

City of

PORTLAND, OREGON

Development Review Advisory Committee

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Development Review Advisory Committee (DRAC)

System Development Charge (SDC) Review

Report and Recommendations

May 2009



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June 1, 2009

Dear Mayor Adams and City Commissioners:

The Development Review Advisory Committee (DRAC) submits the DRAC System Development Charge (SDC) Report and Recommendations to foster transparency, streamline processes, and provide technical assistance. DRAC has historically supported development fees and charges. We believe it is critical for citizens and the development community to be able to predict and understand how SDCs are being assessed and used for infrastructure repairs and replacements and for capacity increasing capital improvements.

This report represents the combined efforts of the independent group convened by the DRAC, named the DRAC SDC Subcommittee, that included members form Portland's architectural, development, construction and small business communities. This report includes a summary of the methodologies and oversight already employed by SDC bureaus, key findings, and lastly a set of recommendations organized in five categories that we believe forward the work of SDC bureaus to coordinate and leverage their efforts to support City goals and initiatives.

The DRAC recognizes the two ongoing City initiatives making progress towards livability and development for Portland's citizens could impact our recommendations. The first initiative is the City's Portland Plan currently being drafted by the Bureau of Planning and Sustainability. The second is the Permit Co-Location Report voted by Council on April 16th, 2009 currently being implemented by BDS and those bureaus with development review functions. Understanding these additional initiatives is important so that future work on this report's recommendations will avoid duplication or conflicting efforts.

We understand that this report represents the first of many steps that require collaboration amongst many bureaus, agencies, enterprises, and citizens. We are ready to support the SDC bureaus to develop and implement these recommendations in developing a coordinated SDC program for the City of Portland.

Respectfully submitted,

Steven Heiteen Chair, DRAC

Steven Heiteen Construction, Inc.

Vice-Chair, DRAC

Works Partnership Architecture, LLC

Don Geddes

Chair, DRAC SDC Subcommittee

Walsh Construction

DRAC SDC Review Report and Recommendations

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Development Review Advisory Committee (DRAC)

The Development Review Advisory Committee (DRAC) is a citizen advisory body, representing those with interests in the outcome of policies, budgets, regulations, and procedures that affect development review processes. The mission of the Committee is to foster a timely, predictable and accountable development review process that implements the City's goals for land use, transportation, housing, economic development, neighborhood livability and the environment. The Committee advocates for and supports consistent and fair application and implementation of regulations.

The DRAC consists of sixteen members. These members are appointed by the Commissioner in Charge and confirmed by the City Council. The members are elected to provide representation of those persons concerned about planning, design and development. The areas of interest of members shall include, but not be limited to, development, planning, construction contracting, design professions, neighborhood association membership, business association membership, historic preservation, environmental organizations, and institutional properties. Members of the DRAC shall serve no more than two, complete three-year terms.

2009-10 DRAC Members

Member	Position	Affiliation
John Cisneros	Minority Construction Contractors	Cisneros Construction
Goudarz Eghtedari	Neighborhood Associations	Laurelhurst Neighborhood Association
Jeff Fish	Home Builders	Jeff Fish Construction
Kathi Futornick	Advocate for Individual Customers	URS Corporation
Don Geddes	Large Construction Contractors	Walsh Construction
Charlie Grist	Environmental Conservation	NW Power Council
Steven Heiteen *	Home Remodelers	Steve Heiteen Construction Inc.
Renee Loveland	Large Business	Gerding Edlen Development Co.
Bonny McKnight	Citywide Neighborhood Interests	Citywide Land Use Group/ Russell Neighborhood Association
Ed McNamara	Low-Income Housing Developers	Turtle Island Development
Rick Michaelson	Historic Preservation	Inner City Properties/ Bosco-Milligan Foundation
Michelle Rudd	Portland Planning Commission	Stoel Rives LLP
Carrie Schilling **	Land Use Planning Professionals	Works Architecture
Keith Skille	Design Professionals	GBD Architects
Greg Theisen	Major Facilities Landowners	Port of Portland
Simon Tomkinson	Neighborhood Businesses	Litmus Design and Architecture, LLC

^{*} DRAC Chair

^{**} DRAC Vice Chair

System Development Charges Overview

System Development Charges (SDCs) are one time fees charged to new development to help pay a portion of the costs associated with building capital facilities to meet growth related needs. Oregon local governments are authorized to enact SDCs for capital facilities for transportation, water, wastewater, storm water drainage and parks and recreation facilities. (See Appendix E: BDS Systems Development Charges Information Flyer)

The State of Oregon legislature passed laws allowing System Development Charge programs in 1991, permitting and regulating SDCs (See Appendix B; *Oregon Revised Statute Chapter 223.297 to 223.314- System Development Charges).* The Oregon Systems Development Act provides for the imposition of two types of SDCs; reimbursement fee SDC and improvement fee SDC.

Reimbursement SDCs compensate ratepayers for their prior funding of capitol investments because excess capacity is available to accommodate growth. Reimbursement SDCs help fund system repairs and replacements, and are not tied to particular projects. Revenues from reimbursement fees may be used on any capital improvement project, including major repairs, upgrades or renovations. In the City of Portland, water, wastewater and storm water drainage SDC fees are reimbursement based.

Improvement SDCs may only be spent only on capacity increasing capital improvements identified in approved Capital Improvement Plans. In the City of Portland, transportation and parks and recreation SDC fees are improvement based.¹

CITY BUREAUS ASSESSING SDCs

<u>Bureau of Environmental Services (BES)</u>—Charges cover the cost of increased use and reimburse BES for the sewer and storm water infrastructure necessary for development.

SDC revenues are used to fund capital program costs. BES deposits SDC revenue in the Sewer System Construction Fund for general support of the Bureau's capital program. BES SDCs are not targeted to specific projects. They are used to fund capital projects in the Bureau's approved 5 year Capital Improvement Plan (CIP).

<u>Bureau of Parks and Recreation—Charges cover a portion of the cost to provide parks and recreation facilities to serve new development.</u>

The Bureau of Parks and Recreation SDC is an improvement fee and as such, is required to be used for parks and recreation CIP costs created by growth.

<u>Bureau of Transportation (PBOT)</u>—Charges cover the construction of transportation facilities need to serve new development and then people who occupy or use the new development.

The transportation SDC is an improvement fee rather than a reimbursement fee. As such, the methodology for the PBOT SDC considers the cost of the capital improvements needed to increase the capacity of the system.

Water Bureau—Charges cover the const of improvements that provide new capacity.

The water SDC is a reimbursement-based fee; it can be used for any approved capital improvement project, including major repairs, upgrades or renovations. As a reimbursement fee, the Water Bureau is not required to track the particular projects that SDC revenue is used for.

DRAC SDC Subcommittee Report

¹ **Appendix D**: City of Portland- Office of Management & Finance, *Analysis of System Development Charges in the City of Portland*, November 22, 2002.

<u>The Development Review Advisory Committee (DRAC) System Development Charge</u> (SDC) Subcommittee

System Development Charges (SDCs) are a key issue for the development community. While the community understands the need for mechanisms to provide funding for the expansion and improvement of infrastructure, questions arise when the fees increase, without a comprehensive review of the cost of fees and charges in aggregate.

The DRAC established a subcommittee to develop recommendations that would foster transparency, streamline process, provide technical assistance, and encourage the market through incentives. The two on-going city initiatives addressing similar goals are:

The Development Review Permitting Consolidation Project is charged with the
consolidation of staffing and management of the development review process,
accountable to a single City Commissioner to ensure that the development review
process is efficient, faithful to City policies, regulations and legal commitments, and
fair and open to all development stakeholders.

The Bureau of Planning and Sustainability's (BPS) update to the Comprehensive
Plan known as the "Portland Plan." BPS will be drafting policy proposals to guide the
City's decision-making and investment in transportation, infrastructure, housing and
economic development.

Understanding these initiatives is important so that future work on this report's recommendations will avoid duplication or conflicting efforts.

The DRAC SDC Subcommittee was formed to examine SDCs charged in the City of Portland, and subsequently report their findings and develop recommendations to present to the DRAC. The Subcommittee was charged with the following:

Determine who annually reviews all development related fees and charges (SDCs)
Identify how SDC revenues support City of Portland goals and initiatives;
Examine how SDC revenues are spent:
A) Identify who reviews where SDC revenues are spent City wide, and
B) Identify who decides on SDC allocations city wide.

The Subcommittee met over a period of 11 months with City staff from each of the bureaus that assess SDCs, and also the Public Utility Review Board (PURB). During the year, the DRAC SDC Subcommittee developed questions to guide its review, noted key findings, identified and prioritized recommendations for actions, and presented them to the full DRAC for approval. The recommendations in this report were developed to build upon the City's current activities and programs and advance the City of Portland's goals as an active partner of the development community.

DRAC member Don Geddes was appointed Subcommittee chair. As a project manager for Walsh Construction, Geddes has experience with the City's development review process and associated fees and charges. Additional subcommittee members included Alan Beard (GBD Architects), Tom Skaar (Pacific Western Homes, LLC), and DRAC Chair Simon Tomkinson (Litmus Design). The Subcommittee met once a month from May 2008 through January 2009. The schedule was as follows:

Date	Agenda
May 14, 2008	Develop questions for bureaus
June 4, 2008	Parks Bureau Presentation (Riley Whitcomb & Kasandra Griffin)
August 6, 2008	PBOT Presentation (Katherine Levine & Rich Eisenhauer)
August 27, 2008	Review Parks and PBOT Presentations
September 17, 2008	Portland Utility Review Board (PURB) Presentation (Bob Tomlinson)
October 29, 2008	Water Bureau Presentation (Dave Hasson)
December 10, 2008	BES Presentation (Jim Hagerman and Lana Danaher)
January 14, 2009	Review PURB, Water , BES Presentation; Develop Recommendations

Questions

The Subcommittee agreed that a shared vision for the individual bureau discussions would help to organize and communicate the work agenda in the short and long term. They developed a list of questions to be answered by bureau representatives. Prior to the date of their presentation to the Subcommittee, the following questions were sent to the Bureau staff of Parks, PBOT, Water and BES requesting that they respond to them both in writing and at the meeting. Bureau responses to the questions are found in Appendix A: DRAC System Development Charge (SDC) Review Subcommittee –Bureau Responses.

- 1. What is the History of your bureau's SDC, and how were they established?
- 2. Where are the SDC funds your bureau collects allocated? Are they discretionary (policy), or mandated (Federal or State)?
- 3. How are the SDCs calculated for each project?
- 4. Who reviews the SDCs?
- 5. How often are they updated and what is the schedule?
- 6. How are the impacts of SDC-funded projects measured?
- 7. What is the feasibility of a one stop shop location to identify and calculate SDCs for a given project?
- 8. How does your bureau respond if SDC revenue drops sharply in a given year?
- 9. How are fees and SDCs differentiated?
- B. Prior to the date of their presentation to the Subcommittee, the following questions were sent to the Public Utility Review Board (PURB) staff requesting that they respond to them both in writing and at the meeting. PURB responses to the questions are found in Appendix A: DRAC System Development Charges (SDC) Review Subcommittee Summary of Findings.
 - 1. What is the PURB's relationship to the Water and Environmental Services SDC programs?
 - 2. Does PURB guide or review each bureau's plan as it relates to:
 - a) City goals for economic development, urban renewal, and planning
 - b) Revenue and project goals as determined by each bureau
 - 3. How do PURB's policy decisions impact SDCs?
 - 4. How do PURB's financial plan decisions impact SDCs?

- 5. What is the scope of your general policy review?
- 6. When the PURB guides the bureaus in prioritizing and planning infrastructure projects, how are discretionary projects, projects mandated by state or federal law (covering reservoirs), and projects guided by policy (such as Watershed Review) prioritized?

Findings

The DRAC SDC Subcommittee sought to understand what kind of annual review and oversight were performed with respect to the significant revenue generated through the collection of SDC charges. The subcommittee discovered that no entity within the City has oversight of a comprehensive review and assessment of the City's SDCs; knows how much in aggregate is collected annually; where those funds are allocated Citywide; or how, when applicable, the allocations coincide with the City's goals and initiatives.

SDC programs are subject to reviews by the leadership from each bureau, as well as periodic public review. City Council may hear about SDC related issues: when a new SDC is proposed; at the annual Utility Board hearing; when a SDC fee is proposed to be increased; as part of proposed bureau budgets; or if a SDC funded project is brought to Council. At no time is the City Council or any other entity in the city informed of the total amount of SDC revenue collected in the City; the total amount of SDC revenues expensed annually; or if those projects were coordinated citywide .The subcommittee learned that:

For example, SDC methodologies for Parks and Transportation, together with their Capi Improvement Plans, are developed utilizing public task forces formed by a broad spectrum.
stakeholders. Extensive public outreach ensures multiple opportunities for public input a debate.
 SDC Bureaus conduct comprehensive reviews of their SDC programs on different timeling. Parks SDC rates are reviewed on a five year cycle; PBOT plans to review all transportation SDC revenues and expenditures on a year cycle, examining the location of the revenues and expenditures, as well location of the capital project on the SDC CIP; The Water Bureau and BES have annual reviews from the Portland Utility Re
□ The Water Bureau and BES have annual reviews from the Portland Utility Re Board.

The subcommittee also found that SDC revenues are not necessarily allocated to align with the current goals and initiatives of the City of Portland. There are examples of collaboration between bureaus, such as PBOT, BES, and the Water Bureau's participation in a citywide Capital Improvement Plan (CIP) Coordination Committee that coordinates project schedules, strategize project selection, and looks for opportunities to leverage resources, but it does not review projects in the context of City goals and initiatives.

There are other instances where SDC funded projects provide benefits to other projects occurring in the City. The Parks Bureau coordinates the purchase of land in Urban Renewal Areas (URAs) with the Portland Development Commission; and with PBOT, who I considers projects within URAs as having greater potential leverage. In the case of these larger capital projects, a general mix of funds, including SDCs, local, state, and federal matching funds are often required to fully fund a project. PBOT allocates where matching funds are available, and prioritizes SDC funded projects. In summary, SDC funds are distributed to projects specific to the function of the bureaus, and while they may also support a variety of larger City initiatives, they are not necessarily coordinated with City goals as a framework for prioritization.

The subcommittee finally examined when SDC revenues were allocated, seeking to determine what entity reviews where SDC revenues are spent citywide. The subcommittee found that these decisions originate with each SDC bureau and are not comprehensively reviewed in the aggregate. Instead, each bureau CIP plan is reviewed individually.

As the City reviews a wide range of policies and programs to promote economic vitality and livability, it recognizes that development requires the expansion and improvement of infrastructure. Findings were developed based on Subcommittee members understanding and experience with existing SDC programs and charges and the Bureau/PURB presentations noted above.

Findings include:

- 1. <u>Lack of Coordination</u>: The lack of consistent and transparent coordination of projects funded by both SDC revenues and other revenues across all City bureaus.
- Lack of Annual Review: SDCs are an essential funding mechanism to help address infrastructure needs created by growth. The goals of the City balance many diverse objectives and City Council has confirmed the benefit of SDCs through the approval of each bureau's methodology. However, it is vital to document current practices and charges, establish performance criteria, and review all development fees and charges in aggregate.
- 3. <u>Lack of Comprehensive Strategic Vision:</u> The capacity for the City of Portland to effectively address various goals is challenged by the lack of a coordinated strategic vision related to the allocation of SDC revenue across the bureaus and to leverage other public and/or private revenues in the same development location.
- 4. <u>No Centralized Entry Point:</u> The five SDCs have different methodologies, criteria, and formulas associated with computing the charges. The exact amount of SDC charges for a project are not known to an applicant until the plans are submitted for permit review—preventing an accurate estimate for development costs necessary for obtaining financing. (Examples of SDCs for credited and non-credited projects can be found in Appendix C: Sample Commercial System Development Charges.

Recommendations

The Subcommittee's recommendations are organized in five categories: (1) *Monitoring* the efficiency and effectiveness of SDC programs and projects; (2) *Methodology* of establishing SDC rates; (3) *Coordination* of SDC funded projects to meet City of Portland goals; (4) Providing *technical assistance* to customers; and (5) Assessing and creating *financial incentives* to minimize cost barriers.

1. Monitoring

Annual Council Hearing: Schedule an annual City Council Hearing, modeled after the annual Utility Rate Hearing; to review the impact of development related fees and charges on development in the City. This hearing could include current aggregate costs by construction category (e.g. commercial/tenant improvement, new commercial, commercial-industrial, new residential, residential addition, multi family, and affordable housing).

<u>SDC Annual Report</u>: The City to provide an Annual Report that includes the total SDC revenues received, total SDC revenues spent, a list with a description of SDC funded

projects including system repairs and replacements, and the location of those SDC funded projects/system repairs and replacements.

2. **Methodology**

Open Space (Parks): Develop new methodology for funding the development of new parks that would allow the inclusion of open spaces utilized by the public, but not owned or maintained by the Parks Bureau, without increasing SDCs. School district property, hydro-parks, METRO owned green space, or state parks could be included in per capita calculations used to determine open space requirements. This might reduce the need for acquiring new parks.

Employee Density Review (Parks): Record and report on commercial/ industrial properties over a two year period, assessing the ratio of staff to square footage to determine if the existing 5 rate groups based on employee density adequately represent enough rate categories and are broken down correctly to accurately determine the need for open space. The rate groups currently represent an intersection of Occupancy Codes and an employee density study produced by METRO in 1999.

<u>Reward Efficiency:</u> Pro-rate SDCs for projects that meet efficiency standards, such as reducing loads on the sanitary system or conserving water.

3. Coordination

<u>Target SDC Revenues</u>: Identify specific zones using overlay's (*Economic Development, Urban Renewal Areas (URAs), Main Street Program, and Zoning*) where SDC funds can be aggregated to achieve mutually beneficial projects in a "hold back" situation, allowing infrastructure, like a sidewalk, to be constructed when and where it is needed.

<u>Prioritize Funds Locally</u>: While SDC funded infrastructure repairs/replacements do not typically occur in the same place and/or at the same time as growth, new standards should be established that would prioritize funds to be spent in the areas that they are generated.

4. Technical Assistance

<u>Online Information</u>: Expand central virtual location for SDC information to include maps outlining the development history of specific properties.

<u>Single Point of Contact</u>: Eliminate necessity for the public to contact multiple bureaus to determine the development related fees and charges. Identify and train city staff to answer questions and calculate totals for all development related fees and charges.

<u>Fee Calculator</u>: Develop a fee calculator as an online tool to assist the public in determining their fees and charges including fixture based charges. *This tool is currently underway with BDS leading a multi-bureau collaborative effort to develop an online fee/SDC calculator.*

5. **Economic Incentives**

<u>Deferred Payment</u>: Explore alternative SDC payment options, including deferred payment, payable upon the sale of a property.

<u>Exemption Review:</u> The Portland Development Commission (PDC) provides SDC exemptions for qualifying low-income housing projects. Review the exemption program's goals, performance measures, and results to optimize program.

Next Steps

The DRAC has historically supported development related fees and charges. It is critical for citizens and the development community to be able to predict and understand how SDCs are being assessed and used for infrastructure expansion and improvement. The DRAC recommends that SDC revenues and allocations be included in their annual revenue and budget tracking activities with development review bureaus. Updates brought to the DRAC could include:

The impact of SDCs on the cost of development in Portland;
City-wide coordination and assessment of SDC funded projects; and
Process improvements related to SDC calculations, collections, waivers, and incentives.

While these recommendations are fully supported by the Subcommittee, the next step will be to align this report with current City initiatives, including the Development Review Permitting Colocation Project and the development of the Portland Plan. As recommended by the Planning and Development Directors group, the DRAC agrees to provide our perspective on key development related issues and on future development as it relates to SDCs.

The DRAC offers our ongoing support to SDC Bureaus charging SDCs, as the recommendations in this report are translated into action items, resources are evaluated, and specific avenues to move the recommendations forward are identified.

	Question	Parks Bureau Response – June 4, 2008
1.	What is the History of your	The Parks SDC program was adopted by City Council in August 1998 and became effective on October 1, 1998.
	bureau's SDC's, and how were they established?	The basic premise behind the program is that new residential development should pay a fee to go toward new park acquisition and development at the time of securing a building permit.
		An 18-month process preceded the adoption of the program. It included a citizens' committee (representing parks user groups, school districts, neighborhoods, affordable housing advocates, business people, and the Home Builders Association), outreach to neighborhood associations, numerous articles in the press, and several Council hearings.
		Issues that received a lot of attention included: affordable housing, total SDC impacts (the cumulative effect of all SDCs, not just Parks SDCs), appropriate fee levels, and types of parks to fund.
2.	Where are the SDC funds your bureau collects allocated? Are they discretionary (policy), or mandated (Federal or State)?	The SDC funds will be allocated based on the Council-approved <i>Park SDC Capital Improvement Plan</i> through the year 2020. State law mandates that they are only for capacity expanding capital expenditures, not for maintenance, and not to solve issues that exist independent of population growth.
3.	How are the SDC's calculated for each project?	Simplified Methodology: 1. Calculate the current ratio of parks to people, by park category* 2. Get population projections from Metro 3. Calculate quantity of additional parkland necessary to serve future population at current parks-to-people ratios 4. Divide parkland acquisition and development costs by population figure 5. Decide what % of that total to charge to new development
		* Current rates leave some categories of parks out of the calculations entirely, including pools, community centers, golf courses & PIR.
		The initial 1998 rates were set at 30% of the true costs of keeping up with population. (There is no identified source of funding to make up the difference.) Rate readjustments since 1998 have reset the rates at or around 30% cost recovery. The most recent rate readjustment, however, reset the rate at around 75% cost recovery, *and* adjusted the indexing system so the rates will not slip behind so quickly.
4.	Who reviews the SDC's?	Daily assessment of fees: Kasandra Griffin, Parks Program Specialist. Program management, reporting, reviews: Riley Whitcomb, Parks Program Manager Spending decisions: Parks Management & City Council Periodic methodology review: Stakeholder taskforce
5.	How often are they updated and what is the schedule?	Fees are indexed annually. Methodology was first established in 1998, first updated in 2004 and most recently updated in 2008. The next methodology review should be completed in 2013.
6.	How are the impacts of SDC funded projects measured?	By acres of park land purchased and/or developed. The effectiveness of the SDC funded projects are relative to the recovery rate. When the Park SDC fees were only capturing 22% of the actual cost of growth, 78% remained unfunded (or in need of other funding sources).
7.	What is the feasibility of a one stop shop location to identify and calculate SDC's for a given project?	Parks SDCs are extremely simple now, and will become only slightly more complex in 2009. However, other bureaus have complicated SDC fees, AND the staff from those other bureaus are involved in other aspects of the permitting process. Hence it seems unlikely that consolidating SDCs would actually simplify the permitting process.

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8.	How does your bureau respond if SDC revenue drops sharply in a given year?	The purpose of the Park SDC program is to meet the needs created by growth. If there is no growth, there is no need. The Park SDC Capital program is based on projected growth and accompanying revenue levels. If growth slows, the revenue targets are not met. At the same time, if the growth slows, the impact is not created.
9.	How are items determined to be fees rather than SDC's?	Fees are charged for a service. SDCs are based on the impact to the system resulting from new development.
10.	How are SDC funded projects selected, prioritized, and allocated funds?	Council approved the Park SDC Capital Plan in March 2008. This plan provides authorization for expenditure of funds allocated in each park category. This plan, and the acreage and dollar amounts identified, assumes that the full projected growth in population and employment will occur, and that the annual growth will occur uniformly through the year 2020. The actual growth will fluctuate due to shifting market conditions, resulting in a more erratic revenue stream, which is more difficult to predict. On the other hand, the actual location where the growth is likely to occur is more predictable since the targeted growth areas are based on the capacity allowed by land use and zoning code. In reality, the Park SDC Capital plan
		is a document to guide capital expenditures, not prescribe them. It provides the sideboards within which expenditures can be made. Variation in expenditure outside the approved parameters requires approval by City Council. In the process of seeking Council approval for March 2008 Park SDC Methodology Update, we met with the stakeholders and the public to review and revise maps identifying acquisition and development targets for Park SDC Investment from 2008 to
		2020. Individual properties were purposely not identified on the maps; rather a projected, desired acreage within a district or neighborhood was called out. The practice of "targeting" acquisition and development areas provides a level of accountability to the public without compromising the City's ability to negotiate toward a fair market value for acquisition. Due to the fact that the City has not chosen to exercise its right of eminent domain to acquire park land, we are dependent upon willing sellers and the opportunities that are provided when a party wishes to sell. The process of selecting, prioritizing and allocating funds then occurs within the context of these factors. In an ideal world, expenditures would follow in direct accordance with and in proximity to the actual development impacting the park system.
		In Portland, much of our population growth, and therefore revenue, has come from in-fill development throughout the City, with the majority of development happening east of I-205 (producing 24% of the Park SDC Revenue), and in the Central City (producing 22%). (This trend is projected to shift with the majority of growth occurring in the Central City.) Based on this trend, the major focus of Park SDC investment has been directed to East Portland to acquire property for local access parks.
11.	Does the bureau's selection/ prioritization process include references to other City plans, including Urban Renewal Areas and the Comprehensive Plan?	The Park SDC Capital Plan is based on the projected growth and cost of land and development. The process of selecting and prioritizing Park SDC investment is guided by this document and the Park SDC Target Areas for investment. The targeted areas were identified with recognition of other City plans, and within the limitations of the SDC program (i.e., Parks SDC funds cannot be used to fund maintenance) investments support advancement of aligning City goals.

	Question	PDOT Response - August 6. 2008
1.	What is the History of your bureau's SDC's, and how were they established?	The Oregon legislature created laws allowing System Development Charge programs in 1991– see Oregon Revised Statutes 223.297 – 223-314.
		The stated purpose is to provide:
		a uniform framework for the imposition of SDC charges by local governments
		equitable funding for orderly growth and development in Oregon's communities
		that the charges may only be used for capital improvements
		Portland established a Policy Advisory Committee (PAC) in 1996 to explore development of a Transportation SDC (TSDC) program with stakeholders representing large and small business associations, home builders, utilities, retailers, as well as housing and land-use advocates.
		The TSDC program was adopted by Council in July 1997 and became effective in October 1997. It is based on the idea that new development should contribute to funding capacity increasing improvements across the City's multimodal transportation system to support freight and vehicular movement, transit and bicycle and pedestrian facilities.
		Key issues were geographic balance, affordable housing exemptions, cumulative City SDC charges on development, and discounts for Transit Oriented Development (TOD) to promote mixed-use, high-density development adjacent to frequent service transit.
2.	Where are the SDC funds your bureau collects allocated? Are they discretionary (policy), or mandated (Federal or State)?	The TSDC funds are allocated to specific projects through the City's annual budget process. (Under state law, these funds cannot be spent on maintenance, elimination of existing deficiencies, or acquisition of rolling stock, for example, streetcars.)
		To receive TSDC funding, a project must be on the Council adopted <i>TSDC Capital Improvement Project List</i> , which currently includes 43 projects across the City. About one-quarter of the projects' costs will be paid with TSDC revenues. Fully funding any project on the list requires the receipt of other local, state and federal matching funds.
3.	How are the SDC's calculated for each project?	The TSDC rate is based on the amount of money needed over 10 years to help fund the 43 eligible projects and the projected amount of growth in households and employment over the next 10 years.
		To calculate the TSDC fee, the rate per trip is multiplied by the number of trips the proposed development will generate, based on nationally compiled statistics.
4.	Who reviews the SDC's?	The TSDC Operations Manager, Rich Eisenhauer, along with Finance staff and the Engineering and Development Manager provide internal oversight of the program.
		Citizen review has been provided by the Citizen's Advisory Committee (CAC) that was established in 2006 to review the program and make recommendations to Council for the 2007 TSDC program update, The CAC recommendations focused on the next 10-year TSDC project list, geographic and modal equity, the future of TOD discounts, and TSDC rates.

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		Beginning in January 2009, the City will undertake an annual review to determine the amount of TOD discount provided by district. In the fall of 2009, the City will undertake a review to determine the total TSDC's assessed and collected by transportation district and the total TSDC's expended and programmed by transportation district and project.
5.	How often are they updated and what is the schedule?	TSDC fees are adjusted annually based on the Oregon Composite Construction Cost Index. The TSDC rate study and methodology was established in 1997, and most recently updated in 2007. The next methodology review should be completed in 2017.
6.	How are the impacts of SDC funded projects measured?	The effectiveness of the program can be measured by the number of TSDC eligible projects funded over 10 years, as well as the amount of other funds leveraged to construct these improvements. About 70% of TSDC eligible projects received funding in the first 10-years of the program. In 2006, an analysis showed that expending \$14 million on nine projects leveraged improvements valued at \$119 million. The completed projects include N Marine Drive, Lower Albina and N Lombard R/R Overcrossings, SE Water Avenue Extension, Central City Street Car, SE Tacoma Street, SE Foster Road Intersections, SW Capitol Highway, and the Steel Bridge Pedestrian Way.
7.	What is the feasibility of a one stop shop location to identify and calculate SDC's for a given project?	A one-stop location currently exists for larger projects through the Major Projects Group and Process Management programs. Please contact Nora Mullane of the Bureau of Development Services at 503-823-4281. For smaller projects, Transportation staff is available through the 1900 Building Permit Center to review and estimate SDC charges for development proposals. PDOT staff is also available by phone at 503-823-7002.
8.	How does your bureau respond if SDC revenue drops sharply in a given year?	The purpose of the Transportation SDC program is to meet the needs created by growth. If there is limited growth, the need for additional system capacity is also limited.
9.	How are items determined to be fees rather than SDC's?	The TSDC is a one-time fee assessed to new development and changes in use to help pay for transportation improvements that will serve development.
10.	How are SDC funded projects selected, prioritized, and allocated funds?	First, City staff identify potentially eligible projects from the City's Transportation System Plan (i.e. projects meet the minimum qualifications under state law and City Code.) An evaluating criteria is then used to screen and rank the potential projects. The evaluating criteria includes: Supports bicycle, pedestrian/and or transit modes Improves the movement of freight and goods Reduces congestion, improves access, and or/circulation Is a community and business priority Has strong potential leverage Using this ranking, the proposed project list is developed with recommendations from a citizen advisory committee (CAC) with input from a technical advisory committee as well as the public through Open House and neighborhood meetings. Ultimately, the project list is adopted by City Council action. During the 2006-2007 TSDC update, key issues for the CAC were geographic and modal equity. Since only about one-quarter of the projects' costs will be paid with TSDC revenues, fully funding any project on the

		list requires the receipt of other local, state and federal matching funds. Prioritization for any given project occurs with the commitment of matching funds.
		TSDC funds are allocated to specific projects through the City's annual budget process.
11.	Does the bureau's selection/ prioritization process include references to other City plans, including Urban Renewal Areas and the Comprehensive Plan?	Yes, projects within URA's can be seen as having "strong(er) potential leverage". Yes, the Transportation System Plan (TSP) is the City's long-range plan to guide transportation investments in Portland. It includes the transportation element of the Comprehensive Plan.

	Question	Water Response – October 29, 2008
1.	What is the History of your bureau's SDC's, and how were they established?	Water Bureau SDCs were first established in 1975. A study by Brown and Caldwell at about that time established the methodology. The details of that process have not been retained in available records.
		The basic methodology is the Reimbursement Fee approach.
		The methodology has undergone mostly minor modifications since SDCs were originally established. • Wholesale customers no longer subject to SDCs questions regarding both the legality and policy merits of charging them. -Wholesale customers are not "owners" -Wholesale customers do not retain capacity rights
		-Enforcement of extra-territorial charges
		Outstanding debt is subtracted to avoid double charging
		that the charges may only be used for capital improvements
2.	Where are the SDC funds your bureau	Water Bureau SDCs are deposited in the Construction Fund to finance capital projects and pay debt service.
	collects allocated? Are they discretionary	CDC funds are used to finance a partial of the antire conital program. Accordingly, they finance a mix of
	(policy), or mandated (Federal or State)?	SDC funds are used to finance a portion of the entire capital program. Accordingly, they finance a mix of discretionary and mandated projects. The majority are discretionary. Accordingly, they finance a mix of
		discretionary and mandated projects. Future LT2 requirements might alter this mix
3.	How are the SDC's calculated for each	Water Bureau SDCs are not calculated by project. The SDCs are a reimbursement fee based on the cumulative net
	project?	investment in the entire system capacity, not future projects. Thus, it is based on the sum of all prior projects, as permitted under the ORS.
4.	Who reviews the SDC's?	The fees are prepared by Anne Conway and Eric Hofeld, Principal Financial Analysts
		The reviewers are David Hasson, Ph.D., Finance Director and Cecelia Huynh, Finance Manager. SDCs and all other rates and fees are presented for annual review by Portland Utilities Review Board and to any other interested parties. Public Hearing: City Council and the public
5.	How often are they updated and what is	Water Bureau SDCs are updated annually in the late Spring.
	the schedule?	
6.	How are the impacts of SDC funded projects measured?	"Impacts" in what sense? Question is unclear.
	projects and an entire to the control of the contro	% of projects completed?
		% of projects funded by SDCs?
		Effectiveness?
		Other
		Because the SDCs are reimbursement fees and because the funds are included with all other CIP funding, there is no obvious way to measure the impacts other than to examine each project and evaluate whether it meets its individual objective.

7.	What is the feasibility of a one stop shop location to identify and calculate SDC's for a given project?	In the Water Bureau's case, this is feasible. Water's SDCs are based on water meter sizes. In most cases, the meter size is fairly standardized, based on flow requirements, including fire flows. Once the meter size is known, the SDC is determined.
8.	How does your bureau respond if SDC revenue drops sharply in a given year?	The Water Bureau will reduce expenditures, use financial reserves, and/or consider increasing water rates the following year. SDCs are NOT used to target a specific revenue total.
9.	How are items determined to be fees rather than SDC's?	Fees are charges for services. SDCs are one-time charges to new development to reimburse existing ratepayers for prior investments in system capacity, as allowed by State law.
10.	How are SDC funded projects selected, prioritized, and allocated funds?	The Water Bureau's SDCs are reimbursement fees, which can be used for virtually any capital project of for capital project debt service. CIP projects are selected based on system needs, risks and consequences of failure, cost, Council priorities, regulatory requirements, etc. SDC revenue is not allocated to individual projects SDC revenue is part of the general mix of funds used to finance the CIP
11.	Does the bureau's selection/ prioritization process include references to other City plans, including Urban Renewal Areas and the Comprehensive Plan?	The process gives consideration to the Comprehensive Plan and any other plans adopted or directed by Council. The documents generated by the bureau's process do not specifically reference these plans in most cases.

	Question	BES Response – December 10, 2008
1.	What is the History of your bureau's SDC's, and how were they established?	Sewer and stormwater SDCs were established in the 1970s. Details have not been retained in available records. The basic methodology is the Reimbursement Fee approach. The methodology has undergone mostly minor modifications since SDCs were originally established. • EDUs are now established based on plumbing fixture units rather than sanitary volume. This was done to make the charge more transparent.
2.	Where are the SDC funds your bureau collects allocated? Are they discretionary (policy), or mandated (Federal or State)?	Cash SDC payments are deposited in the Sewer Operating Fund. They may be used to pay debt service on revenue bonds or for capital expenditures on sewer and stormwater system facilities. Proceeds from the sale of bonds backed by financed SDC charges are deposited to the Sewer Construction fund and are used for capital expenditures on sewer and stormwater system facilities.
3.	How are the SDC's calculated for each project?	Sanitary sewer and stormwater SDCs are not calculated by project. The SDCs are a reimbursement fee based on the cumulative net investment in the entire system capacity, not future projects. Thus, it is based on the sum of all prior projects, as permitted under the ORS.
4.	Who reviews the SDC's?	Proposed SDCs are prepared by Sam Murray and Duane Peterson, Senior Economist and Principal Financial Analyst, respectively. They are reviewed internally by James Hagerman, Business Services Manager, and externally by the Portland Utilities Review Board and other interested parties. Public Hearing: City Council and the public
5.	How often are they updated and what is the schedule?	Sanitary sewer and stormwater SDCs are updated annually in the Spring.
6.	How are the impacts of SDC funded projects measured?	They are not, given that they are reimbursement charges.
7.	What is the feasibility of a one stop shop location to identify and calculate SDC's for a given project?	Feasible.
8.	How does your bureau respond if SDC revenue drops sharply in a given year?	BES will reduce expenditures, use financial reserves, and/or consider increasing sewer and stormwater rates the following year. SDCs may not be used to target a specific revenue total.

9.	How are items determined to be fees rather than SDC's?	Fees are charges for services. SDCs are one-time charges to new development to reimburse existing ratepayers for prior investments in system capacity, as allowed by State law.
10.	How are SDC funded projects selected, prioritized, and allocated funds?	SDCs do not fund individual capital projects. Funded projects are determined by the annual review and prioritization process by which BES develops its proposed five-year capital improvement plan.
11.	Does the bureau's selection/ prioritization process include references to other City plans, including Urban Renewal Areas and the Comprehensive Plan?	Yes, the process gives consideration to the Comprehensive Plan and any other plans adopted or directed by Council.

Public Utility Review Board (PURB) Questions	PURB Responses- September 17, 2008	Subcommittee Recommendation		
What is the PURB's relationship to the Water and Environmental Services SDC programs?	PURB does not specifically look at SDCs. Instead the SDC fees are part of the financial plans that the Water and Environmental Services Bureaus present to the PURB on a yearly basis. The PURB then testifies at the City Council Rate hearing held the third week of May. The last time PURB did an in-depth study of SDCs were for the fee waivers related to affordable housing in 1998.	Hold an SDC/ Development Fee Review Hearing annually with Council similar to that of the Utility Rate Hearing.		
Does PURB guide or review each bureau's plan as it relates to:	PURB does not guide or review these bureau's plans. PURB does not guide or review the bureau's revenue and			
A. City goals for economic development, urban renewal, and planning.	project goal. The PURB does look at CIP and at reviewing large projects such as covering the reservoirs to the 'Big Pipe'			
B. Revenue and project goals as determined by each bureau.	project.			
How do PURB's policy decisions impact SDC's?	The PURB does not make policy decisions that impact the SDCs.			
How do PURB's financial plan decisions impact SDCs?	The PURB does not make decisions; instead they make recommendations to the City Council regarding what was presented to them by the 3 bureaus they review.			
What is the scope of your general policy review?	The PURB reviews general policies as they relate to rate impacts.			
When the PURB guides the bureaus in prioritizing and planning infrastructure projects, how are discretionary projects, projects mandated by state or federal law (covering reservoirs), and projects guided by policy (such as Watershed Review) prioritized?	The PURB does not "guide the bureaus in prioritizing and planning."			

Appendix B: Oregon Revised Statute Chapter 223.297 to 223.314 DRAC System Development Charge Review Subcommittee

SYSTEM DEVELOPMENT CHARGES

223.297 Policy. The purpose of ORS 223.297 to 223.314 is to provide a uniform framework for the imposition of system development charges by local governments, to provide equitable funding for orderly growth and development in Oregon's communities and to establish that the charges may be used only for capital improvements. [1989 c.449 §1; 1991 c.902 §25; 2003 c.765 §1; 2003 c.802 §17]

Note: 223.297 to 223.314 were added to and made a part of 223.205 to 223.295 by legislative action, but were not added to and made a part of the Bancroft Bonding Act. See section 10, chapter 449, Oregon Laws 1989.

223.299 Definitions for ORS 223.297 to 223.314. As used in ORS 223.297 to 223.314:

- (1)(a) "Capital improvement" means facilities or assets used for the following:
- (A) Water supply, treatment and distribution;
- (B) Waste water collection, transmission, treatment and disposal;
- (C) Drainage and flood control;
- (D) Transportation; or
- (E) Parks and recreation.
- (b) "Capital improvement" does not include costs of the operation or routine maintenance of capital improvements.
 - (2) "Improvement fee" means a fee for costs associated with capital improvements to be constructed.
- (3) "Reimbursement fee" means a fee for costs associated with capital improvements already constructed, or under construction when the fee is established, for which the local government determines that capacity exists.
- (4)(a) "System development charge" means a reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit, building permit or connection to the capital improvement. "System development charge" includes that portion of a sewer or water system connection charge that is greater than the amount necessary to reimburse the local government for its average cost of inspecting and installing connections with water and sewer facilities.
- (b) "System development charge" does not include any fees 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 upon a land use decision, expedited land division or limited land use decision. [1989 c.449 §2; 1991 c.817 §29; 1991 c.902 §26; 1995 c.595 §28; 2003 c.765 §2a; 2003 c.802 §18]

Note: See note under 223.297.

223.300 [Repealed by 1975 c.642 §26]

- **223.301** Certain system development charges and methodologies prohibited. (1) As used in this section, "employer" means any person who contracts to pay remuneration for, and secures the right to direct and control the services of, any person.
- (2) A local government may not establish or impose a system development charge that requires an employer to pay a reimbursement fee or an improvement fee based on:
 - (a) The number of individuals hired by the employer after a specified date; or

- (b) A methodology that assumes that costs are necessarily incurred for capital improvements when an employer hires an additional employee.
- (3) A methodology set forth in an ordinance or resolution that establishes an improvement fee or a reimbursement fee shall not include or incorporate any method or system under which the payment of the fee or the amount of the fee is determined by the number of employees of an employer without regard to new construction, new development or new use of an existing structure by the employer. [1999 c.1098 §2; 2003 c.802 §19]

Note: See note under 223.297.

- 223.302 System development charges; use of revenues; review procedures. (1) Local governments are authorized to establish system development charges, but the revenues produced therefrom must be expended only in accordance with ORS 223.297 to 223.314. If a local government expends revenues from system development charges in violation of the limitations described in ORS 223.307, the local government shall replace the misspent amount with moneys derived from sources other than system development charges. Replacement moneys must be deposited in a fund designated for the system development charge revenues not later than one year following a determination that the funds were misspent.
- (2) Local governments shall adopt administrative review procedures by which any citizen or other interested person may challenge an expenditure of system development charge revenues. Such procedures shall provide that such a challenge must be filed within two years of the expenditure of the system development charge revenues. The decision of the local government shall be judicially reviewed only as provided in ORS 34.010 to 34.100.
- (3)(a) A local government must advise a person who makes a written objection to the calculation of a system development charge of the right to petition for review pursuant to ORS 34.010 to 34.100.
- (b) If a local government has adopted an administrative review procedure for objections to the calculation of a system development charge, the local government shall provide adequate notice regarding the procedure for review to a person who makes a written objection to the calculation of a system development charge. [1989 c.449 §3; 1991 c.902 §27; 2001 c.662 §2; 2003 c.765 §3; 2003 c.802 §20]

Note: See note under 223.297.

- 223.304 Determination of amount of system development charges; methodology; credit allowed against charge; limitation of action contesting methodology for imposing charge; notification request. (1)(a) Reimbursement fees must be established or modified by ordinance or resolution setting forth a methodology that is, when applicable, based on:
 - (A) Ratemaking principles employed to finance publicly owned capital improvements;
 - (B) Prior contributions by existing users;
 - (C) Gifts or grants from federal or state government or private persons;
- (D) The value of unused capacity available to future system users or the cost of the existing facilities; and
 - (E) Other relevant factors identified by the local government imposing the fee.
 - (b) The methodology for establishing or modifying a reimbursement fee must:
- (A) Promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities.
 - (B) Be available for public inspection.

- (2) Improvement fees must:
- (a) Be established or modified by ordinance or resolution setting forth a methodology that is available for public inspection and demonstrates consideration of:
- (A) The projected cost of the capital improvements identified in the plan and list adopted pursuant to ORS 223.309 that are needed to increase the capacity of the systems to which the fee is related; and
- (B) The need for increased capacity in the system to which the fee is related that will be required to serve the demands placed on the system by future users.
- (b) Be calculated to obtain the cost of capital improvements for the projected need for available system capacity for future users.
- (3) A local government may establish and impose a system development charge that is a combination of a reimbursement fee and an improvement fee, if the methodology demonstrates that the charge is not based on providing the same system capacity.
- (4) The ordinance or resolution that establishes or modifies an improvement fee shall also provide for a credit against such fee for the construction of a qualified public improvement. A "qualified public improvement" means a capital improvement that is required as a condition of development approval, identified in the plan and list adopted pursuant to ORS 223.309 and either:
 - (a) Not located on or contiguous to property that is the subject of development approval; or
- (b) Located in whole or in part on or contiguous to 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 to which the improvement fee is related.
- (5)(a) The credit provided for in subsection (4) of this section is only for the improvement fee charged for the type of improvement being constructed, and credit for qualified public improvements under subsection (4)(b) of this section may be granted only for the cost of that portion of such improvement that exceeds the local government's minimum standard facility size or capacity needed to serve the particular development project or property. The applicant shall have the burden of demonstrating that a particular improvement qualifies for credit under subsection (4)(b) of this section.
- (b) A local government may deny the credit provided for in subsection (4) of this section if the local government demonstrates:
 - (A) That the application does not meet the requirements of subsection (4) of this section; or
- (B) By reference to the list adopted pursuant to ORS 223.309, that the improvement for which credit is sought was not included in the plan and list adopted pursuant to ORS 223.309.
- (c) 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. This subsection does not prohibit a local government from providing a greater credit, or from establishing a system providing for the transferability of credits, or from providing a credit for a capital improvement not identified in the plan and list adopted pursuant to ORS 223.309, or from providing a share of the cost of such improvement by other means, if a local government so chooses.
- (d) Credits must be used in the time specified in the ordinance but not later than 10 years from the date the credit is given.
- (6) Any local government that proposes to establish or modify a system development charge shall maintain a list of persons who have made a written request for notification prior to adoption or amendment of a methodology for any system development charge.
- (7)(a) Written notice must be mailed to persons on the list at least 90 days prior to the first hearing to establish or modify a system development charge, and the methodology supporting the system development charge must be available at least 60 days prior to the first hearing. The failure of a person

on the list to receive a notice that was mailed does not invalidate the action of the local government. The local government may periodically delete names from the list, but at least 30 days prior to removing a name from the list shall 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.

- (b) Legal action intended to contest the methodology used for calculating a system development charge may not be filed after 60 days following adoption or modification of the system development charge ordinance or resolution by the local government. A person shall request judicial review of the methodology used for calculating a system development charge only as provided in ORS 34.010 to 34.100.
- (8) A change in the amount of a reimbursement fee or an improvement fee is not a modification of the system development charge methodology if the change in amount is based on:
- (a) A change in the cost of materials, labor or real property applied to projects or project capacity as set forth on the list adopted pursuant to ORS 223.309; or
- (b) The periodic application of one or more specific cost indexes or other periodic data sources. A specific cost index or periodic data source must be:
- (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;
- (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
- (C) Incorporated as part of the established methodology or identified and adopted in a separate ordinance, resolution or order. [1989 c.449 §4; 1991 c.902 §28; 1993 c.804 §20; 2001 c.662 §3; 2003 c.765 §§4a,5a; 2003 c.802 §21]

Note: See note under 223.297.

223.305 [Repealed by 1971 c.325 §1]

- **223.307 Authorized expenditure of system development charges.** (1) Reimbursement fees may be spent only on capital improvements associated with the systems for which the fees are assessed including expenditures relating to repayment of indebtedness.
- (2) Improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such 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.
- (3) System development charges may not be expended for costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements or for the expenses of the operation or maintenance of the facilities constructed with system development charge revenues.
- (4) Any capital improvement being funded wholly or in part with system development charge revenues must be included in the plan and list adopted by a local government pursuant to ORS 223.309.
- (5) Notwithstanding subsections (1) and (2) of this section, system development charge revenues may be expended 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. [1989 c.449 §5; 1991 c.902 §29; 2003 c.765 §6; 2003 c.802 §22]

Note: See note under 223.297.

- **223.309** Preparation of plan for capital improvements financed by system development charges; modification. (1) Prior to the establishment of a system development charge by ordinance or resolution, a local government shall prepare a capital improvement plan, public facilities plan, master plan or comparable plan that includes a list of the capital improvements that the local government intends to fund, in whole or in part, with revenues from an improvement fee and the estimated cost, timing and percentage of costs eligible to be funded with revenues from the improvement fee for each improvement.
- (2) A local government that has prepared a plan and the list described in subsection (1) of this section may modify the plan and list at any time. If a system development charge will be increased by a proposed modification of the list to include a capacity increasing capital improvement, as described in ORS 223.307 (2):
- (a) The local government shall provide, at least 30 days prior to the adoption of the modification, notice of the proposed modification to the persons who have requested written notice under ORS 223.304 (6).
- (b) The local government shall hold a public hearing if the local government receives a written request for a hearing on the proposed modification within seven days of the date the proposed modification is scheduled for adoption.
- (c) Notwithstanding ORS 294.160, a public hearing is not required if the local government does not receive a written request for a hearing.
- (d) The decision of a local government to increase the system development charge by modifying the list may be judicially reviewed only as provided in ORS 34.010 to 34.100. [1989 c.449 §6; 1991 c.902 §30; 2001 c.662 §4; 2003 c.765 §7a; 2003 c.802 §23]

Note: See note under 223.297.

223.310 [Amended by 1957 c.397 §3; repealed by 1971 c.325 §1]

- **223.311 Deposit of system development charge revenues; annual accounting.** (1) System development charge revenues must be deposited in accounts designated for such moneys. The local government shall provide an annual accounting, to be completed by January 1 of each year, for system development charges showing the total amount of system development charge revenues collected for each system and the projects that were funded in the previous fiscal year.
 - (2) The local government shall include in the annual accounting:
- (a) A list of the amount spent on each project funded, in whole or in part, with system development charge revenues; and
- (b) The amount of revenue collected by the local government from system development charges and attributed to the costs of complying with the provisions of ORS 223.297 to 223.314, as described in ORS 223.307. [1989 c.449 \$7; 1991 c.902 \$31; 2001 c.662 \$5; 2003 c.765 \$8a; 2003 c.802 \$24]

Note: See note under 223.297.

223.312 [1957 c.95 §4; repealed by 1971 c.325 §1]

223.313 Application of ORS 223.297 to 223.314. (1) ORS 223.297 to 223.314 shall apply only to system development charges in effect on or after July 1, 1991.

(2) The provisions of ORS 223.297 to 223.314 shall not be applicable if they are construed to impair bond obligations for which system development charges have been pledged or to impair the ability of local governments to issue new bonds or other financing as provided by law for improvements allowed under ORS 223.297 to 223.314. [1989 c.449 §8; 1991 c.902 §32; 2003 c.802 §25]

Note: See note under 223.297.

223.314 Establishment or modification of system development charge not a land use decision. The establishment, modification or implementation of a system development charge, or a plan or list adopted pursuant to ORS 223.309, or any modification of a plan or list, is not a land use decision pursuant to ORS chapters 195 and 197. [1989 c.449 §9; 2001 c.662 §6; 2003 c.765 §9]

Appendix C: Sample SDC Charges DRAC SDC Review Subcommittee

New Commercial Construction

Description	Total SDCs	BES SDC	PDOT SDC	Water SDC	Parks SDC	School CE	Credit?
NEW 2,036 SQ FT TACO BELL							
Church demolished on lot	\$74,231.00	\$0.00	\$63,276.00	\$880.00	n/a*	\$1,018.00	YES - church on lot demolished
NEW MODULAR OFFICE BLDG &							
PARKING	\$8,757.00	\$3,258.00	\$3,499.00	\$4,401.00	n/a*	\$720.00	NO
NEW 2-STORY MIXED-USE							
BUILDING	\$68,192.00	\$22,545.00	\$12,162.00	Size not determined	\$14,189.00	\$6,147.00	NO
NEW 5 STORY, 98 UNIT HOTEL	\$507,113.00	\$203,884.00	\$185,436.00	\$26,403.00	n/a*	\$25,000.00	NO
NEW 50' X 180' SELF-STORAGE							
BUILDING	\$18,912.00	\$0.00	\$5,580.00	Size not determined	n/a*	\$4,500.00	NO
NEW 4 STORY MIXED USE							
BUILDING	\$255,687.00	\$127,108.00	\$44,430.00	\$26,403.00	\$103,377.00	\$44,186.00	NO

^{*} Parks implemented new Commercial SDC's in January, 2009

Tenant Improvement of Existing Buildings

Description	Total Fees	BES SDC	PDOT SDC	Water SDC	Parks SDC	School CET	Credit?
CHANGE OF OCCUPANCY TO							
RESTAURANT	\$924.00	\$1,889.00	\$0.00	No review requested	n/a	n/a	YES - prior use
TI - NEW OFFICE TENANT	\$494.00	\$0.00	\$0.00	No review requested	n/a	n/a	YES - prior use
4TH FLOOR OFFICE BUILDOUT	\$4,549.00	\$1,161.00	\$0.00	No review requested	n/a	n/a	YES - prior use
TI FOR NEW TENANT							
Sushi restaurant in renovated building	\$4,279.00	\$2,992.00	\$0.00	No review requested	n/a	n/a	YES - prior use
CONVERT CAFE TO SUBWAY							
SANDWICH SHOP	\$1,529.00	\$0.00	\$0.00	No review requested	n/a	n/a	YES - prior use
CHANGE OF OCCUPANCY AUTO							
REPAIR TO CAFE	\$7,993.00	\$4,690.00	\$1,994.00	No review requested	n/a	n/a	YES - prior use
TI FOR NEW RESTAURANT IN							
EXISTING RESTAURANT SPACE	\$865.00	\$492.00	\$0.00	No review requested	n/a	n/a	YES - prior use
CONVERT CONVENIENCE STORE							
TO NEW RESTAURANT	\$11,229.00	\$7,040.00	\$0.00	No review requested	n/a	n/a	YES - prior use
TI - NEW FROZEN YOGURT STORE							
IN NEW SHELL BLDG	\$12,409.00	\$8,201.00	\$0.00	No review requested	n/a	n/a	Yes - from SDCs paid on shell

New Single Family, Duplex, and Accessory Dwelling Units

Environmental Services	\$ 4,171 Single family residence (sanitary and storm)					
Some properties may also owe for line	6 6,283 Duplex (sanitary and storm)					
and branch that serve the property	\$ 2,816 Accessory dwelling unit (sanitary only)					
Transportation	\$ 2,180 Single family residence					
	\$ 4,360 Duplex					
	\$ 1,092 Accessory dwelling unit					
Water	\$ 1,760 5/8" Meter (typically 1-1.5 baths)					
	\$ 2,640 3/4" Meter (typically 2-3 baths)					
	\$ 4,401 1" Meter (typically 3.5 or more baths)					
Parks	Non Central (Central City					
	\$3,986 \$4,076 Single family residence					
	\$7,972 \$8,152 Duplex					
	\$2,172 \$2,297 Accessory dwelling unit					

Appendix D: 2002 Analysis of SDC Charges in the City of Portland DRAC System Development Charge Review Subcommittee

Analysis of System Development Charges In the City of Portland

Prepared by Ruth Roth
City of Portland – Office of Management & Finance
November 22, 2002

INTRODUCTION

System Development Charges (SDC's) are one time fees charged to new development to help pay a portion of the costs associated with building capital facilities to meet growth related needs. Oregon local governments are authorized to enact SDC's for capital facilities for transportation, water, wastewater, stormwater drainage and parks and recreation facilities.

The Oregon Systems Development Act provides for the imposition of two types of SDC's:

- Reimbursement fee SDC
- Improvement fee SDC

Reimbursement fee SDCs may be charged for the costs of existing capital facilities if "excess capacity" is available to accommodate growth. Revenues from reimbursement fees may be used on any capital improvement project, including major repairs, upgrades or renovations. Water, wastewater and stormwater drainage SDC fees in the City of Portland are reimbursement based.

Improvement SDCs may be spent only on capacity increasing capital improvements identified in approved Capital Improvement Plans. Transportation and parks and recreation SDC fees in the City of Portland are improvement based.

This report provides summary information about the amount of SDC revenue collected by the City of Portland, the basis for the SDC fees, what the fees are used for, what discounts, and/or credits may come into play in the assessment of the SDC charges, and lastly to provide information about the relative cost of the City of Portland's SDC fees compared to other cities in the area.

FIVE YEAR TOTAL OF CITY OF PORTLAND SDC REVENUE

	97/98	98/99	99/00	00/01	01/02	Total
Water	1,424,314	1,850,265	1,423,182	1,822,568	2,882,994	9,403,323
BES	7,290,856	7,332,465	5,653,550	5,133,427	6,667,119	32,077,417
PDOT	535,111	4,624,168	3,404,949	4,418,335	3,637,713	16,620,276
Parks	n/a	545,435	1,533,532	1,975,902	2,154,784	6,209,653
TOTAL	9,250,281	14,352,333	12,015,213	13,350,232	15,342,610	64,310,669

The table above provides summary information about the total amount of SDC revenue collected in the City of Portland over the last five years. A total of \$64.3 million in SDC revenue has been collected by the four bureaus that assessed an SDC fee in this time period. In the four year period in which the full array of SDC fees were in place, (the Parks SDC was not established until 1998), annual revenue has ranged from a low of \$12 million in 1999/00 to a high of \$15.3 million in 2001/02.

Annual actual revenue is a function of the level of building activity in any given year, exemptions or discounts that are in place, as well as the methods by which the SDC fees are paid. For example, some owners prefer to pay their SDC charges via a financing mechanism. In that case, the actual revenue will not show up until the City Auditor's Office issues Bancroft Bonds. That means that the year in which the revenue is reflected in the "actual" column may not be the year in which the building activity occurred.

BASIS OF SDC CHARGE

Water:

The basis of the water SDC is the invested capacity of the existing water system. Each new connection or connection capacity increase is charged its proportionate share of the cost of existing facilities, based on the capacities required for each size of water meter.

In the current year, water SDC charges range from \$1,519 for a 5/8-inch water meter, \$2,279 for a ¾ inch meter, \$3,798 for a 1-inch water meter, to \$218,457 for a 10-inch meter. The size of a single-family house's water meter is largely determined by the number of bathrooms. For the last quarter of FY 2002-03, 29% of new homes installed a 5/8 inch service, 56% installed a ¾ inch service, and 15% installed a 1 inch service.

Bureau of Environmental Services (BES):

Both the sanitary SDC and the stormwater SDC are based on the invested capacity of the existing wastewater and stormwater drainage system.

The basis of the sanitary SDC charge is the equivalent dwelling unit (EDU). One EDU is the amount of wastewater flow from one single family home, estimated at 1000 cubic feet per month. Commercial and industrial customers typically pay multiple EDU's based on the amount of their discharge into the sanitary system.

The sanitary SDC fee is set by dividing the total costs of major sanitary system facilities (adjusted to current dollars) by total system capacity measured in EDUs. There is also an opportunity cost factor to compensate existing ratepayers for the investment costs they incurred in funding excess capacity designed to serve future customers. In the current year, the sanitary system SDC charge per EDU (single family house) is \$2,275.

The stormwater SDC has two components: an on site charge, relating to stormwater management costs associated with flows coming from the property, and an off site charge, relating to stormwater management costs within the right of way. The onsite charge is levied according to the amount of impervious area on the property, and the off site charge is levied according to the feet of frontage of the property and the daily number of vehicle trips as estimated in the ITE (Institute of Transportation Engineers) manual.

In the current year, the stormwater SDC for a single-family house or duplex is \$475.

Transportation:

The transportation SDC is a one time fee assessed on new development and changes in use that create more than 15% new transportation trips above the previous use. The fee covers the cost of the transportation facilities that are needed to serve new development and people who occupy or use the new development. The basis for assessing this fee is an improvement methodology as opposed to the reimbursement methodology used by Water and Environmental Services.

A transportation SDC fee is assessed when an applicant receives a building permit for new development (other than remodeling) or a permit for changes in existing building use that creates more than 15% transportation trips above the previous use.

The SDC rate is based upon the following:

- the amount of money the City needs to collect over the next 10 years to build more capacity in the transportation system to accommodate growth-related trips
- the projected amount of growth in households and employment over the next 10 years

The SDC fee is based on the Institute of Transportation Engineers (ITE) Trip Generation Report. Each category of land use type (e.g., single family residential, multi family residential, rowhouse, drive-in bank, walk-in bank, library, post office, hotel, service station, school, etc.) has a corresponding number of trips based on nationally compiled statistics.

There is a specific SDC rate for subcategories of residential, commercial-retail, commercial-institutional, commercial-administrative office, and industrial. Residential rates are based on the number of dwelling units, some commercial rates are based on gross floor area; others are based on gross leasable area. School rates are based on number of students; nursing home rates are based on number of beds; movie theatre rates are based on the number of screens; service station rates are based on the number of vehicle fueling positions.

For the current year, the transportation SDC for 1 to 3 residential units (single family/duplex/triplex) is \$1,506 per unit.

Parks and Recreation:

The parks SDC is a one-time fee assessed on new residential development only. The fee pays a portion of the costs associated with land acquisition and building capital facilities to meet parks and recreation, natural area and trail needs created by growth. Like the PDOT SDC, the Parks SDC is based upon an improvement fee methodology.

The parks SDC is assessed on the basis of residential category, e.g., single family, multifamily, accessory unit, single room occupancy, and condominium. The parks assessment fees

are based on "System Development Charges Methodology Report and Residential SDC Rate Study" prepared by Don Ganer & Associates in January 1998. It is a per unit fee based on average number of residents per type of unit.

The rate study calculated projections of population and employment growth on the basis of data provided by Metro. Level of Service (LOS) standards based primarily on existing Citywide average Levels of Service were identified and then used to determine future capital facility needs. Facility needs for population and employment growth, based on LOS standards, were identified for urban parks, habitat, neighborhood parks, community parks and trails.

When the costs of providing the needed facilities were calculated, it was determined that an improvement fee SDC rate approaching \$5,000 per single-family dwelling would be required. The committee brought together by Parks in 1997 to work with the consultant determined that this SDC rate would be excessive and reached consensus to "discount" the rate so that the fee assessed on a new single-family residence would be approximately \$1,419. In the current year, the Parks SDC assessment for a single-family residence is \$1,611.

SDC REVENUE BY OCCUPANCY/USE:

Water

Water does not track its SDC revenue by occupancy or use. As stated earlier, the basis for the Water SDC charge is the size of the water meter that is selected by the owner or developer at the time of building permit application. The water meter is sized by the developer based on anticipated need for water and by the requirements of the plumbing code. Indirectly, this reflects the developer's anticipation of occupancy or land use, but only indirectly. The Water Bureau makes no assumptions or judgements about the occupancy or land use, nor does it track it in any way."

BES:

The Bureau of Environmental Services tracks its wastewater and stormwater SDC revenue by general occupancy type, i.e., residential or commercial. In any given year, the ratio of residential to commercial SDC revenue fluctuates on the basis of building permit activity.

The following chart summarizes the last five years of BES SDC revenue by occupancy type. Overall in this time period, commercial occupancies have paid 60% of overall wastewater and stormwater SDC charges while residential occupancies have paid 40%.

BES SDC Revenue	97/98	98/99	99/00	00/01	01/02	Total	% of Total
by Bldg. Type							
Residential	2,630,063	2,479,658	2,222,260	2,687,629	2,964,778	12,984,388	40%
Commercial	4,660,793	4,852,807	3,431,290	2,445,798	3,702,341	19,093,029	60%
Total	7,290,856	7,332,465	5,653,550	5.133.427	6.667.119	32.077.417	100%

Parks:

Parks SDC charges are only assessed on residential building permits. The following chart delineates the SDC revenue collected to date by residential building type:

Parks SDC Revenue	98/99	99/00	00/01	01/02	TOTAL	% of Total
by Residential Type						
Single Family	499,407	1,176,752	1,641,958	1,620,863	4,938,980	80%
Multi Family	28,272	316,612	294,891	476,177	1,115,952	18%
Manufactured	13,496	22,664	19,123	12,546	67,829	1%
Accesory	4,260	17,504	7,582	20,074	49,420	1%
SRO				184	184	0%
Condo			12,348	24,940	37,288	1%
Total	545,435	1,533,532	1,975,902	2,154,784	6,209,653	100%

Eighty percent of parks SDC revenue to date has been collected from single family residential construction.

PDOT:

PDOT tracks its yearly SDC assessments by counting the units of measurement for each rate category by date of permit issuance. These units of measurement are tracked by geographical quadrant: NW, NE, SW, SE and North.

It is not possible to do a simple multiplication of number of units times rate to determine revenue by category because the rate charged is the one in effect at the date the permit is applied for, not the date the permit is issued. A plan submitted in late May 2002 whose permit was issued in July 2002 is charged the 01-02 rate but is counted in the 02-03 units of measurement count. Multiplying the number of units in 02-03 times the 02-03 rate would not yield the actual dollars collected by category in that year.

The following chart summarizes the number of measurement units for many of the categories of the PDOT SDC revenue assessment for the FY 99-00 assessment period. The chart is presented to indicate the variety of SDC categories that PDOT uses and the units of measure that are in effect for each category, against which the rate is applied to generate the SDC fee.

FISCAL YEAR 2000/01 TRANSPORTATION SDC ASSESSMENTS (selected categories)		
Land Use Category	Units of	Number of
Residential	Measure	Units
Single Family (1-3 units)	dwelling	819
Multi Family (4 or more units)	dwelling	251
Rowhouse	dwelling	399
Commerical-Services		
Walk-in Bank	sq ft/GFA	1289
Drive-in Bank	sq ft/GFA	479
Library	sq ft/GFA	17340
Hotel/Motel	rooms	106
Health Club	sq ft/GFA	21555
Commercial Restaurant		
Restaurant	sq ft/GFA	32856
Commercial-Admin Office		
Up to 9,999 sq feet	sq ft/GFA	17414
10,000-49,999 sq feet	sq ft/GFA	116190
Medical Office/Clinic	sq ft/GFA	12305
Commerical-Shopping		
Supermarket	sq ft/GLA	58721
Misc Retail	sq ft/GLA	117440
Industrial		
Light Industrial	sq ft/GFA	271030
Warehousing/Storage	sq ft/GFA	1166035

HOW SDC REVENUE IS USED

Water:

As required by Oregon law, water SDC revenue is used for capital projects. Because the water SDC is a reimbursement-based fee, it can be used for any approved capital improvement project, including major repairs, upgrades or renovations. As a reimbursement fee, the Water Bureau is not required to track the particular projects that SDC revenue is used for.

SDC revenues are deposited in the Water Construction Fund, along with certain rate revenues, other non-rate fees and charges and bond proceeds. These construction funds are then spent on capital projects without a detailed tracking of which of these resources are used for each project. The Water Bureau Capital Improvement Plan (CIP) is the basis for all capital project expenditures. The CIP is submitted each year as part of the City budget process and is approved by City Council as part of the Adopted Budget Ordinance.

BES

SDC revenues are used to fund capital program costs. BES deposits SDC revenue in the Sewer System Construction Fund for general support of the capital program. BES SDC's are not targeted to specific projects. They are used to fund capital projects in the Bureau's approved 5 year CIP.

PDOT:

The transportation SDC is an improvement fee rather than a reimbursement fee. As such, state law requires that improvement fees be established with a methodology that considers the cost of the capital improvements needed to increase the capacity of the system.

The methodology for the transportation SDC includes a list of 36 projects. The additional capacity portion of each of these projects is funded with SDC revenues.

There was a two-part criterion for selecting these projects. Each project was required to meet four minimum qualifications and one or more qualifying criteria.

The minimum qualifications were:

- Project includes a component that adds capacity to the transportation system
- Project is in the city CIP, or the Regional Transportation Plan, or the 2040 Growth Concept
- Project is on a street classified above local service, exclusive of regional traffic and transit ways
- Project is located in an area that is projected to add population and/or employment over the next 10 years

There were nine qualifying criteria including accommodating increasing density and facilitating efficient movement of goods and services in and out of Portland's major industrial and commercial areas.

The minimum and qualifying criteria were used to evaluate hundreds of potential projects. In all, 36 projects were approved for funding with SDC revenue.

These projects include:

- Central City Streetcar
- SW Capitol Highway 35th to Miles
- NE 47th Avenue
- North Marine Drive

- Lower Albina Overcrossing
- SE Foster Intersections
- Hawthorne Fastlink
- SE Tacoma

A complete listing of the 36 Transportation SDC projects is included in the appendix.

At the time the transportation SDC was approved by City Council, PDOT did a multi-year projection of SDC revenues and a multi-year projection of approved capital projects that would be partially funded by SDC revenues.

The following table details transportation SDC capital project expenditures through June 5, 2002.

PDOT CAPITAL EXPENDITURES FUNDED BY SDC REVENUE

Project	FY 97-99	FY 99-00	FY 00-01	FY 01-02	Total
S/N Light Rail Improvements	500,000				500,000
Central City Street Car				2,222,240	2,222,240
SW Capitol Highway-35th to Miles		123,943			123,943
NE 47th Avenue		32,709	81,992	343,956	458,657
SE Foster Road Intersections			372,989	37,496	410,485
SE Foster/Woodstock		56,854			56,854
SE Tacoma		111,730	399,487		511,217
SW Capitol Hwy - 31st to Hillsdale Viaduct		221,177			221,177
SW Capitol Hwy - BN Hwy/Bertha			21,852	150,560	172,412
Lower Albina Overcrossing			2,537,093		2,537,093
Hawthrone Fastlink			207,309	140,700	348,009
Citywide ITS				100,000	100,000
N. Lombard Overcrossing				145,212	145,212
N. Marine Drive				2,300,000	2,300,000
TOTAL	500,000	546,413	3,620,722	5,440,164	10,107,299

With one exception, the above projects were on the original list of 36 projects in the approved rate study. North Marine Drive was added to the list of approved projects by City Council in December 2000.

Parks:

Similar to the transportation SDC, the parks and recreation SDC is an improvement fee and as such, is required to be used for parks and recreation CIP costs created by growth.

As noted earlier, when the costs of providing the needed acres of parkland, miles of trails, etc. were calculated, the resulting single-family house SDC fee approached \$5,000. The Parks Bureau and its advisory committee decided to discount the fee to approximately \$1,419 per single-family house.

Because the discounted fee meant that far less SDC revenue would be realized in the next 10 years, the committee had to prioritize the types of growth related capital improvements that could be funded with SDC revenue. They determined that SDC revenue would be used to fund the following growth units:

Facility/Activity - Priorities and Percentages with Discounted SDC	Needed Units	% Funded w/SDC
Neighborhood Parks/Acquisition & Development (acres)	32.83	100%
Community Park/Acquisition (acres)	67.93	100%
Trails/Acquisition & Development (linear miles)	7.75	100%
Habitat (Acquisition & Development (acres)	415.09	44.40%
Urban Parks/Acquisition (acres)	10.4	20.00%
Community Park/Development	67.93	0.00%
Urban Park/Development	10.4	0.00%

The committee put the highest priority on acquisition and development of neighborhood parks, acquisition of community parks, and acquisition and development of trails. Had the SDC rate not been discounted, it would have been sufficient to cover 100% of estimated growth related costs of habitat acquisition, and urban park acquisition. However, the discounted rate was expected to produce only enough revenue to cover 44.4% and 20% respectively of the growth related costs of these two capital areas.

The committee recommended that SDC fees **not** be allocated for community park development or urban park development. This meant that other revenue sources would have to be identified for these capital areas.

As part of its SDC methodology, Parks identified acreage and types of facilities that would be required within sub-areas due to growth, but did not identify exact locations or specific improvements that would be made. During its annual CIP process, Parks has relied upon long-term plans including the Parks 2020 Vision to identify specific projects that will be partially funded with SDC revenue in any given year.

SDC acquisitions have added 45.56 acres of community parks, 127.25 acres of habitat, and 12.49 acres of neighborhood parks to the Parks and Recreation land inventory. The vast majority of acquisitions, 88%, have been made in the Outer East area with smaller amounts purchased in Southwest and Southeast Portland, all areas in which growth is occurring.

Parks SDC Acqusitions by Geographic Area

Park Type	Outer	% of	North	% of	NE	% of	SE	% of	SW	% of	Total
	East	Total	Acreage								
	Acreage										
Community Parks	45.44	99.7%	0.12	0.26%							45.56
Habitat/Natural Areas	113	88.8%			0.19	0.1%	9.73	8%	4.33	3%	127.25
Neighborhood Parks	4.78	38.3%					5.51	44%	2.2	18%	12.49
Total	163.22	88.1%	0.12	0.1%	0.19	0.1%	15.24	8.2%	6.53	3.5%	185.3

The projects listed below have been funded with SDC revenue, are consistent with the original intent of the parks SDC ordinance and are in the target areas where growth is occurring. A total of \$9.4 million has been spent to date for acquisition of land for community parks, neighborhood parks, and habitat and natural areas. Overall Parks SDC purchases have met 65% of the SDC acreage acquisition goals.

Parks Acquisitions Funded by SDC Revenue

Community Parks	Goal	Acres	% Met	Location	SDC \$	Metro \$	Other \$	Total Cost
Pitton Property		5.64		OE	692,555			692,555
Apple Land Property		10.4		OE	1,724,034			1,724,034
Obrist Property		9.96		OE	1,185,855			1,185,855
Oregon Asphaltic Property		19.44		OE	1,713,129			1,713,129
North Smollinski		0.12		North	35,000		110,000	145,000
Subtotal Comm. Parks	67.93	45.56	67%					
Habitat/Natural Areas								
Emmert Property		22		OE	550,000	1,050,000		1,600,000
Galitzski Property		21.37		OE	1,075,066	464,934		1,540,000
Gentemann Property		69.43		OE	587,500	1,762,500		2,350,000
Clapa Property		0.2		OE	2,250			2,250
Spada Property		6.09		SE	57,382			57,382
Powell Butte		2.76		SE	2,750	149,250		152,000
Sherlock Property		0.46		SE	245,982			245,982
Hamilton & 58th		2.01		SW	228,364			228,364
Singleton Property		1.26		SW	85,733			85,733
SW Burton Property		0.48		SW	23,693			23,693
Johnson Creek		0.42		SE	89,091			89,091
Inner City Property		0.42		sw	24,500	73,500		98,000
Dunford Property		0.16		sw	74,070			74,070
Pietka Property		0.19		NE	103,655			103,655
Subtotal Habital/Natural	182.2	127.25	70%					
Neighborhood Parks								
Hascall Property		3.28		OE	188,248			188,248
NE Stout Property		1.5		OE	2,650			2,650
Episcopal Property		2.2		SW	503,933			503,933
Lenske Property		5.51		SE	221,851		-	221,851
Subtotal Neigh. Parks	32.83	12.49	38%					
TOTAL	285.2	185.3	65%		9,417,292	3,500,184	110,000	13,027,476

Parks worked with City Debt Management to put into place a \$6 million line of credit which it could draw upon when cumulatively, property purchase transactions exceeded actual SDC revenue received to date. That is why the \$9.4 million total spent exceeds the actual SDC revenue to date of \$6.2 million. The future revenue stream of Parks SDC revenue stands behind the credit line and allows Parks to enter into negotiations for property on a timely basis, i.e. when properties become available.

Additionally, Parks has been able to leverage its SDC revenues by using them as local match for property acquired under the Metro Greenspace 26-26 program. The ability to take

advantage of acquisitions via the Metro Greenspace program has meant that Parks has been able to acquire more acreage than it otherwise could have afforded with just its SDC revenues alone. Parks used \$2.5 million SDC dollars and was able to leverage \$3.5 million Metro Greenspace dollars to acquire the Emmert, Gentemann, Galitzksi, Powell Butte, and Inner City properties

EXEMPTIONS/CREDITS/ OR DISCOUNTS APPLIED IN CALCULATING SDC CHARGES

The following section describes exemptions, credits or discounts that apply to SDC charges. Exemptions, credits and discounts are defined as follows:

- <u>Exemptions</u>: Class or classes of construction that are not required to pay a system development charge.
- <u>Credits:</u> A dollar value adjustment in the calculation of a system development charge. There are three types of credits available for system development charges.
 - 1. Credit for most recent prior use of property: A calculated credit for the most recent prior use of the property. The SDC charge is assessed for only the new demands the property is placing upon the system. The property is charged an incremental SDC which acknowledges and provides credit for the prior size of the water meter, prior number of EDU's, and prior number of trips. Credits for prior use of property reside with the property and cannot be transferred to other parcels or persons.
 - 2. Credit for trip reduction by more than 15%: A calculated credit for the transportation SDC if the new use generates **fewer** trips than the prior use **and** the prior use has paid an SDC assessment. A credit is awarded for the difference. This credit can be transferred to other persons or parcels and is good for a ten year period
 - 3. Credit for qualified public improvements: A calculated credit for current or future transportation and park SDC charges for construction of "qualified public improvements". This credit is required under Oregon Revised Statutes 223.304.

Transportation SDC credits for qualified public improvements can be transferred to other persons or parcels and are good for a ten year period.

With the exception of parks SDC credits awarded to the Portland Development Commission, parks qualified improvement credits cannot be transferred to other persons or parcels. • <u>Discounts:</u> A reduction in the calculation of a system development charge due to location and/or physical characteristics of the construction.

In Portland, the transportation SDC is discounted for transit oriented development that meets certain proximity to transit and density requirements.

Water:

Exemptions:

Affordable housing that meets certain requirements is fully exempted from the water SDC. Those requirements are:

- If rental housing, the units receiving an exemption shall be affordable to households earning 60% or less of Area Median Family Income (MFI).
- If owner occupied housing, the units receiving an exemption shall be affordable to households earning at or below 100% of Area MFI, first time home buyers, and shall be sold to persons or households whose incomes are at or below 100% MFI.
- For a single family residential, the SDC exemption shall not exceed the value of a 5/8-inch water service SDC. For the current fiscal year, the value of that exemption shall not exceed \$1,519.
- Affordable housing exemptions do not exempt any commercial SDC's associated with the development.

City Council first adopted the affordable housing water SDC exemption in 1999 and has reenacted it each year in the Water Bureau rate ordinance that comes to Council each June. During this time period, the value of water SDC waivers has totaled \$634,000.

The table below displays the value of affordable housing water SDC exemptions by geographic area. Individual projects that received the exemption are listed in the Appendix.

Affordable Housing Water SDC Exemptions by Area

	North	NE	SE	SW	NW	Total
99-00	39,897	14,215	24,759	13,755	4,585	97,211
00-01	72,822	55,117	75,437	5,733	-	209,109
01-02	104,624	74,114	112,624		36,331	327,693
Total	217,343	143,446	212,820	19,488	40,916	634,013

Credits:

Water SDC credits are allowed for most recent prior water meter size. If a customer up-sizes their existing water meter size, the customer is charged an incremental SDC based on the difference between the charge for the new meter size, and the charge for the existing meter size. The customer is given "credit" for the existing meter.

Discounts:

There are no discounts for water system development charges.

According to the Water Bureau, credits, waivers and discounts are very rare in the water industry. The rationale is that providing credits, waivers and discounts means "growth paying for growth" would not occur and "virtually all communities seek the equity of growth paying for itself"

BES:

Exemptions:

There are no exemptions associated with the sanitary or stormwater SDC charge.

Credits:

Sanitary credits are given for the most recent prior use based upon the number of EDU's paid by a previous occupant or owner of a property. For example, if an individual purchased a recently constructed three-story apartment building and wished to add another floor of apartments, the new owner would only have to pay an SDC fee for the additional EDU's associated with the new floor of apartments.

In instances where a property is being divided into multiple uses for different tenants, BES applies the prior use sanitary SDC credits on a first come/first serve basis as building permits for the tenant improvements are processed.

SDC credits for most recent prior use of stormwater system capacity are also available. Stormwater SDC's are only levied for the net increase in vehicle trips, frontage or impervious area for previously developed properties.

A 100% credit is given for the <u>on-site portion</u> of the stormwater SDC for areas draining to facilities that provide effective on-site retention for a 100-year storm event. Those applying for this credit have to provide adequate documentation to demonstrate this additional retention capacity, including testing of infiltration facilities, and that on-site flows are directed to these facilities. The rationale behind this credit is that if an individual is providing effective site retention for a 100-year storm event on site, there are no on-site system costs associated with the water run-off.

Discounts:

No discounts are provided in the sanitary or stormwater SDC rate structure.

Parks and Recreation:

Exemptions:

Commercial development is exempt from parks system development charges. The parks SDC applies only to new residential dwelling units.

In addition, the parks SDC ordinance enacted by City Council in 1998 exempted the following residential dwellings from paying the Parks SDC:

- Hotels, motels, dormitories, dependent care facilities, shelters or group homes
- Low-income housing built by not for profit organizations that meets affordability criteria

The dollar value of parks' SDC exemptions totals \$1.6 million. The categories of occupancies receiving the exemptions are summarized in the following table:

Parks SDC Exemptions by Category by Dollar Amount

Builiding Type	98-99	99-00	00-01	01-02	Total
Dormitory	59,475			160,113	219,588
Assisted Living	77,775	96,253	1,526	101,551	277,105
Affordable Housing	253,498	370,593	269,966	224,819	1,118,876
Total	390,748	466,846	271,492	486,483	1,615,569

Credits:

As required by ORS 223.304, the City grants a park SDC credit for any "qualified public improvement" constructed or conveyed as part of a new development. Property or facilities that are conveyed to Bureau of Parks and Recreation for community parks, neighborhood parks, trails or habitat are examples of public improvements that would qualify for a credit.

For real property interests, the value of the credit is based upon a written appraisal of fair market value by a qualified professional appraiser. For improvements yet to be constructed, the value of the credit is based upon the anticipated cost of construction. For improvements already constructed, the value of the credit is based on the actual cost of construction as verified by receipts submitted by the applicant.

As an example, Hoyt Street Properties was given a parks SDC credit in the amount of \$1,068,025 for the purchase and conveyance of the Jamison Square property to PDC. This

credit then offset Hoyt Street Properties Parks' SDC charges associated with residential construction.

When the construction or donation of a qualified public improvement gives rise to a credit amount greater than the SDC fee that would otherwise be levied against the project, the excess credit may be applied against the SDC fees that accrue in subsequent phases of the original development project.

The Portland Development Commission (PDC) has received \$2.5 million in park SDC credits for the construction of Jamison Square and PSU Plaza. This pool of SDC credits is used as a "transfer pool" and is available for use by for-profit housing developers whose projects meet City housing goals such as affordability, neighborhood revitalization or growth management. For-profit housing developers must apply to PDC outlining how their projects meet City housing goals, and demonstrating that their projects require such credits in order to be financially feasible. With the exception of the PDC transfer credit pool, parks SDC credits are not transferable to other properties or projects.

Discounts:

No discounts are provided in the parks SDC rate structure.

PDOT:

Exemptions:

The following are exempted from transportation SDC charges:

• Low-income housing projects that meet affordability criteria (60% MFI), built either by non-profit or for-profit builders. The dollar value of these waivers totals \$1.46 million. The breakdown of waivers between for-profit and not for profit is detailed below.

Affordable Housing Transportation SDC Exemptions by Dollar Amount

Year	Non-Profit	For-Profit	Total
	Developers	Developers	
97-99	463,903	n/a	463,903
99-00	137,431	85,714	223,145
00-01	142,155	161,628	303,783
01-02	194,277	279,631	473,908
Total	937,766	526,973	1,464,739

A list of the specific housing projects which have received the transportation affordable housing SDC exemption is included in the appendix.

Overall, a total of 2,229 affordable housing units have received this exemption. A breakdown of the units by geographic area is provided on the following page. Included in this count are single-family units, multiple family units, row houses, and congregate care or assisted living units. The greatest number of affordable housing exemptions have been for units constructed in Northeast and Southeast Portland.

Affordable Housing Transportation SDC Exemptions, Number of Units by Area

	North	NE	SE	SW	NW	Total
97-99	39	318	289	290	54	990
99-00	79	37	110		129	355
00-01	169	116	96	16		397
01-02	68	182	189	48		487
Total	355	653	684	354	183	2,229

In addition to the affordable housing exemption, the following are exempted from the PDOT SDC charge:

- Any building permit, issued by the City of Portland that is subject to the transportation SDC fee for Washington County or Clackamas County.
- New uses that will not generate more than 15% more trips than the present use
- Any change of use of an existing structure with a gross floor area of 3000 square feet of less
- Temporary uses of less than 180 days.

Credits:

Transportation has three types of SDC credits:

- Credit for most recent prior use
- Credit for trip reduction by more than 15%
- Credit for qualified public improvement

Credit for most recent prior use: When an existing structure is redeveloped, credit is given for the most recent prior use. For example, if a medical office moves into a space that had a prior retail use, it would receive credit for the number of trips generated by the retail usage. The SDC assessment would be based upon the number of trips generated by the difference between retail use and medical office use. Credits based on most recent prior use stay with the property and are not transferable to other parcels or persons. These credits are a portion of the assessment calculation but are not tracked in any report format.

In instances where a property is being subdivided into multiple uses for different tenants, each tenant will receive credit for the prior use square footage x rate in the calculation of their transportation SDC. This allocation of credit can be done by transportation because the transportation SDC rate structure is tied to square footage and the square footage is known as part of the building permit application process.

Credit for trip reduction by more than 15%: This category is really a subset of credits for most recent prior use. It acknowledges that in some instances, a new use will generate fewer trips than the prior use. If the new use generates **fewer** trips than the prior use **and** the prior use has paid an SDC assessment, a credit is awarded for the difference. This credit can be transferred to other persons or parcels and is good for a ten year period.

This type of credit would arise, for example, if a supermarket was constructed, paid an SDC fee, and later the space was converted into a discount department store. The supermarket SDC rate is \$6.44 per square foot while the discount department store SDC rate is \$2.94 per square foot. A credit certificate would be issued for the difference.

Credit for qualified public improvement: For transportation, a qualified public improvement is defined as any or all portions of an improvement that is included in the SDC list of 36 capital projects, or an improvement to an arterial or collector street constructed as a condition of development permit, provided there is measurable capacity beyond that which is necessary to serve the development.

If an applicant is found eligible to receive a transportation SDC credit, a credit certificate is issued by the City and can be transferred to other parcels or persons. The credits are good for a 10-year period.

In addition to the three types of credits described above, PDOT provides an appeal process if an applicant disagrees with the amount of SDC that is being charged. Two options are available:

- The applicant can submit information showing that their development does not generate as many trips as shown in the City rate study.
- The applicant can appeal to the SDC Administrator prior to issuance of the first occupancy permit.

Discounts:

The transportation SDC has a transit oriented development discount (TODD). In adopting the TODD, City Council was affirming its support for a more dense mixed-use urban environment and the integration of transit ridership and housing development. The rationale behind the TODD is that transit oriented development generates fewer additional growth related transportation requirements than non transit oriented new development.

The TODD is three tiered. A map detailing the tiers is included in the Appendix along with an explanation of which map areas fall into which tier.

The first tier includes/covers certain districts in the Central City Plan. Qualification for this tier is based on location only and waives approximately 65% of the SDC.

The second tier covers the remaining districts in the Central City Plan. In addition to location, the development must include either 40 units of housing per acre or achieve a floor area ration of 2 to 1. Approximately 65% of the SDC is waived in this tier.

The third tier includes/covers all areas outside the Central City Plan. The requirements for this tier are proximity to transit, i.e., within 500 feet of a bus line or 1,000 feet of a light rail station, and 30 units of housing per acre or a floor area ration of 1 to 1 or is located in a commercial zone where no parking is required by Code, no on-site parking is provided and there are no drive through facilities. Approximately 35% of the SDC is waived in this tier.

The value of the transit oriented development discounts totals \$7.4 million. The value by year and by geographic area is provided in the table below.

Transit Oriented Development Discounts by Geographic Area

	North	NE	NW	SE	SW	Total
97-99	0	287430	443,195	119,990	1,271,625	2,122,240
99-00	12,094	478,938	780,285	206,495	1,041,506	2,519,318
00-01	0	45,293	532,498	91,063	290,858	959,712
01-02	15,150	405,544	949,359	171,812	247,398	1,789,263
Total	27,244	1,217,205	2,705,337	589,360	2,851,387	7,390,533

PDOT does not track its SDC revenue by geographic area so it is not possible to draw any conclusions about the relationship between overall building activity and the value of the TODD discounts by geographic area. However, generally speaking, the amount of TODD discount in any geographic area will be a function of the availability of parcels within that area suitable for development or redevelopment, the zoning of the area, the type of development being built, and the proximity to transit.

COMPARISON OF PORTLAND'S SDC CHARGES TO OTHER OREGON COMMUNITIES'

The most comprehensive community comparison of Systems Development Charges was completed by the City of Eugene's Public Works Division in January 2001. The following 17 Oregon communities were compared on the basis of SDC cost, methodology, and rate structure:

Albany	Gresham	Portland	Tualatin
Ashland	Hillsboro	Roseburg	Washington County
Bend	Lake Oswego	Salem	West Linn
Corvallis	Medford	Springfield	Wilsonville
			Woodburn

For purposes of this report, the most relevant comparisons to the City of Portland are Gresham, Hillsboro, Lake Oswego, Tualatin, West Linn and Wilsonville as they are areas directly adjacent to Portland that compete with Portland for development projects.

The six jurisdictions charge all SDCs authorized by the State of Oregon. However, only Wilsonville and Hillsboro assess a park system development charge on other than residential development.

The following charts provide summary information about the combined SDCs for five types of development: single-family residential, 25-unit apartment, general office, quality restaurant (140 seats) and a truck terminal. Charges listed were those in effect in FY 2000/01.

Single Family Residential	Transportation	Stormwater	Parks	Wastewater	Water	Admin Fee	Total	Average
West Linn	4,047	407	4,082	616	4,245	514	13,911	
Lake Oswego	4,226	107	2,281	1,837	2,015	-	10,466	
Wilsonville	2,625	87	2,088	1,466	3,802		10,068	
Hillsboro	2,130	500	1,748	2,300	2,445		9,123	
Portland	1,433	416	1,526	1,972	1,720		7,067	
Tualatin	2,130	275	1,400	2,300	940		7,045	
Gresham	1,202	642	1,038	1,900	2,200		6,982	9,237

Apartment - 25 units	Transportation	Stormwater	Parks	Wastewater	Water	Admin Fee	Total	Average
Lake Oswego	75,650	1,144	39,825	112,670	123,587		352,876	
Hillsboro	32,483	6,136	43,700	57,500	60,587		200,406	
Tualatin	32,483	6,875	35,000	46,719	47,000		168,077	
Portland	25,750	3,124	24,575	39,440	57,327		150,216	
Wilsonville	45,775	1,944	39,675	27,825	3,322		118,541	
Gresham	18,445	7,612	25,950	33,250	12,000		97,257	
West Linn	2,484	4,523	5,016	10,886	65,495	3,395	91,799	168,453.1

General Office	Transportation	Stormwater	Parks	Wastewater	Water	Admin Fee	Total	Average
Lake Oswego	130,620	1,418		12,246	13,433		157,717	
Wilsonville	139,361	2,410	5,280	1,667	3,322		152,040	
Hillsboro	63,609	7,608	14,650	3,738	19,560		109,165	
Gresham	35,462	6,424		51,600	12,000		105,486	
Portland	64,400	3,874		17,529	9,172		94,975	
Tualatin	63,609	4,184		9,200	7,520		84,513	
West Linn	5,264	5,607		3,080	12,995		26,946	104,406.0

Quality Restaurant-140 seats	Transportation	Stormwater	Parks	Wastewater	Water	Admin Fee	Total	
Wilsonville	137,490	906	1,925	12,867	13,895		167,083	
Lake Oswego	100,288	533		6,126	6,717		113,664	
Portland	51,793	1,456		46,013	5,733		104,995	
Hillsboro	25,301	2,860	24,026	7,475	12,225		71,887	
Gresham	17,236	1,574		32,150	7,500		58,460	
Tualatin	25,301	1,573		17,825	4,700		49,399	
West Linn	30,008	2,108		3,080	9,425		44,621	87,158.4

Truck Terminal	Transportation	Stormwater	Parks	Wastewater	Water	Admin Fee	Total	Average
Lake Oswego	89,425	3,500		3,061	3,358		99,344	
Hillsboro	26,277	18,780	29,300	1,869	6,113		82,339	
Wilsonville	52,644	5,950	935	1,191	9,511		70,231	
Portland	43,799	9,562		3,725	2,867		59,953	
Tualatin	26,277	10,329		3,594	2,350		42,550	
Gresham	12,685	4,176		16,550	3,700		37,111	
West Linn	2,204	13,841		1,540	6,120	910	24,615	59,449.0

For single-family residential, 25 unit apartment and general office, the City of Portland's combined SDC fees are less than the seven-city average. For truck terminals, the City of Portland's total fees are \$500 above average. Only in one development type, quality restaurant, does the total charged by the City of Portland exceed the seven city average.

Additional summary information is provided as follows:

- For single-family residences, the City of Portland's combined SDC fees are the third lowest, at \$7,067. The average for single-family residences is \$9,237.
- For the 25-unit apartment development, the City of Portland's fees total \$150,216. This places Portland at the fourth lowest rung. The average for a 25-unit apartment development is \$168,453.
- For the general office development, the City of Portland's fees total \$94,975, or the third lowest of the seven cities surveyed. The average for this category is \$104,406.

- For a quality restaurant development, the City of Portland's fees total \$104,995 compared to the seven-city average of \$87,158. Wilsonville has the highest combined total for this category at \$167,083.
- For truck terminal development, the City of Portland's fees total \$59,953, about \$500 higher than the seven-city average of \$59,449. Lake Oswego again has the highest combined total for this category at \$99,344.

CONCLUSIONS:

- The City of Portland charges all categories of system development charges (SDC's) that are authorized by the State of Oregon. SDC's are the most common source of funding throughout the State of Oregon to pay for capital facilities required to meet the needs of growth.
- Over the last five years, City bureaus have collected a total of \$64.3 million in SDCs.
- Water and Environmental Services base their SDC fees on a reimbursement methodology, and use revenue collected on capital improvement projects within their approved capital budgets, including major repairs, upgrades or renovations. As reimbursement fees, no tracking is required for which particular projects are funded with SDC revenue. Both Water and Environmental Services combine their SDC revenue with other sources of capital project funding such as bond proceeds, non-rate fees and rates.
- Parks and Transportation base their SDC fees on an improvement methodology and
 use revenue collected to fund specified capital improvement projects that are required
 to increase the capacities of their respective infrastructures, due to the demands of
 growth.
- All capital projects, or portions of capital projects that have been funded by Parks and Transportation SDC revenues, have been consistent with the projects and target areas that were identified in the SDC rate methodologies adopted by City Council.
- All SDC charges, with the exception of wastewater and stormwater drainage fees, are waived for certain affordable housing projects.
- Water and Transportation SDC fees are waived for all affordable housing that meets certain criteria, whether that housing is produced by a for-profit or non-profit developer. Parks SDC fees are waived only for affordable housing built by a not-forprofit organization.
- Transportation SDC charges are discounted up to 65% for developments that are transit oriented. The Transit Oriented Development Discount (TODD) was adopted by City Council to encourage high density, transit oriented development in keeping with the goals adopted in the Metro 2040 plan. The TODD reflects City Council's

support for a more dense mixed use urban environment and the integration of transit ridership and housing development. Additionally, the TODD recognizes that transit oriented development creates fewer demands on the transportation facilities that are needed to serve new development.

- No discounts are provided for water, sanitary or stormwater system development charges.
- A credit for most recent prior use is calculated when assessing the transportation, sanitary and stormwater and water system development charges. The SDC is assessed for only the new demands the property is placing upon the system. That means the property is charged an incremental SDC which acknowledges and provides credit for the prior size of the water meter, prior number of EDU's and prior number of trips. Credits for prior use of property reside with the property and cannot be transferred to other parcels or persons.
- In instances where a property is being divided into multiple uses for different tenants, BES applies the prior use sanitary EDU credits on a first come/first serve basis as building permits for the tenant improvements are processed. This is done because BES is not in a position to know the final number of permits that will be issued for a subdivided property, what the new uses will be, and how the credits might be divided amongst the multiple tenants.
- In instances where a property is being divided into multiple uses for different tenants, PDOT applies the prior use credit proportionately on a square footage basis. Since transportation SDC rates are based on a per square foot charge, this allocation can be standardized requiring no assumptions to be made about the ultimate number of tenants and trips generated by the new usage.
- Developers can receive a credit towards their transportation and parks SDC charges if they convey or build certain public improvements. For example, a transportation credit can be awarded if an applicant builds an improvement to an arterial or collector street greater that that which is necessary to serve the development. A parks credit can be awarded if an applicant conveys property or facilities to Parks and Recreation for community parks, neighborhood parks, trails or habitat. Credits for public improvements are required under the ORS 223.304.
- Transportation credits for public improvements can be transferred to other parcels.
 With the exception of the PDC credit pool, parks credits for qualified public improvement cannot be transferred to other parcels.
- The City of Portland's combined SDC charges are in general lower than the average cost of SDCs in the seven city metropolitan area. For this reason, SDC charges do not appear to put Portland at a competitive disadvantage with surrounding jurisdictions.

- For single-family residential, 25 unit apartment and general office, the City of Portland's combined SDCs fees are less than the metropolitan seven cities' average. For a truck terminal, the City of Portland's fees are about \$500 higher than the metropolitan cities' average. Only in one development type, quality restaurant, does the total SDC fees charged by the City of Portland exceed the seven cities' average.
- For single-family residences, the City of Portland's combined SDC fees are the third lowest at \$7,067 compared to the metro average of \$9,237.
- For a 25-unit apartment development, the City of Portland's combined SDC fees are the fourth lowest at \$150,216, compared to the metro average of \$169,453.
- For general office development, the City of Portland's combined SDC fees are the third lowest at \$94,975, compared to the seven cities' average of \$104,406.

APPENDIX A
Water SDC Waivers - Affordable Housing - FY 99-00

Date	Area	Address	Applicant/Patron	Water Bills Mailed to:	SDC Waived
11/2/1999 N		8138 N Swenson	Fish Constr	Fish Constr	\$917.00
1/4/2000 N		8820 N Edison	Milan Skoro Const	Milan Skoro const	\$917.00
2/3/2000 N		6718 N Baltimore	Host Development	Host Development	\$1,376.00
2/3/2000 N		8747 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		8743 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		8739 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		8735 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		8731 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		8727 N Crawford	Host Development	Host Development	\$1,376.00
2/3/2000 N		6722 N Baltimore	Host Development	Host Development	\$1,376.00
2/9/2000 N		615 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		623 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		631 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		611 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		619 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		627 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		635 N Fargo	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		3223 N Kerby	Tom Walsh Co	Fargo Row Investment	\$917.00
2/9/2000 N		3193 N Kerby	Tom Walsh Co	Fargo Row Investment	\$917.00
2/28/2000 N		9107 N Portsmouth	Fish Constr	Fish Constr	\$917.00
4/7/2000 N		4239 N Borthwick	Denali construct	Denali const	\$917.00
5/9/2000 N		8723 N Crawford	Host Development	Host Development	\$1,376.00
5/9/2000 N		8719 N Crawford	Host Development	Host Development	\$1,376.00
5/9/2000 N		8715 N Crawford	Host Development	Host Development	\$1,376.00
5/9/2000 N		8711 N Crawford	Host Development	Host Development	\$1,376.00
5/9/2000 N		8707 N Crawford	Host Development	Host Development	\$1,376.00
5/9/2000 N		8703 N Crawford	Host Development	Host Development	\$1,376.00
6/1/2000 N		5317 N Michigan	Host Development	Host Development	\$917.00
6/26/2000 N		4069 N Albina	Duke Develop	Duke Development	\$917.00
6/26/2000 N		4063 N Albina	Duke Develop	Duke Development	\$917.00
6/27/2000 N		814 N Webster	Sabin Community Dev	Sabin Community Deb	\$2,293.00
6/30/2000 N		4102 N Mississippi	Habitat for Humanity	Habitat for Humanity	\$917.00
6/30/2000 N		4108 N Mississippi	Habitat for Humanity	Habitat for Humanity	\$917.00
6/30/2000 N		4114 N Mississippi	Habitat for Humanity	Habitat for Humanity	\$917.00
6/30/2000 N		4120 n Mississippi	Habitat for Humanity	Habitat for Humanity	\$917.00
Subtotal North					\$39,897.00
1/3/2000 NE	Ē	5221 NE 29th	Duke Develop	Duke Development	\$917.00
1/3/2000 NE	=	5225 NE 29th	Duke Develop	Duke Development	\$917.00
3/28/2000 NE	Ē	6238 NE 11th Ave	John Skoro	A&J Construction	\$917.00
5/1/2000 NE	Ē	9312 NE Glisan	Fish Constr	Fish Constr	\$917.00
5/1/2000 NE	=	9328 NE Glisan	Fish Constr	Fish Constr	\$917.00
5/1/2000 NE	=	441 NE 94th	Fish Constr	Fish Constr	\$917.00
5/1/2000 NE	=	435 NE 94th	Fish Constr	Fish Constr	\$917.00
6/27/2000 NE	Ī	4825 NE Cleveland	Sabin Community Dev	Sabin Community Deb	\$2,293.00
6/27/2000 NE	Ī	219 NE Shaver	Sabin Community Dev	Sabin Community Deb	\$2,293.00
6/27/2000 NE	Ī	3958 NE Garfield	Sabin Community Dev	Sabin Community Deb	\$2,293.00
6/30/2000 NE		927 NE Failing	Jubilee Communities	Jubilee Communities	\$917.00
Subtotal NE					\$14,215.00
			25		

25

Water SDC Waivers - Affordable Housing - FY 99-00, continued

Date	Area	Address	Applicant/Patron	Water Bills Mailed to:	
10/28/1999	NW	2109 NW Northrup	Parker Fire Pro	Raphael House	\$4,585.00
Subtotal NW					\$4,585.00
12/6/1999 S	E	7309 SE Steele	Fish Constr	Fish Constr	\$917.00
12/6/1999 S	E	5254 SE 73rd	Fish Constr	Fish Constr	\$917.00
12/6/1999 S	E	5250 SE 73rd	Fish Constr	Fish Constr	\$917.00
1/21/2000 S	E	4310 SE Tenino	Schumacher Cust Hm	Schumacher Cust Hm	\$917.00
1/21/2000 S	E	7319 SE Tenino	Schumacher Cust Hm	Schumacher Cust Hm	\$917.00
1/21/2000 S	E	7327 SE Tenino	Schumacher Cust Hm	Schumacher Cust Hm	\$917.00
2/14/2000 S	E	3946 SE 51st	Kassebaum Const	Kassebaum Constr	\$917.00
3/24/2000 S	E	6912 SE Center	Milan Skoro Const	Milan Skoro const	\$917.00
5/11/2000 S	E	109 SE 84th	DK Home Constr	DK Home constr	\$917.00
5/11/2000 S	E	115 SE 84th Ave	DK Home Constr	DK Home constr	\$917.00
5/31/2000 S	E	7810 SE Tolman	DK Home Constr	DK Home constr	\$917.00
6/5/2000 S	E	7317 SE 68th	Ridge Point Inc	Ridge Point Inc	\$917.00
6/30/2000 S	E	10918-30 SE Stark	Walsh Constr.	Park Vista Stark, LP	\$13,755.00
Subtotal SE					\$24,759.00
1/3/2000 S	SW .	1128 SW Jefferson	Innovative Housing	Innovative Housing	\$13,755.00
Subtotal SW					\$13,755.00
Grand Total FY	′ 99-00				\$97,211.00

APPENDIX B
Water SDC Waivers - Affordable Housing - FY 00-01

Date		Address	Applicant/Patron	Water Bills Mailed to:	SDC Waived
7/26/2000	N	236 N Killingsworth	Peninsula Plumbing	McUller Associates	\$14,331.00
10/25/2000	N	2802 N Hunt St	Fish Constr	Fish Constr	\$1,147.00
10/27/2000	N	10016 N Polk Ave	Home Port	Home Port	\$1,147.00
11/21/2000	N	9922 N Midway Av	Fish Constr	Fish Constr	\$1,147.00
11/9/2000	N	8107 N Hurst Ave	GP Investments	BP Investments	\$1,147.00
1/19/2001	N	8829 N Drummond Av	Fish Constr	Fish Constr	\$1,147.00
1/22/2001	N	7222 N Williams Ave	Lorne Martin	Lorne Martin	\$1,147.00
1/31/2001	N	9414 N Edison	Lorne Martin	Lorne Martin	\$1,147.00
3/7/2001	N	8336 N Hendricks St	Host Development	Host Development	\$1,147.00
3/7/2001	N	8358 N Hendricks St	Host Development	Host Development	\$1,147.00
3/7/2001	N	8324 N Hendricks St	Host Development	Host Development	\$1,147.00
3/7/2001	N	8320 N Hendricks St	Host Development	Host Development	\$1,147.00
3/7/2001	N	8355 N Hendricks St	Host Development	Host Development	\$1,147.00
3/20/2001	N	7015 N Armour St	Lorne Martin	Lorne Martin	\$1,147.00
3/22/2001	N	8344 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8352 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8374 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8315 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8327 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8333 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8339 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8347 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8363 N Hendricks St	Host Development	Host Development	\$1,147.00
3/22/2001	N	8377 N Hendricks St	Host Development	Host Development	\$1,147.00
4/3/2001	N	6808 N Borthwick Av	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
4/3/2001	N	6801 N Borthwick Av	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
4/3/2001	N	731 N Dekum St	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
4/3/2001	N	643 N Dekum St	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
4/3/2001	N	6802 N Borthwick Av	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
4/20/2001	N	3333 N Terry St	Lorne Martin	Lorne Martin	\$1,147.00
4/20/2001	N	8514 N Newman Av	Lorne Martin	Lorne Martin	\$1,147.00
5/9/2001	N	628 N Saratoga St	Tom Walsh & Co	Rosemont Invest. Co	\$5,733.00
5/9/2001	N	621& 645 N Saratoga	Tom Walsh & Co	Rosemont Invest. Co	\$9,172.00
5/10/2001	N	5501 N Syracuse St	Fish Constr	Fish Constr	\$1,147.00
4/24/2001	N	9041 N St Johns Ave	Lorne Martin	Lorne Martin	\$1,147.00
6/4/2001	N	6802 N Boston Ave	Fish Constr	Fish Constr	\$1,147.00
4/3/2001	N	6814 N Borthwick Av	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
10/27/2000	N	10042 N Polk Ave	Home Port	Home Port	\$1,147.00
3/22/2001	N	8319 N Bank St	Host Development	Host Development	\$1,147.00
3/27/2001	N	6941 N Swift St	Lorne Martin	Lorne Martin	\$1,147.00
4/3/2001	N	6822 N Borthwick Av	Tom Walsh & Co	Rosemont Invest. Co	\$1,147.00
Subtotal Nor	rth				\$72,822.00

Water SDC Waivers - Affordable Housing - FY 00-01, continued

Date	Address	Applicant/Patron	Water Bills Mailed to:	
12/27/2000 SE	5432 SE Knapp St	Palace Construction	Palace Construction	\$1,147.00
1/12/2001 SE	7422 SE 78th Av	Schumacher Custom	Schumacher Custom	\$1,147.00
1/16/2001 SE	7111 SE Reedway St	A & J Quality Const	A & J Quality Const	\$1,147.00
1/31/2001 SE	1536 SE 87th Ave	Palace Construction	Palace Construction	\$1,147.00
2/6/2001 SE	6718 SE Henry St	Ridge Point Inc	Ridge Point Inc	\$1,147.00
2/27/2001 SE	7948 SE 75th Ave	Fish Constr	Fish Constr	\$1,147.00
3/8/2001 SE	6108 SE 87th Ave	DK Home Constr	DK Home constr	\$1,147.00
3/13/2001 SE	6110 SE 90th Ave	Schumacher Custom	Schumacher Custom	\$1,147.00
3/13/2001 SE	6105 SE 91st Ave	Schumacher Custom	Schumacher Custom	\$1,147.00
3/20/2001 SE	7228 SE Ogden St	Ryan Homes Inc	Ryan Home Inc	\$1,147.00
4/4/2001 SE	6142 SE 90th Ave	GP Investments	GP Investments Inc	\$1,147.00
4/6/2001 SE	6722 SE Raymond St	LHC Construction	LHC Construction	\$1,147.00
4/11/2001 SE	7112 SE 68th Ave	Ridge Point Inc	Ridge Point Inc	\$1,147.00
4/11/2001 SE	5006 SE 67th Ave	LHC Construction	LHC Construction	\$1,147.00
4/11/2001 SE	6712 SE Raymond St	LHC Constrruction	LHC Construction	\$1,147.00
4/26/2001 SE	7346 SE 66th Ave	Rick Gardner	Columbia Country Hme	\$1,147.00
4/27/2001 SE	4712 SE 72nd Ave	DK Home Constr	DK Home constr	\$1,147.00
4/27/2001 SE	7241 SE Insley Dr	DK Home Constr	DK Home constr	\$1,147.00
4/27/2001 SE	6125 SE 91st Ave	Schumacher Custom	Schumacher Custom	\$1,147.00
5/22/2001 SE	8962 SE Lincoln St	Home Port	Home Port	\$1,147.00
6/12/2001 SE	10929 SE Harold St	John Talpos	John Talpos	\$1,720.00
6/12/2001 SE	6115 SE Carlton St	DK Home Constr	DK Home constr	\$1,147.00
10/11/2000 SE	6734 SE Raymond St	LHC Constr	LHC Constr	\$1,147.00
Subtotal SE				\$75,437.00
4/4/2001 SW	1132 SW 13th Ave	Outside In	Outside In	\$5,732.50
Subtotal SW				\$5,732.50
Grand Total 00-01				\$209,108.50

APPENDIX C

Water SDC Waivers - Affordable Housing - FY 01-02

Water Bills Mailed to:

Data	A ====	Address	Annlicent/Detren	Mailed to:	CDC Waiwad
Date	Area	Address	Applicant/Patron	Mailed to:	SDC Waived
7/11/2001			Ivan Skoro	Ivan Skoro	\$1,453.00
7/31/2001		745 N Dekum St	Tom Walsh & Co	Host Development	\$1,453.00
7/31/2001		6809 N Congress A		Host Development	\$1,453.00
7/31/2001		6815 N Congress A		Host Development	\$1,453.00
7/31/2001		6823 N Congress A		Rosemont Investment	\$1,453.00
7/31/2001		6907 N Congress A		Host Development	\$1,453.00
7/31/2001		6911 N Congress A		Rosemont Investment	\$1,453.00
7/31/2001		6911 N Congress A		Rosemont Investment	\$1,453.00
7/31/2001		6935 N Congress A		Rosemont Investment	\$1,453.00
7/31/2001	N	554 N Bryant St	Tom Walsh & Co	Host Development	\$1,453.00
7/31/2001	N	625 N Dekum St	Habitat for Humanity	Habitat for Humanity	\$1,453.00
7/31/2001	N	6827 N Congress A	Habitat for Humanity	Habitat for Humanity	\$1,453.00
7/31/2001	N	6915 N Congress A	Habitat for Humanity	Habitat for Humanity	\$1,453.00
7/31/2001	N	6929 N Congress A	Habitat for Humanity	Habitat for Humanity	\$1,453.00
7/31/2001	N	562 N Bryant St	Habitat for Humanity	Habitat for Humanity	\$1,453.00
8/17/2001	N	8456 N Hendricks S	Host Development	Host Development	\$1,453.00
8/17/2001	N	8440 N Hendricks S	Host Development	Host Development	\$1,453.00
8/17/2001	N	8428 N Hendricks S	Host Development	Host Development	\$1,453.00
8/17/2001	N	8472 N Hendricks S	Host Development	Host Development	\$1,453.00
8/17/2001	N	8472 N Hendricks S	Host Development	Host Development	\$1,453.00
8/17/2001	N	8325 N Bank St	Host Development	Host Development	\$1,453.00
8/17/2001	N	8331 N Bank St	Host Development	Host Development	\$1,453.00
8/17/2001	N	8355 N Bank St	Host Development	Host Development	\$1,453.00
8/17/2001	N	8351 N Bank St	Host Development	Host Development	\$1,453.00
8/17/2001	N	8359 N Bank St	Host Development	Host Development	\$1,453.00
8/17/2001	N	8365 N Bank St	Host Development	Host Development	\$1,453.00
9/10/2001	N	8824 N Dana Av	Lorne Martin	Lorne Martin	\$2,180.00
9/10/2001	N	6833 N Central St	Lorne Martin	Lorne Martin	\$2,180.00
9/20/2001	N	7409 N Oatman Av	LHC Construction	LHC Construction	\$2,180.00
9/28/2001	N	3305 N Arlington Pl	Lorne Martin	Lorne Martin	\$2,180.00
9/28/2001	N	3319 N Arlington Pl	Lorne Martin	Lorne Martin	\$2,180.00
10/8/2001	N	10111 N Allegheny	Housing Develop	Peninsula CDC	\$1,453.00
10/23/2001	N	4226 N Gantenbein	Northstar Develop	North Development	\$1,453.00
10/25/2001	N	10310 N Barr Av	Host Development	Host Development	\$1,453.00
10/25/2001	N	10316 N Barr Av	Host Development	Host Development	\$1,453.00
10/25/2001	N	10328 N Barr Av	Host Development	Host Development	\$1,453.00
10/25/2001	N	10328 N Barr Av	Host Development	Host Development	\$1,453.00
10/31/2001	N	10342 N Barr Av	R & R Energy Resour	R & R Energy Resour	\$1,453.00
10/31/2001	N	10334 N Barr Av	R & R Energy Resour	R & R Energy Resour	\$1,453.00
10/31/2001	N	10348 N Barr Av	R & R Energy Resour	R & R Energy Resour	\$1,453.00
11/8/2001	N	10311 N Barr Ave	R & R Energy Resour	R & R Energy Resour	\$1,453.00
11/14/2001			Portland Youth Build	Portland Youth Build	\$1,453.00
11/14/2001			R & R Energy Resour	R & R Energy Resour	\$1,453.00
11/16/2001		10317 N Barr Ave	0,	Calvin Jackson	\$1,453.00
11/27/2001		10337 N Barr Ave		Calvin Jackson	\$1,453.00
11/27/2001		10329 N Barr Ave		Calvin Jackson	\$1,453.00
11/30/2001		6905 N Interstate A		Seabold Construction	\$11,626.00
., 50, 2001			29		Ţ, 0_0.00

Water SDC Waivers - Affordable Housing - FY 01-02, continued

Water Bills Mailed to:

1/7/2002 N 634 N Bryant St Habitat for Humanity Habitat for Humanity \$1	,453.00 ,453.00 ,180.00 ,180.00
	,180.00
2/8/2002 N 8730 N Endicott Av Palace Construction Palace Construction \$2	
	.180.00
2/11/2002 N 8726 N Endicott Palace Construction Palace Construction \$2	,
2/27/2002 N 8735 N Drummond Fish Construction Fish Construction \$2	,180.00
3/4/2002 N 1740 N Killingswort LHC Construction LHC Construction \$1	,453.00
3/4/2002 N 1740 N Killingswort LHC Construction LHC Construction \$1	,453.00
3/4/2002 N 1740 N Killingswort LHC Construction LHC Construction \$1	,453.00
3/5/2002 N 7814 N Berkeley A Lorne Martin Lorne Martin \$2	,180.00
3/5/2002 N 8640 N Olympia Lorne Martin Lorne Martin \$2	,180.00
3/14/2002 N 8421 N Olympia St Fish Construction Fish Construction \$2	,180.00
4/10/2002 N 10060 N Jersey St Lorne Martin Lorne Martin \$2	,180.00
Subtotal North \$104	,624.00
7/12/2001 NE 36 NE 78th Ave Ryan Homes Inc Ryan Homes, Inc \$2	,180.00
9/6/2001 NE 6528 NE Wygant S All-J Inc. All-J Inc \$1	,453.00
10/5/2001 NE 4825 NE Simpson LHC Construction LHC Construction \$2	,180.00
11/7/2001 NE 6216 NE Going St A & J Quality Constr A & J Quality Constr \$1	,453.00
11/8/2001 NE 5530 NE 60th Ave Carleton Hart Arch Los Jardines Ltd \$21	,798.00
11/8/2001 NE 917 NE 69th Ave Schumacher Custom Schumacher Custom \$1	,453.00
12/24/2001 NE 4860 NE 10th Ave Kassebaum Constr Kassebaum Consts \$1	,453.00
12/24/2001 NE 4868 NE 10th Ave Kassebaum Constr Kassebaum Consts \$1	,453.00
12/24/2001 NE 4864 NE 10th Ave Kassebaum Constr Kassebaum Consts \$1	,453.00
1/16/2002 NE 10911 NE Weidler Brian Clopton Excav Brian Clopton Excav \$2	,180.00
1/16/2002 NE 10915 NE Weidler Brian Clopton Excav Brian Clopton Excav \$2	,180.00
2/26/2002 NE 2021 NE Rodney A Craig Kelley Albina CDC \$1	,453.00
3/5/2002 NE 503 NE Ashley St Fish Construction Fish Construction \$2	,180.00
3/5/2002 NE 4232 NE Simpson (Elliott Properties Elliott Properties \$2	,180.00
3/5/2002 NE 4226 NE Simpson (Elliott Properties Elliott Properties \$2	,180.00
3/5/2002 NE 4220 NE Simpson (Elliott Properties Elliott Properties \$2	,180.00
3/5/2002 NE 4214 NE Simpson (Elliott Properties Elliott Properties \$2	,180.00
3/6/2002 NE 6721 NE Rodney S Fish Construction Fish Construction \$2	,180.00
3/6/2002 NE 1709 NE Portland E Fish Construction Fish Construction \$2	,180.00
3/7/2002 NE 1131 NE Roselawn Habitat for Humanity Habitat for Humanity \$1	,453.00
3/7/2002 NE 1137 NE Roselawn Habitat for Humanity Habitat for Humanity \$1	,453.00
3/21/2002 NE 4543 NE 109th Ave Schumacher Custom Schumacher Custom \$2	,180.00
4/25/2002 NE 4558 NE 66th Av Schumacher Custom Schumacher Custom \$1	,453.00
5/3/2002 NE 5632 NE Prescott § Schumacher Custom Schumacher Custom \$2	,180.00
5/6/2002 NE 5557 NE Prescott LHC Construction LHC Construction \$2	,180.00
6/5/2002 NE 4529 NE 72nd Av Schumacher Custom Schumacher Custom \$2	,180.00
6/6/2002 NE 3603 NE Rodney S Fish Construction Fish Construction \$2	,180.00
6/13/2002 NE 4735 NE 15th Av GLC Properties, Inc GLC Properties \$1	,453.00
6/13/2002 NE 4735 NE 15th Ave GLC Properties, Inc GLC Properties \$1	,453.00
Subtotal NE \$74	114.00

Water SDC Waivers - Affordable Housing - FY 01-02, continued

Water Bills Mailed to:

Date	Area	Address	Applicant/Patron	Mailed to:	SDC Waived
1/14/2002	NW	333 NW 4th Ave	Pacific Tower Invest	Pacific Tower Assoc	\$36,331.00
Subtotal NW					\$36,331.00
7/10/2001	SE	6148 SE Malden St	Schumacher Custom	Schumacher Custom	\$1,453.00
8/13/2001	SE	6742 SE 67th Ave	Schumacher Custom	Schumacher Custom	\$1,453.00
8/13/2001	SE	6614 SE 74th Ave	MacDuffee Homes	MacDuffee Homes	\$1,453.00
8/23/2001	SE	7027 SE Crystal Sp	Palace Construction	Palace Construction	\$2,180.00
9/10/2001	SE	5620 SE 63rd Ave	Schumacher Custom	Schumacher Custom	\$2,180.00
10/5/2001	SE	2305 SE 85th Ave	LHC Construction	LHC Construction	\$2,180.00
10/5/2001	SE	2311 SE 85th Ave	LHC Construction	LHC Construction	\$2,180.00
10/8/2001	SE	2317 SE 85th Ave	LHC Construction	LHC Construction	\$2,180.00
10/8/2001	SE	2321 SE 85th Ave	LHC Construction	LHC Construction	\$2,180.00
10/18/2001	SE	4828 SE Ogden St	Foglio Homes & Dev	Foglio Homes & Dev	\$2,180.00
10/18/2001	SE	5716 SE Lambert S	Foglio Homes & Dev	Foglio Homes & Dev	\$2,180.00
10/18/2001	SE	5712 SE Lambert S	Foglio Homes & Dev	Foglio Homes & Dev	\$2,180.00
11/7/2001	SE	2728 SE Ankeny S	Cavanaugh & Cavan	Cavanaugh & Cavan	\$1,453.00
11/7/2001	SE	8441 SE Tolman St	A&J Quality Constr	A&J Quality Constr	\$1,453.00
11/7/2001	SE	4726 SE 84th Place	A&J Quality Constr	A&J Quality Constr	\$1,453.00
11/7/2001	SE	7627 SE Henry Pla	A & J Qualtiy Constr	A & J Quality Constr	\$1,453.00
12/2/2001	SE	7417 SE 60th Ave	Ridge Point Inc.	Ridge Point, Inc.	\$1,453.00
1/3/2002	SE	7212 SE Crystal Sp	Schumacher Custom	Schumacher Custom	\$1,453.00
1/4/2002	SE	7220 SE Crystal Sp	Schumacher Custom	Schumacher Custom	\$1,453.00
1/4/2002	SE	6021 SE Ramona S	Schumacher Custom	Schumacher Custom	\$2,180.00
1/7/2002	SE	8449 SE Mill St	Palace Construction	Palace Construction	\$2,180.00
1/8/2002	SE	7115 SE Flavel St	Fish Construction	Fish Construction	\$2,180.00
1/8/2002	SE	7111 SE Flavel St	Fish Construction	Fish Construction	\$2,180.00
1/14/2002	SE	7107 SE Flavel St	Fish Construction	Fish Construction	\$2,180.00
1/17/2002	SE	4818 SE 59th Av	LHC Construction	LHC Construction	\$1,453.00
2/1/2002	SE	7641 SE Henderso	MacDuffee Homes	MacDuffee Homes	\$2,180.00
2/1/2002	SE	7629 SE Henderso	MacDuffee Homes	MacDuffee Homes	\$1,453.00
2/7/2002	SE	9030 SE Ankeny S	DK Home Constr	DK Home Constr	\$2,180.00
2/22/2002	SE	6861 SE Duke St	Bunnell Construction	Bunnell Construction	\$2,180.00
2/26/2002	SE	10929 SE Harold S	John Talpos	John Talpos	\$3,633.00
2/28/2002	SE	5105 SE 63rd Ave	LHC Construction	LHC Construction	\$2,180.00
3/1/2002	SE	5217 SE Insley St	LHC Construction	LHC Construction	\$2,180.00
3/5/2002	SE	6032 SE Reedway	Milan Skoro	Milan Skoro	\$2,180.00
3/5/2002	SE	5329 SE Knapp St	MacDuffee Homes	MacDuffee Homes	\$2,180.00
3/6/2002	SE	4043 SE 92nd Ave	Palace Construction	Palace Construction	\$2,180.00
3/5/2002	SE	8441 SE Mill St	Palace Construction	Palace Construction	\$2,180.00
3/6/2002	SE	7220 SE Schiller S	Ivan Skoro	Ivan Skoro	\$2,180.00
3/7/2002	SE	6142 SE Lambert S	Schumacher Custom	Schumacher Custom	\$1,453.00
3/7/2002	SE	6132 SE Lambert S	Schumacher Custom	Schumacher Custom	\$1,453.00
3/7/2002	SE	6118 SE Lambert S	Schumacher Custom	Schumacher Custom	\$1,453.00
3/7/2002	SE	6142 SE Lambert S	Schumacher Custom	Schumacher Custom	\$1,453.00
3/7/2002	SE	6132 SE Lambert S	Schumacher Custom	Schumacher Custom	\$1,453.00
4/2/2002	SE	7135 SE Mall St	Mate Skoro	Mate Skoro	\$2,180.00
4/2/2002	SE	6542 SE Knight St	Milan Skoro	Milan Skoro	\$1,453.00
4/2/2002	SE	6610 SE Knight St	Milan Skoro	Milan Skoro	\$1,453.00

Water SDC Waivers - Affordable Housing - FY 01-02, continued

				Water Bills Mailed to:	
Date	Area	Address	Applicant/Patron	Mailed to:	SDC Waived
4/2/2002	SE	632 SE 62nd Ave	Fish Construction	Fish Construction	\$2,180.00
4/19/2002	SE	6138 SE Lambert S	Schumacher Custom	Schumacher Custom	\$2,180.00
4/8/2002	SE	8642 SE Rhone St	Palace Construction	Palace Construction	\$2,180.00
4/8/2002	SE	8704 SE Rhone St	Palace Construction	Palace Construction	\$2,180.00
4/8/2002	SE	6018 SE 84th Place	DK Home Constr	DK Home Constr	\$1,453.00
4/25/2002	SE	4412 SE 101st Av	GLC Properties, Inc	GLC Properties	\$1,453.00
4/25/2002	SE	4416 SE 101st Av	GLC Properties, Inc	GLC Properties	\$1,453.00
4/25/2002	SE	4420 SE 101St Av	GLC Properties, Inc	GLC Properties	\$1,453.00
4/25/2002	SE	10105 SE Holgate	GLC Properties, Inc	GLC Properties	\$1,453.00
5/30/2002	SE	9662 SE Ramona S	Schumacher Custom	Schumacher Custom	\$2,180.00
6/5/2002	SE	6607 SE 56th Ave	Apostolic Faith Miss.	Apostolic Faith Miss	\$1,453.00
6/5/2002	SE	6539 SE 56th Ave	Apostolic Faith Miss.	Apostolic Faith Miss	\$1,453.00
6/5/2002	SE	1219 SE 88th Av	LHC Construction	LHC Construction	\$2,180.00
6/6/2002	SE	3308 SE 53rd Av	Palace Construction	Palace Construction	\$2,180.00
6/17/2002	SE	5701 SE Schiller St	Bunnell Construction	Bunnell Construction	\$1,453.00

Grand Total 01-02	\$327.693.00

Subtotal SE \$112,624.00

Water SDC Waivers - Affordable Housing - FY 00-01, continued

Date	Address	Applicant/Patron	Water Bills Mailed to:	
5/9/2001 NE	1431 NE 61st Ave	Northstar Deve	Northstar Deve	\$1,147.00
2/2/2001 NE	4206 NE Mallory Av	Kassebaum Const	Kassebaum Constr	\$1,147.00
2/2/2001 NE	4214 NE Mallory Av	Kassebaum Const	Kassebaum Constr	\$1,147.00
4/19/2001 NE	5128 NE 47th Ave	Habitat for Humanity	Habitat for Humanity	\$1,147.00
5/9/2001 NE	1427 NE 61st Ave	Northstar Deve	Northstar Deve	\$1,147.00
11/7/2000 NE	4409 NE 62nd Ave	DK Home Constr	DK Home constr	\$1,147.00
11/7/2000 NE	4417 NE 62nd Ave	DK Home Constr	DK Home constr	\$1,147.00
11/7/2000 NE	4425 NE 62nd Ave	DK Home Constr	DK Home constr	\$1,147.00
11/17/2000 NE	4722 NE 9th Ave	Irvington Covenant	ICDC	\$1,147.00
11/17/2000 NE	4718 NE 8th Ave	Irvington Covenant	ICDC	\$1,147.00
11/28/2000 NE	5323 NE 24th Ave	PCRI	PCRI	\$1,147.00
11/28/2000 NE	45 NE 127th Ave	PCRI	PCRI	\$2,867.00
11/28/2000 NE	41 NE 127th Ave	PCRI	PCRI	\$5,733.00
12/5/2000 NE	4910 NE 76th Ave	DK Home Constr	DK Home constr	\$1,147.00
2/2/2001 NE	4202 NE Mallory Av	Kassebaum Const	Kassebaum Constr	\$1,147.00
2/8/2001 NE	1507 NE Saratoga St	Lorne Martin	Lorne Martin	\$1,147.00
4/12/2001 NE	5023 NE 11th Ave	General Development	General Development	\$1,147.00
4/19/2001 NE	4722 NE Sumner St	Habitat for Humanity	Habitat for Humanity	\$1,147.00
4/19/2001 NE	1302 NE Highland St	Habitat for Humanity	Habitat for Humanity	\$1,147.00
4/23/2001 NE	737 NE 99th Ave	Gateway Arbors	Gateway Arbors	\$9,172.00
5/9/2001 NE	143 NE 61st Ave	Northstar Deve	Northstar Deve	\$1,147.00
5/9/2001 NE	1435 NE 61st Ave	Northstar Deve	Northstar Deve	\$1,147.00
5/18/2001 NE	4040 NE Tillamook St	Sockeye Develop	Walsh Construction	\$6,952.00
5/18/2001 NE	4916-4938 NE 10th	Housing Our Families	Housing Our Families	\$5,733.00
5/18/2001 NE	4616 NE Garfield Av	Housing Our Families	Housing Our Families	\$2,867.00
Subtotal NE				\$55,117.00
7/11/2000 SE	6424 SE 83rd Ave	DK Home Constr	DK Home constr	\$1,147.00
7/26/2000 SE	7229 SE 69th Ave	Home Port	Home Port	\$1,147.00
7/28/2000 SE	10211 N Lombard St	Bell Construction	MRA Enterprises	\$8,346.00
8/1/2000 SE	7435 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
8/1/2000 SE	7447 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
9/12/2000 SE	7404 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
9/12/2000 SE	7407 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
9/12/2000 SE	7418 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
9/12/2000 SE	7446 SE Augusta Ct	Rick Gardner	Columbia Country Hme	\$1,147.00
9/20/2000 SE	5502 SE Knapp St	A & J Quality Const	A & J Quality Const	\$1,147.00
9/20/2000 SE	5508 SE Knapp St	A & J Quality Const	A & J Quality Const	\$1,147.00
9/20/2000 SE	5520 SE Knapp St	A & J Quality Const	A & J Quality Const	\$1,147.00
9/26/2000 SE	3822 SE 80th Ave	Kassebaum Const	Kassebaum Constr	\$1,147.00
9/26/2000 SE	3826 SE 80th Ave	Kassebaum Const	Kassebaum Constr	\$1,147.00
10/10/2000 SE	6930 SE 70th Ave	Fish Constr	Fish Constr	\$1,147.00
10/25/2000 SE	6418 SE 60th Ave	A & J Quality Const	A & J Quality Const	\$1,147.00
11/17/2000 SE	12025 SE Pine St	Specialized Housing	Pine Point Ltd Partner	\$9,172.00
11/17/2000 SE	12031 SE Pine St	Specialized Housing	Pine Point Ltd Partner	\$9,172.00
11/29/2000 SE	5815 SE 57th Ave	Schumacher Custom	Schumacher Custom	\$1,147.00
11/29/2000 SE	6137 SE 89th Ave	Schumacher Custom	Schumacher Custom	\$1,147.00 \$1,147.00
12/6/2000 SE	6604 SE 69th Ave	Schumacher Custom	Schumacher Custom	\$1,147.00 \$1,147.00
12/12/2000 SE	6736 SE Boise St	Schumacher Custom	Schumacher Custom	\$1,147.00

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APPENDIX D

Low Income PDOT SDC Housing Waivers by Agency

Low Income PDOT SDC Housing Waivers by Developer

Non-Profits	Amount	For Profits	Amount
Franciscan Enterprises	5,819	A&J Quality Construction	20,147
Habitat for Hunamnity	43,338	Advanced M&D Sales	1,491
Hacidenda CDC	61,883	All J Incorporated	1,433
HOST	96,234	Bunnell Construction	2,982
Housing Authority of Portland	199,632	Cavenaugh & Cavenaugh	2,594
Housing our Families	22,095	Columbia County Homes	6,824
Human Solutions	98,770	Damir Karin Home Const	40,617
Irvington Covenant CDC	1,735	Duke Development	1,735
Innovative Housing	148,543	Elliot Propeerties	3,788
Jubilee Fellowship Ministries	2,690	Eric S Oman	5,732
Link Flanders CDC	17,345	Fargo Rowhouse LLC	9,321
McDonald Center Assisted Living	5,373	Fish construction	37,565
Miracle Revivals	2,573	Foglio Homes	4,415
NE CDC	9,897	GLC Properties	5,682
Northwest Housing Alternatives	21,332	GP Investments	4,299
Outside In	5,923	Gateway Arboers LLC	15,566
Peninsula CDC	2,866	HomePort	25,937
PCRI	11,349	Ivan Skoro Construction	5,790
Portland Rescue Mission	38,610	John Guzzwell	1,491
Portsmouth CDC	7,524	John Talpos	1,433
Rose CDC	18,513	Kassebaum Construction	12,988
Rosemont Town Homes	18,540	Kenneth Leach	1,491
RVM Portland Housing Corp.	22,997	LHC Enterprises LLC	11,295
Sabin CDC	38,204	Lorne Martin Excavation	29,124
Shelter America	9,795	MacDuffee Co.	7,514
Specialized Housing St. Athony's	11,828	Mosaic Portland Condos	6,560
St. Anthony's	11,502	MRA Enterprises	8,742
Sustainable Community	2,866	Nancy Sideras Construction	5,906
Total	937,776	North Start Development	7,318
		PAC Homes	1,433
		Pacific Tower	24,102
		Palace Construction	82,217
		RidgePoint	9,942
		Rosemont Investment	10,683
		Ryan Homes	7,213
		Schumacher Custom Homes	39,609
		Sockeye Rowhouse	30,342
		Springwater Heights	25,930
		Tradewinds Investment Group	1,365
		Well Made Homes	4,357
		TOTAL	526,973

APPENDIX E

LIST OF 36 TRANSPORTATION SDC CAPITAL PROJECTS ADOPTED IN RATE STUDY

- 1. South/North Light Rail Improvement
- 2. Central City Street Car
- 3. Citywide ITS
- 4. Hawthorne Fastlink
- 5. SE Foster Fastlink
- 6. Division Fastlink
- 7. North Macadam Street
- 8. Lower Albina Rail Overcrossing
- 9. SE Water Avenue Extension
- 10. SE Tacoma Street
- 11. SE Foster Road Intersections
- 12. Gateway Regional Center
- 13. NE Marine Drive/122nd
- 14. East End Columbia-Lombard Connector
- 15. NE 57th/Cully Blvd
- 16. NE 47th
- 17. North Lombard St. Rail Overcrossing
- 18. North Going St. Rail Overcrossing
- 19. SW Palatine St.
- 20. Columbia/MLK Intersection Improvement
- 21. SW Multnomah Blvd/Garden Home Intersection
- 22 I-405 Kerby Street Improvement
- 23 SE Foster/Woodstock Improvements
- 24 SW Capitol Hwy –Sunset to Terwilliger
- 25 SW Capitol Hwy –Beaverton-Hillsdale to Berta
- 26 SW Capitol Hwy 31st to Hillsdale Viaduct
- 27 SW Capitol Hwy 35th to Miles
- 28 SW Capitol Hwy Multnomah Viaduct to Taylors Ferry
- 29 SW Capitol Hwy SW Multnomah Blvd to Taylors Ferry
- 30 SW Capitol Hwy Bertha to Vermont
- 31 SW Capitol Hwy Chelterham to Terwilliger
- 32 SW Capitol Hwy/26th Intersection
- 33 SW Capitol Hwy 35th to Mulnomah
- 34 SW Capitol Hwy/Taylors Ferry Rd Intersection
- 35 SW Vermont
- 36 Steel Bridge Pedestrian Way

APPENDIX F

TRANSPORTATION SDC TODD MAP DETAIL

Tier One

Area

Includes the following sub-districts of the Central City Plan: DT1 through DT 6-2; UD 1-1 and UD 1-2; RD 3, 4, 5-1 and 5-2; GH 1; CE 2 and 3; and LD 1-4. (The gray shaded area of the map).

Criteria for discount – location

<u>Discount</u> - 90% of the motorized trips and 10% of the transit and non-motorized trips.

Tier Two

Area

The Central City Plan District excluding the sub-districts of Tier One. (The white area inside the black dashed border on the map)

Criteria for discount – At least 40 units of housing per net acre OR a floor area ratio of 2 to 1

Discount - 90% of the motorized trips and 10% of the transit and non-motorized trips.

Tier Three

Area

The remainder of the City outside the Central City Plan District

Criteria for discount

1. Is within 500 feet of a street with fixed-route transit service <u>OR</u> within 1,000 feet of a light rail station

AND

2. Includes at least 30 units of housing per acre <u>OR</u> a floor area ratio of 1 to 1 <u>OR</u> is located in a commercial zone where no parking is required by Code, no on-site parking is provided and there are no drive through facilities.

<u>Discount</u> – 50% of the motorized trips and 10% of the transit and non-motorized trips.

Appendix E: BDS System Development Charges Informational Flyer

Systems Development Charges (SDCs)



City of Portland Oregon
Development Services Center
1900 SW Fourth Avenue
Portland, Oregon 97201
503-823-7300
www.portlandonline.com/bds

Bureau of Development Services
Bureau of Environmental Services
Bureau of Parks & Recreation
Portland Fire & Rescue
Portland Office of Transportation
Portland Water Bureau



The Bureau of Development Services (BDS) has compiled information about all the City's SDC fees in one handout as a service to our customers. The bureau's goal is to provide you with comprehensive information about what SDCs are and how they may apply to your project.

Systems Development Charges (SDCs) are fees assessed to new development and changes in use. These fees are collected to help offset the impact your project will have on the City's infrastructure of storm and sanitary sewer systems, parks and recreation facilities, water, and street systems.

City bureaus that assess SDCs

Bureau of Environmental Services (BES)	voice mail 503-823-7761	Charges cover the cost of increased use. SDCs reimburse BES for the infrastructure necessary for development.		
Bureau of Parks and Recreation	503-823-5105	Charges cover a portion of the cost to provide for parks and recreation facilities to serve new development.		
Portland Office of Transportation (PDOT)	503-823-7002	Charges cover the cost for transportation facilities needed to serve new development and the people who occupy or use the new development.		
Portland Water Bureau	503-823-7368	Charges cover the cost of improvements that provide new capacity.		

SDCs may be charged when:

- There is a change of use or occupancy
- Increased number of plumbing fixture units
- · Additional dwelling units are added
- Increasing the size of a water meter
- The project includes more than 500 sq. ft. of new or redeveloped impervious area
- New stormwater or sanitary connections are proposed
- Proposal results in additional volume to existing connections.

Bureau of Environmental Services Rates July 1, 2008 - June 30, 2009

Sanitary Sewer Systems Development Charges			
Class of Structure	Ra	ite	
Per equivalent dwelling unit, single family residences and townhomes	\$	3,520.00	
Duplex, two family residences	\$	5,632.00	
Tri-plex residences	\$	8,448.00	
Four-plex residences	\$	11,264.60	
Commercial Multi-family residential, 0.8 EDU per unit	\$	2,816.00	
Commercial tenant spaces		plumbing fix-	
Commercial and Industrial	ture	e count (PFU)	
Sanitary Sewer Connection Charges			
Line charge per square foot of line	\$	0.994	
Branch charge per branch used	\$	3,127.00	
For Wye or Tee only	\$	219.00	
Sewer connection permit fee	\$	150.00	

Stormwater System Development Charges			
Ra	te		
\$	651.00		
\$	754.00		
\$	1,033.00		
Commercial, Industrial and Multi-family residential			
\$	136.00		
\$	4.27		
\$	2.23		
	\$ \$ \$ ily ro	\$ 651.00 \$ 754.00 \$ 1,033.00 ily residential \$ 136.00 \$ 4.27	

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Portland Office of Transportation Rates effective July 1, 2008 - June 30, 2009 or until amended

Land Uses	Unit	Pe	r Unit
Single Family (1 to 3 units)	dwelling	\$	2,180.00
Multi Family (4 or more units)	dwelling	\$	1,577.00
Senior Housing	dwelling	\$	756.00
Accessory Dwelling Unit	dwelling	\$	1,092.00
Rowhouse/Condo	dwelling	\$	1,375.00
Nursing Home	bed	\$	459.00
Congregate Care/Asst Living	dwelling	\$	391.00
Bank	sq ft/GFA	\$	19.93
Day Care	student	\$	193.00
Library	sq ft/GFA	\$	6.73
Post Office	sq ft/GFA	\$	13.48
Hotel/Motel	room	\$	2,001.00
Service Station/Fuel Sales	VFP	\$	11,201.00
MovieTheater	screen	\$	24,329.00
Carwash	wash stall	\$	11,420.00
Health Club	sq ft/GFA	\$	6.35
Marina	berth	\$	570.00

Bureau of Parks and Recreation

Rates: January 1, 2009 through December 31, 2009

Type of Unit	Non Central City	Central City
Single Family Dwelling	\$ 3,986.00	\$ 4,076.00
Multi Family	\$ 2,616.00	\$ 2,621.00
Manufactured Home	\$ 3,712.00	\$ 3,967.00
Accessory Dwelling Unit	\$ 2,172.00	\$ 2,297.00
Single Room Occupancy	\$ 1,801.00	\$ 2,344.00
Commercial Use and Occupancy Code	Non Central Central City City per 1,000 sq. ft.	
Hospital/convalescent hospital/institutional day care	\$ 236.00	\$ 547.00
Office/bank	\$ 223.00	\$ 516.00
Retail/restaurant/nightclub	\$ 176.00	\$ 407.00
Industrial/school/assembly hall/motel/hotel	\$ 111.00	\$ 259.00
Warehouse/storage/parking garage/mausoleum	\$ 25.00	\$ 58.00
To see map and more information: www.portlandonline.		

com/parks > rentals/permits/fees > SDC fees > Park SDC

Land Uses	Unit	Pe	r Unit
School, K-12	student	\$	225.00
University/College	student	\$	451.00
Church	sq ft/GFA	\$	2.03
Hospital	sq ft/GFA	\$	4.17
Park	acre	\$	378.00
Restaurant	sq ft/GFA	\$	15.13
Quick Service Restaurant (drive-through)	sq ft/GFA	\$	35.01
Miscellaneous Retail	sq ft/GLA	\$	3.68
Shopping Center	sq ft/GLA	\$	4.64
Supermarket	sq ft/GFA	\$	11.03
Convenience Market	sq ft/GFA	\$	39.37
Discount/Department Store	sq ft/GFA	\$	7.05
Car Sales New/Used	sq ft/GFA	\$	7.07
Administrative Officde	sq ft/GFA	\$	2.80
Medical Office/Clinic	sq ft/GFA	\$	7.38
Light Industrial/Manufacturing	sq ft/GFA	\$	1.77
Warehousing/Storage	sq ft/GFA	\$	1.26
Self Storage	sq ft/GFA	\$	0.68
Truck Terminal	acre	\$	23,148.00
GFA: Gross Floor Area GLA: Gross Leasable Area VFP: Vehicle Fueling Position			

Portland Water Bureau

Rates: July 1, 2008 through June 30, 2009

5/8"	\$ 1,760.00
3/4"	\$ 2,640.00
1"	\$ 4,401.00
1 1/2"	\$ 8,801.00
2"	\$ 14,082.00
3"	\$ 26,403.00
4"	\$ 44,005.00
6"	\$ 88,010.00
8"	\$ 140,817.00
10"	\$ 253,118.00

NOTE: Fire lines are not assessed an SDC fee.

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There are Two Systems Development Charge Forms

If SDC charges apply to your project you need to complete the appropriate SDC form when you apply for your building permit. There is one for one and two family residential and one for commercial projects. These application forms are available in the Development Services Center (DSC) and online at

www.portlandonline.com/bds > select the Applications/ Handouts tab.

Alternate Rate and Fee Calculation

Transportation

If you want us to use trip generation rates other than those used in the City's Transportation SDC Ordinance and Rate Study, you must submit data certified by a professional traffic engineer. Use *Request for Alternate Trip Generation Rate and SDC Calculation Form TSDC-3* to submit such data, and attach it to the application. Institutional development (educational and medical campuses) may elect to base SDCs on annual changes in trip generation. Use *Institutional Development of Special Trip Generation Rate and SDC Calculation Form TSDC-4*.

Parks

If you want us to use an alternate number of persons per dwelling unit than those used in the City's Parks SDC Methodology Study, you must submit analyzed and certified documentation by a suitable and competent professional. Alternative SDC rate calculations must be based on analysis of occupancy of classes of structures, not on the intended occupancy of a particular new development. Use Request for Alternative occupancy and SDC Calculation Form PSDC-6 and include it with the application.

Optional Credit for Providing Qualified Public Improvements

Transportation

If you want to reduce the amount of your Transportation SDC, you may make improvements to specific transportation facilities in the City of Portland. Use *Request for Credit for Qualified Public Improvement Form TSDC-5* to submit such data, and attach it to your *Systems Development Charge Form*.

Parks

To reduce the amount of your Parks SDC, you may donate property or improvements to certain qualified park facilities in the City of Portland. Use *Request for Parks SDC Credit for Qualified Public Improvement, Form PSDC-7* to submit a request, and attach it to your *Systems Development Charge Form*.

Timing and Method of Payment

The City will give you a Notification of SDC Fees if you are required to pay any charges for your development. At this point you will decide when and how to pay for the SDCs.

For all SDCs

- Pay by cash, check or credit card at the time the City issues a building permit.
- Request a City loan by completing and signing an installment contract to pay the SDCs in monthly installments over a number of years.*

For Transportation and Parks SDCs

- Defer payment for up to 180 days after the building permit is issued.*
- Transfer SDC credits (contact respective bureaus for more information).
- * SPECIAL NOTE: The City secures a loan or deferral by recording a lien on the benefited property. The lien remains in effect until the SDCs are paid in full. The City charges a non-refundable processing fee to cover the expense of setting up a loan or deferral. The installment contract must be signed by the property owner of record before the City authorizes a loan for the SDCs.

If You Need Help:

If you need help with or have questions about your Systems Development Charge (SDC) please call the appropriate bureau from the SDC hotline list below:

Portland Office of Transportation	503-823-7002
Bureau of Parks and Recreation	503-823-5105
Bureau of Environmental Services	503-823-7761
Portland Water Bureau	503-823-7368

Portland Development Commission administers payment assistance programs for SDCs:

E-mail: sdc@pdc.us Web site: www.pdc.us/sdc Phone: 503-823-3270

Location: 222 NW 5th Avenue, Portland, OR 97209

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Q&A

Q How are SDCs calculated?

A Transportation: the rate for each mode of transportation is based on the following: 1) amount of money the City needs to collect over the next 10 years to increase the City's transportation system to accommodate growth-related trips, and 2) the projected City growth in the next 10 years. The SDC rate is multiplied by the number of trips your proposed land use generates based on nationally compiled statistics.

Parks and Recreation: the rate is based on the type of building.

Water: the rate is based on the size of meter installed. Meter size is determined by the number of plumbing fixtures installed on site. Fire lines are exempt from SDC fees.

BES: Rates are for either the class and number of residential units or related to the size of a commercial project. Sanitary rates are calculated from equivalent dwelling units (EDUs). Commercial EDUs are estimated from the number and type of plumbing fixture units (PFU's) A table of the equivalencies for PFUs to EDUs is available upon request from BES at 503 823-7761. Stormwater SDCs are based on the square feet of impervious area in the project and the number of trips the new property is expected to generate (using trip generation number used by PDOT).

Q How often do SDC rates change?

A City of Portland fees/charges are adjusted annually for inflation at the beginning of the fiscal year on July 1. Bureaus that charge SDCs may also change the rates at other times, but particularly at their SDC Review Cycle which varies for each bureau. PDOT reviews on a 10 year cycle and starts a new cycle January 2008. Parks rates will be changing January 2009.

Q Are there ways to reduce the SDC?

A Transportation and Parks each offer an optional alternate rate and fee calculation (page 3). BES Stormwater SDCs can be reduced by reducing the number of square feet of impervious area, such as with the use of vegetation or pervious pavement.

Q Are SDC credits available?

A Credits for providing qualified public improvements are available. You must complete the correct credit form and attach it to the SDC Form.

Transportation: allows credits if you participate in constructing certain types of street improvements, or change building use to one that reduces trips by more than 15 percent. Contact Transportation for an SDC list of capital projects and learn what projects qualify for a credit.

Parks: allows credits if you convey property or facilities to Parks and Recreation.

BES: gives credits for any EDUs purchased with prior use of the property. BES credits follow a property and are not transferable.

Q Can I give or sell my SDC credits?

A SDC CreditTransfers will be issued by the City, and are transferable to other parcels or persons. Credits are good for a period of 10 years.

Q I have a credit from the Water Bureau, but it seems different. How does it work?

A Do not confuse a credit from the Water Bureau for permanently removing services with a credit for public improvements. These credits are not transferable to other parcels. If redeveloping a parcel, the credit issued for that parcel may be applied to a new domestic service. Unused credit is not refundable.

Q Are SDC exemptions available?

A Transportation: Any building permit issued by the City of Portland that is subject to a transportation SDC for Washington or Clackamas County is exempt from a Portland transportation SDC. Remodels of buildings of less than 3,000 sq. ft. with no change of occupancy are exempt. In buildings between 3,001 and 5,000 sq. ft. are assessed on a graded scale. Exemptions are available for qualifying low-income housing projects.

BES and Parks: Exemptions are available for qualifying low-income housing projects.

Portland Development Commission (PDC): Administers affordable housing credits, contact PDC at 503-823-3269.

Q What is the Bureau of Development Services' role in SDCs?

A SDCs are development related fees, assessed to some projects. While the building permit is issued by BDS, SDCs are associated with the impact the project will have on the need for additional development of specific portions of the City's infrastructure. Bureaus other than BDS are charged with the mission of planning and maintaining Portland's streets, sidewalks, transit, water service, sanitary sewer system and parks. These services are partially funded through specific SDC fees.

Q How do I know who to call?

A Direct your question to the specific bureau that that assesses the SDC in question. Each bureau that charges SDCs has a SDC hotline. Call PDC for affordable housing and payment assistance inquiries. See page 3 for phone numbers.