



TRANSPORTATION SYSTEM DEVELOPMENT CHARGES UPDATE PROCESS

Bureau and Budget Advisory Committee Meeting

February 16, 2017

1. What are Transportation System Development Charges?

Transportation System Development Charges (TSDCs) are one-time fees paid by developers when they build a new residential or commercial development. The fee covers part of the cost of building transportation facilities to serve new development – things like roads, sidewalks, and other facilities that get people to where they need to go.

The City of Portland Bureau of Transportation is updating Portland's TSDCs. The update includes three key components:

1. Update the methodology used to calculate TSDCs.
2. Update the list of projects eligible for TSDC-funded investments.
3. Update the rates that developers pay.

2. State Requirements for System Development Charges

SDC's are authorized under *ORS223*. Among other provisions, the statute requires the following:

- SDC projects must originate from a local government plan (capital improvement plan, public facilities plan, master plan or comparable plan) that lays out estimated cost, timing and percentage of costs eligible to be funded with SDCs.
- SDCs must identify the percentage of project costs needed to increase the capacity of the system to serve the demands placed on the system by future users.
- Projects must increase capacity by improving the level of performance or service or providing new facilities.
- SDCs may not be expended for operation or maintenance of facilities.

The current and proposed TSDC programs were designed to meet all of the applicable ORS requirements.

3. Online Open House

The online open house is an opportunity for the public to learn about Transportation System Development Charges, learn about the TSDC update process, and provide feedback on the list of potential projects that could be built using TSDC revenues.

The [open house](#) includes the following “stations”:

1. ***About Transportation System Development Charges***
Learn about the basic purpose and function of TSDCs.
2. ***The Transportation System Development Charge Update***
Why and how the fee is being updated.
3. ***Potential Projects***
Explore the list of potential projects and provide feedback.
4. ***Next Steps / Final Questions***
Tell us more about you, and learn how you can be involved in the next steps of the process.

To date, **82 surveys have been completed**, and there have been **~300 unique site visits**.

Online Survey Select Comments

- “We need to be protecting our most vulnerable first, and people who are walking, biking, and using transit, are the most vulnerable out there!”
- “Focus on communities of concern and more recently annexed areas that lack sidewalks, bike routes and general connectivity.”
- “Use TSDCs to leverage other potential funding sources!”
- “The larger transit and other regional projects should come from other sources. The TSDC projects should be focused on more local needs that are unlikely to be eligible for other funding.”
- “Prioritize projects that provide complete and safe connections for people walking and biking; prioritize projects where current biking and walking facilities are unsafe or absent.”

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