increased capacity to provide service for future users.
2. A capital improvement being funded wholly or in part from revenues derived from the improvement fee shall be included in the plan adopted by the city pursuant to Section 3.24.080.

B.3 Compliance Fees

SDC revenues may be used and for the direct costs of complying with the State statutes governing SDCs, for the costs of administering the SDCs, and for the costs of developing SDC methodologies.

3.24.060.B Authorized Expenditures

3. Notwithstanding subsections 3.24.060.B.1 and .2, SDC revenues may be expended on the costs of complying with the provisions of this Chapter, including the costs of developing systems development charge methodologies and providing an annual accounting of systems development charge funds.

C. PROHIBITED USES

Money on deposit in any SDC accounts shall not be used for the following items.

3.24.070.A Expenditure Restrictions

1. Costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements; or
2. Costs of the operation or routine maintenance of capital improvements.

D. REFUNDS OF SDCS

The City shall grant a refund of SDCs for the following reasons:

- ♦ The City Manager finds that... there was a clerical error in the calculation of the SDC, or
- ♦ The SDCs have not been expended within ten years of receipt.

In no case will a cash refund be available to the property owner/applicant. When one of the above referenced scenarios gives rise to a credit amount greater than the systems development charge that would otherwise be levied against the project receiving development approval, the amount of the remaining credit shall be included in an agreement signed by the applicant and the City Manager or designee that states the amount of the remaining credit and the effective date of the agreement. The remaining credit may be applied against system development charges that accrue in subsequent phases of the original development project.

Credit may be transferable from one development to another. As noted above, remaining credit shall expire 10 years from the date the credit is given. Credits shall only fulfill obligations of SDCs of the capital improvement type for which the credit was issued.

SECTION VII: CHALLENGES AND APPEALS

A. CHALLENGES OF EXPENDITURES

If there is a challenge of either SDC expenditures or credits, Tigard code stipulates the following procedure.

3.24.150 Appeal Procedure.

- A. A person aggrieved by a decision required or allowed to be made by the city recorder under this ordinance or a person challenging the propriety of an expenditure of SDC revenues may appeal the decision or the expenditure to the City Council by filing a written request with the Administrator describing with particularity the decision of the Administrator or the expenditure from which the person appeals.
- B. Appeal of an Expenditure: An appeal of an expenditure must be filed within two years of the date of the alleged improper expenditure. The council shall determine whether the Administrator's decision or the expenditure is in accordance with this ordinance and the provisions of ORS 223.297 to 223.314 and may affirm, modify or overrule the decision. If the Council determines that there has been an improper expenditure of SDC revenues, the council shall direct that a sum equal to the misspent amount shall be deposited within one year to the credit of the account or fund from which it was spent.
- C. Appeal of an SDC Methodology: Legal action challenging the methodology adopted by the council pursuant to Section 3.24.050 shall not be filed later than sixty (60) days after the date of adoption, and shall be contested according to the procedure set forth in ORS 34.010 to 34.100, and not otherwise.
- D. Appeal of an SDC Calculation or Credit Determination.
 - 1. A person aggrieved by a decision made by the Administrator relating to the calculation of SDCs may file an appeal within ten (10) days of the Administrator's action.
 - 2. Appeals must be made by filing a written request with the Administrator and must include a recommended solution to the issue that has initiated the appeal.
 - 3. Appeals may be filed to challenge only the trip generation rate or land use category that is applicable to the project.
 - 4. The City Council shall consider all appeals and shall render a decision to affirm, modify, or overrule the decision of the Administrator.
 - 5. The City Council's decision shall be made in accord with the intent of the provisions of this ordinance.

The City will review the challenge and determine whether or not an expenditure was made in accordance with the provisions of the SDC Ordinance and ORS 223. If the City finds that the expenditure was not appropriate, the SDC account(s) must be reimbursed from other revenue sources. The City shall notify the person who submitted the challenge of the results of the review within 30 days following completion of the review.

SECTION VIII: RECORD KEEPING

A. RECORDS OF RECEIPTS

All SDCs received should be listed in chronological order, with each record indicating the date received, the amounts received, the name and location of the development for which the SDC was paid, the number(s) of the building permit(s), and the name of the Applicant who paid the SDC.

B. RECORDS OF INVESTMENTS

Any funds on deposit in the SDC accounts that are not immediately necessary for expenditure may be invested by the City with all income derived from such investments deposited in the account. All investment transactions should include the date and a description of the transaction.

C. RECORDS OF EXPENDITURES

Records of disbursements should be recorded for each account and should include the date of the expenditure and the name of the specific capital improvement project for which the funds are expended. In the case of a refund, the date and name of the person receiving the refund should be recorded.

D. TIMELINESS OF RECORDS

Records of receipts and disbursements of SDCs shall be updated on the business day during which a transaction occurred.

E. REPORTS

The City is required by ORS 223 to prepare by January 1 of each year an annual report accounting for all receipts and expenditures of SDC revenues. The annual report must show the total amount of system development charge revenues collected for each system and the projects that were funded in the previous fiscal year. It must also include a list of the amount spent on each project funded, in whole or in part with system development charge revenues.

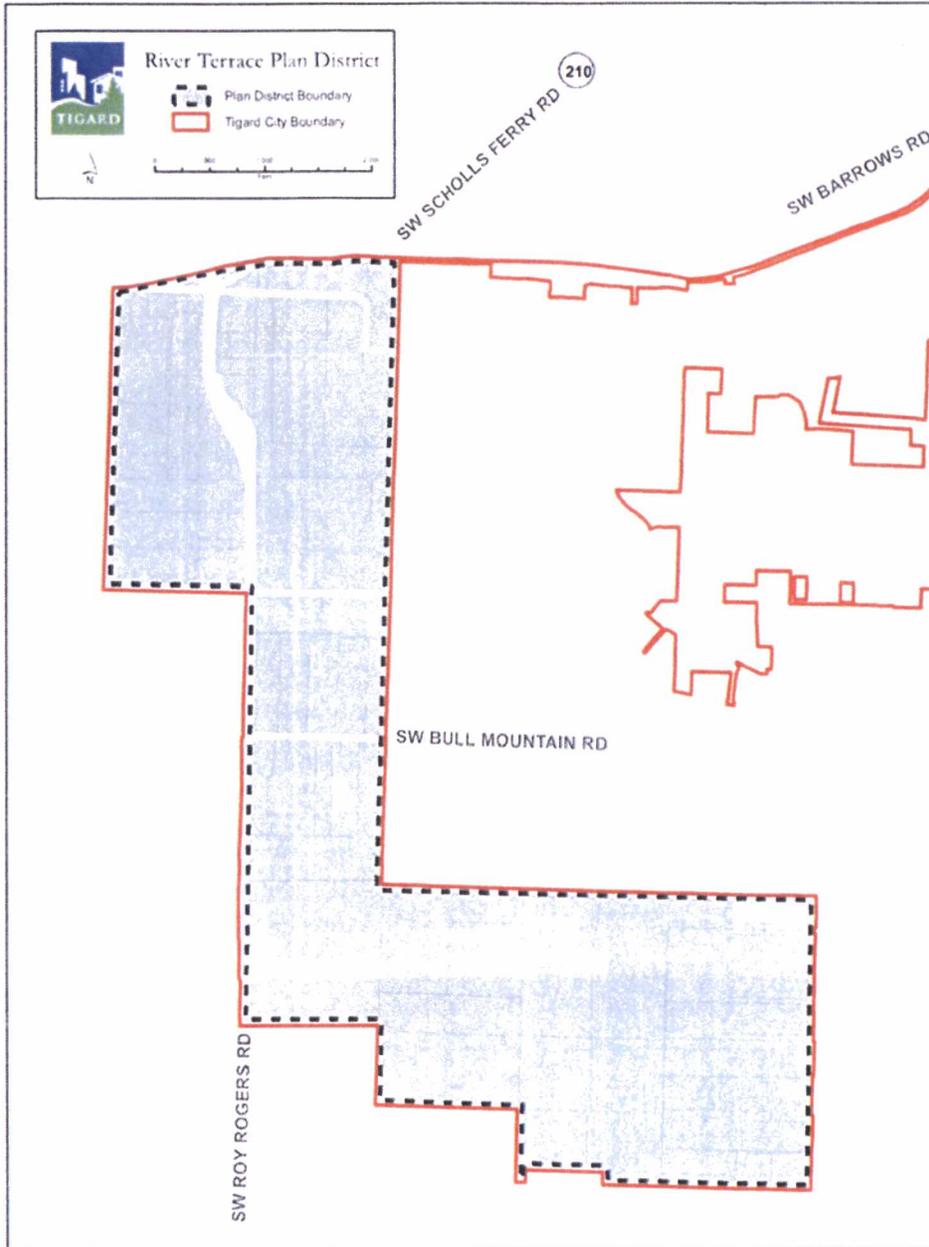
3.24.140 Segregation and Use of Revenue

- B. The Administrator shall provide an annual accounting of SDCs showing the total amount of system development charge revenues collected for each type of facility and the projects funded from the account.

APPENDIX

Appendix A: River Terrace District

The River Terrace SDC overlay boundary is referenced by the City of Tigard Community Development Code Map 18.660.



Appendix B: Transportation SDCs by Use (as of July 1, 2015)

Tigard TSDC Rates by Selected Land Use Category (as of July 1, 2015)										Tigard TSDC Rate Per Peak Trip				
ITE Code	Land Use	Unit	Weekday PM Peak-Hour Trips	Trip Categories			Adjusted Trip Rates		\$483	\$8,362	\$1,104	Citywide Total TSDC per Unit	River Terrace Total TSDC per Unit	
				Primary	Pass By	Diverted Linked	Total	Daily	Weekday PM Peak-Hour	SDC-R charge per Unit	SDC-I citywide charge per Unit			SDC-I River Terrace Overlay charge per Unit
110	General Light Industrial	1,000 SFGFA	1.08	100%			100%	5.26	1.08	\$522	\$9,031	\$1,192	\$9,553	\$10,745
130	Industrial Park	1,000 SFGFA	0.84	100%			100%	5.34	0.84	\$406	\$7,024	\$927	\$7,430	\$8,357
140	Manufacturing	1,000 SFGFA	0.75	100%			100%	3.03	0.75	\$362	\$6,272	\$828	\$6,634	\$7,462
151	Mini-Warehouse	1,000 SFGFA	0.29	100%			100%	2.37	0.29	\$140	\$2,425	\$320	\$2,565	\$2,885
160	Data Center	1,000 SFGFA	0.14	100%			100%	0.99	0.14	\$68	\$1,171	\$155	\$1,238	\$1,393
210	Single-Family Detached Housing*	Dwelling unit	1.02	100%			100%	9.45	1.02	\$312	\$5,402	\$3,672	\$5,714	\$9,386
220	Apartment	Dwelling unit	0.67	100%			100%	6.50	0.67	\$182	\$3,151	\$2,142	\$3,333	\$5,475
230	Residential Condominium/Townhouse	Dwelling unit	0.52	100%			100%	5.65	0.52	\$182	\$3,151	\$2,142	\$3,333	\$5,475
240	Mobile Home Park	ODU	0.60	100%			100%	4.90	0.60	\$290	\$5,017	\$662	\$5,307	\$5,969
254	Assisted Living	Bed	0.35	100%			100%	2.56	0.35	\$169	\$2,927	\$386	\$3,096	\$3,482
310	Hotel	Room	0.61	100%			100%	7.86	0.61	\$295	\$5,101	\$673	\$5,395	\$6,069
320	Motel	Room	0.56	100%			100%	5.63	0.56	\$270	\$4,683	\$618	\$4,953	\$5,571
411	City Park	Acre		100%			100%	6.13		\$0	\$0	\$0	\$0	\$0
417	Regional Park	Acre	0.26	100%			100%	4.99	0.26	\$126	\$2,174	\$287	\$2,300	\$2,587
430	Golf Course	Acre	0.39	100%			100%	5.27	0.39	\$188	\$3,261	\$431	\$3,450	\$3,880
492	Health/Fitness Club	1,000 SFGFA	4.06	100%			100%	30.32	4.06	\$1,961	\$33,950	\$4,482	\$35,911	\$40,393
495	Recreational Community Center	1,000 SFGFA	3.35	100%			100%	27.40	3.35	\$1,618	\$28,013	\$3,698	\$29,631	\$33,329
520	Elementary School	1,000 SFGFA	3.11	59%	41%		100%	7.12	1.83	\$886	\$15,343	\$2,026	\$16,230	\$18,255
522	Middle School/Junior High School	1,000 SFGFA	2.52	59%	41%		100%	6.36	1.49	\$718	\$12,433	\$1,641	\$13,151	\$14,792
530	High School	1,000 SFGFA	2.12	59%	41%		100%	5.95	1.25	\$604	\$10,459	\$1,381	\$11,063	\$12,444
540	Junior/Community College	1,000 SFGFA	2.64	100%			100%	21.41	2.64	\$1,275	\$22,076	\$2,915	\$23,351	\$26,265
560	Church	1,000 SFGFA	0.94	100%			100%	13.22	0.94	\$454	\$7,860	\$1,038	\$8,314	\$9,352
565	Day Care Center	1,000 SFGFA	13.75	33%	67%		100%	18.02	4.54	\$2,192	\$37,943	\$5,009	\$40,134	\$45,144
610	Hospital	1,000 SFGFA	1.16	100%			100%	12.17	1.16	\$560	\$9,700	\$1,281	\$10,260	\$11,541
620	Nursing Home	1,000 SFGFA	1.01	100%			100%	7.21	1.01	\$488	\$8,446	\$1,115	\$8,933	\$10,048
710	General Office Building	1,000 SFGFA	1.49	100%			100%	8.38	1.49	\$720	\$12,459	\$1,645	\$13,179	\$14,824
720	Medical-Dental Office Building	1,000 SFGFA	4.27	100%			100%	27.31	4.27	\$2,062	\$35,706	\$4,714	\$37,768	\$42,482
750	Office Park	1,000 SFGFA	1.48	100%			100%	8.50	1.48	\$715	\$12,376	\$1,634	\$13,091	\$14,725
760	Research and Development Center	1,000 SFGFA	1.07	100%			100%	6.22	1.07	\$517	\$8,947	\$1,181	\$9,464	\$10,645
770	Business Park	1,000 SFGFA	1.26	100%			100%	9.44	1.26	\$609	\$10,536	\$1,391	\$11,145	\$12,536
812	Building Materials and Lumber Store	1,000 SFGFA	5.56	100%			100%	43.13	5.56	\$2,685	\$46,493	\$6,138	\$49,178	\$55,316
813	Free-Standing Discount Superstore	1,000 SFGFA	4.40	72%	28%		100%	38.46	3.17	\$1,530	\$26,491	\$3,497	\$28,021	\$31,518

Appendix C: System Development Charge Form

**City of Tigard System Development Charges
APPLICATION AND CALCULATION WORKSHEET**

DATE: _____

APPLICANT

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE: _____

DEVELOPMENT

TYPE OF DEVELOPMENT: _____

PARCEL NUMBER OR SDC LOT NUMBER: _____

LOCATION: _____

BUILDING PERMIT NUMBER: _____

CURRENT USE(S):

- Site is Vacant
- Site Currently Has Residential Dwelling Units
 - Number of Single-Family Dwelling Units _____
 - Number of Multi-Family Dwelling Units _____
 - Number of Manufactured Housing Dwelling Units _____
- Site Currently Has Non-Residential Structure(s)
 - Size(s) _____
 - Current Land Use(s) _____

SDC CALCULATIONS

SDC Exemption Request

Is the proposed development in one of the following exempt categories?

- Alteration of existing building - no additional impacts.
- Accessory buildings or structures - no additional impacts.
- Mobile/manufactured home placement for a unit on which SDCs have already been paid.
- Temporary Use (less than 180 days).

(EXPLAIN): _____

OFFICIAL USE ONLY

- Exemption denied. Applicant may appeal denial.
- Exemption determination referred to City Council on _____ (date)

By: _____
(Signature of City Official)

SDC Credit Request

If the development is donating or constructing a Qualified Public Improvement, a credit against the SDC may be available. A Qualified Public Improvement is a capital improvement required as a condition of development approval. To obtain an SDC Credit, the Applicant must submit a letter to the City specifically requesting a credit prior to the issuance of a building permit for the Development. In the request, the Applicant must identify the improvement(s) for which Credit is sought and explain how the improvement(s) meet the requirements for a Qualified Public Improvement. The Applicant must also document the value of the improvement(s) for which Credit is sought.

SDC Credit is Requested

Alternative SDC Rate Calculation Request

An Applicant may request an Alternative SDC Rate Calculation if the Applicant believes that the impact on facilities resulting from the development will be less than the rates established in the SDC Methodology Report. In support of the Alternative SDC Rate request, the Applicant must provide complete and detailed documentation.

Alternative SDC Rate Calculation is Requested

SDC Calculation Worksheet

Single Family Detached Residential SDC Rates

(1) Type of SDC	(2) SDC Per Dwelling Unit	(3) # Units	(4) Total
Citywide TSDC Imp.*	\$ 5,402	_____	_____
RiverTerrace TSDC Imp.*	\$ 3,672	_____	_____
Transportation- Reimb. Fee	\$ 312	_____	_____
Water	\$ 7,930	_____	_____
Wastewater	\$ 4,900	_____	_____
Stormwater	\$ 500	_____	_____
Citywide Parks SDC Imp.*	\$ 5,807	_____	_____
RiverTerrace Parks SDC Imp.*	\$ 2,502	_____	_____
Parks Reimbursement Fee	\$1,017	_____	_____
Total		_____	_____

*includes administration fee.

Non-Residential SDC Rates

(See Table 1 for appropriate SDC Rates)

(1) Type of SDC (Transportation, Water, Wastewater, etc.)	(2) Unit of Measure	(3) Number of Units	(4) SDC Rate	(5) Fee
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

OFFICIAL USE ONLY

TOTAL SDC FEES:	_____
Less: CREDIT FOR CONTRIBUTION OF QUALIFIED PUBLIC IMPROVEMENTS	(_____)
Less: ALLOWANCE FOR EXISTING USES (expansion or redevelopment)	(_____)
NET SDCs DUE:	_____

PRELIMINARY JURISDICTIONAL PERMIT FEE COMPARISON

Portland Metro
**MULTI-TENANT RETAIL
SHOPPING CENTER**

	BEAVERTON	CLACKAMAS CO	GRESHAM	HILLSBORO	PORTLAND	SHERWOOD	WILSONVILLE	TIGARD
ASSUMPTIONS								
A Building Floor Area (SF):	15,000	15,000	15,000	15,000	15,000	15,000	15,000	A
B Total Site Area (SF):	75,000	75,000	75,000	75,000	75,000	75,000	75,000	B
B Impervious Site Area (SF):	63,750	63,750	63,750	63,750	63,750	63,750	63,750	B
C Building Valuation (ICC):	\$1,060,320	\$1,060,320	\$1,060,320	\$1,060,320	\$1,060,320	\$1,060,320	\$1,060,320	C
D Equivalent Dwelling Units (EDU's):	1.3	3.9	1.3	1.3	1.3	1.3	1.3	D
E Employees:	21	32	32	32	N/A	32	N/A	E
F Trips- ADT 42.7/1,000 SF (ITE 820):	641	641	641	641	641	641	641	F
F Trips- PM Peak 3.71/1,000 SF (ITE 820):	56	56	56	56	56	56	56	F
G Water Meter Size:	1"	1"	1"	1"	1"	1"	1"	G
LAND USE REVIEW								
<i>DEVELOPMENT / DESIGN REVIEW</i>								
H Pre-Application Conference:	\$260	\$285	\$1,509	\$0	\$1,768	\$400	\$432	H
H Land Use Review Fee:	\$1,953	\$4,072	\$31,236	\$4,725	\$9,245	\$6,822	\$5,674	H
SYSTEM DEVELOPMENT CHARGES								
I Transportation SDC:	N/A	\$133,425	\$157,097	N/A	\$89,850	\$58,605	\$710,115	I
I Other (Washington County TDT):	\$167,100	N/A	N/A	\$167,100	N/A	\$167,100	N/A	I
J Stormwater SDC:	\$26,152	\$5,228	\$21,012	N/A	\$16,585	\$2,933	\$35,700	J
J Water Quality:	\$5,747	N/A	N/A	\$5,433	N/A	\$5,433	N/A	J
J Water Quantity:	\$7,027	N/A	N/A	\$6,641	N/A	\$6,641	N/A	J
K Sanitary Sewer SDC:	\$6,694	\$27,434	\$17,694	\$6,694	\$7,700	\$6,694	\$18,988	K
L Water SDC:	\$13,852	\$7,879	\$14,530	\$18,955	\$5,842	\$13,979	\$13,572	L
L Other:	\$186	\$5,000	N/A	N/A	\$4,885	\$3,201	N/A	L
M Parks SDC:	\$3,579	\$1,915	\$1,372	\$26,966	\$5,640	\$2,544	\$3,945	M
BUILDING PERMIT FEES								
<i>BUILDING PERMIT</i>								
N Building Permit Fee:	\$4,222	\$4,248	\$4,380	\$3,694	\$4,437	\$4,046	\$4,836	N
N Building Plan Review:	\$2,744	\$2,761	\$2,847	\$2,401	\$2,884	\$3,439	\$3,143	N
N Fire/Life Safety Plan Review:	\$1,689	\$1,487	\$1,752	\$1,477	\$1,775	\$1,619	\$1,934	N
N Fire Plan Review:	N/A	N/A	N/A	N/A	\$710	N/A	N/A	N
N State Surcharge:	\$507	\$510	\$526	\$443	\$532	\$486	\$580	N
O Metro Construction Excise Tax:	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	O
P School Construction Excise Tax:	\$8,700	\$8,550	\$7,500	\$7,500	\$8,550	\$7,800	\$8,250	P
<i>ENGINEERING PLAN REVIEW</i>								
Q Engineering Plan Review:	\$75	\$1,060	N/A	N/A	N/A	N/A	N/A	Q
R EC/Grading Review or Permit Fee:	\$26,150	\$578	\$932	N/A	\$491	N/A	\$215	R
S LUCS Approval:	N/A	N/A	\$90	N/A	N/A	N/A	\$0	S
S NPDES 1200-C Permit:	N/A	N/A	\$1,725	N/A	N/A	N/A	\$1,725	S
T Additional Permit Fees:	\$125	N/A	\$1,775	N/A	\$10,691	N/A	\$559	T
TOTAL COST:	\$278,034	\$205,704	\$267,251	\$253,301	\$172,858	\$293,013	\$810,941	\$323,064
COST PER SF:	\$18.54	\$13.71	\$17.82	\$16.89	\$11.52	\$19.53	\$54.06	\$ 21.54
<p style="text-align: right;"> Cost per s.f. <u>without</u> TSDC: \$16.20 + Cost per s.f. added by TSDC: \$5.34 Total cost per s.f.: \$21.54 (TSDC as a % of TDT) 48.0% </p>								

These estimates are based on the above assumptions, current jurisdictional fees, and Mackenzie's experience preparing project-specific estimates for our clients. Footnotes and details on assumptions used to generate these fees are available on request. For further information and/or methodology, contact Tom Wright at twright@mcknze.com or (503) 224-9560. Actual fees may vary at the time of permit application or issuance and these estimates are not meant to replace due diligence.

PRELIMINARY JURISDICTIONAL PERMIT FEE COMPARISON

Portland Metro
WAREHOUSE

	CLACKAMAS CO	GRESHAM	HILLSBORO	PORTLAND	TUALATIN	WILSONVILLE	WOODBURN	TIGARD
ASSUMPTIONS								
A Building Floor Area (SF):	200,000	200,000	200,000	200,000	200,000	200,000	200,000	A
B Total Site Area (SF):	522,720	522,720	522,720	522,720	522,720	522,720	522,720	B
B Impervious Site Area (SF):	444,312	444,312	444,312	444,312	444,312	444,312	444,312	B
C Building Valuation (ICC):	\$11,646,400	\$11,646,400	\$11,646,400	\$11,646,400	\$11,646,400	\$11,646,400	\$11,646,400	C
D Equivalent Dwelling Units (EDU's):	53	2.0	2.0	2.0	2.0	2.0	2.0	D
E Employees:	80	61	60	N/A	N/A	N/A	61	E
F Trips- ADT 3.56/1,000 SF (ITE 150):	712	712	712	712	712	712	712	F
F Trips- PM Peak 0.3/1,000 SF (ITE 150):	60	60	60	60	60	60	60	F
G Water Meter Size:	1.5"	1.5"	1.5"	1.5"	1.5"	1.5"	1.5"	G
LAND USE REVIEW								
<i>DEVELOPMENT / DESIGN REVIEW</i>								
H Pre-Application Conference:	\$285	\$1,509	\$0	\$1,768	\$205	\$691	\$508	H
H Land Use Review Fee:	\$36,835	\$44,998	\$5,775	\$0	\$2,410	\$13,146	\$14,397	H
SYSTEM DEVELOPMENT CHARGES								
I Transportation SDC:	\$391,200	\$169,377	N/A	\$236,000	N/A	\$484,200	\$328,800	I
I Other:	N/A	N/A	\$812,600	N/A	\$812,600	N/A	\$104,200	I
J Stormwater SDC:	\$36,434	\$146,445	N/A	\$86,451	N/A	\$248,815	\$48,874	J
J Water Quality:	N/A	N/A	\$37,868	N/A	\$37,868	N/A	N/A	J
J Water Quantity:	N/A	N/A	\$46,283	N/A	\$46,283	N/A	N/A	J
K Sanitary Sewer SDC:	\$365,789	\$44,990	\$10,200	\$11,734	\$10,275	\$26,072	\$72,340	K
L Water SDC:	\$15,757	\$36,948	\$39,030	\$11,684	\$19,196	\$19,759	\$33,362	L
L Other:	\$5,000	N/A	N/A	\$10,870	N/A	N/A	N/A	L
M Parks SDC:	\$4,800	\$2,614	\$50,640	\$10,800	\$0	\$79,600	\$1,884	M
BUILDING PERMIT FEES								
<i>BUILDING PERMIT</i>								
N Building Permit Fee:	\$43,946	\$46,725	\$37,463	\$44,982	\$35,226	\$49,720	\$64,390	N
N Building Plan Review:	\$28,565	\$30,371	\$24,351	\$29,238	\$22,897	\$32,318	\$64,390	N
N Fire/Life Safety Plan Review:	\$15,381	\$18,690	\$14,985	\$17,993	\$15,852	\$19,888	\$41,854	N
N Fire Plan Review:	N/A	N/A	N/A	\$7,197	N/A	N/A	N/A	N
N State Surcharge:	\$5,274	\$5,607	\$4,496	\$5,398	\$4,374	\$5,966	\$7,727	N
O Metro Construction Excise Tax:	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$0	O
P School Construction Excise Tax:	\$28,400	\$25,000	\$25,000	\$28,400	\$25,925	\$25,000	\$29,900	P
<i>ENGINEERING PLAN REVIEW</i>								
Q Engineering Plan Review:	\$1,060	N/A	N/A	N/A	\$321	N/A	\$17,470	Q
R EC/Grading Review or Permit Fee:	\$1,400	\$2,534	N/A	\$1,848	\$1,221	\$1,500	\$0	R
S LUCS Approval:	\$0	\$90	\$0	\$250	\$0	\$0	\$0	S
S NPDES 1200-C Permit:	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	S
T Additional Permit Fees:	N/A	\$1,775	N/A	\$55,428	N/A	\$804	N/A	T
TOTAL COST:	\$993,851	\$591,398	\$1,122,415	\$573,765	\$1,048,377	\$1,021,205	\$831,821	\$1,380,117
COST PER SF:	\$4.97	\$2.96	\$5.61	\$2.87	\$5.24	\$5.11	\$4.16	\$ 6.90

Cost per s.f. without TSDC: \$5.29
 + Cost per s.f. added by TSDC: \$1.61
TTotal cost per s.f.: \$6.90
(TSDC as a % of TDT) 39.5%

These estimates are based on the above assumptions, current jurisdictional fees, and Mackenzie's experience preparing project-specific estimates for our clients. Footnotes and details on assumptions used to generate these fees are available on request. For further information and/or methodology, contact Tom Wright at twright@mcknze.com or (503) 224-9560. Actual fees may vary at the time of permit application or issuance and these estimates are not meant to replace due diligence.