



# Meeting Summary

## Transportation System Development Charge Stakeholder and Technical Working Group Meeting #1

Tuesday, December 15, 2015

3:00 p.m. – 5:00 p.m.

Development Services Building, 150 Beaver Creek Road, Oregon City, OR 97045

### Participants – Committee Members

Martha Fritzie – *Clackamas County*

Abbot Flatt – *Clackamas County*

Lori Phillips – *Clackamas County*

Matt Grady – *Gramor Development*

Monty Hurley – *AKS Engineering*

Tom Ellis – *Happy Valley City Council*

Michael Walter – *City of Happy Valley*

Rick Nys – *Clackamas County*

### Project Team and Staff

Jimmy Thompson – *Clackamas County*

Diedre Landon – *Clackamas County*

Ellen Rogalin – *Clackamas County*

Ray Delahanty – *DKS Associates*

Randy Young, *Henderson Young & Co*

Sylvia Ciborowski – *JLA Public Involvement*

### Meeting Introduction

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Jimmy Thompson, Clackamas County, welcomed participants to the meeting and thanked them for their participation. He explained that Clackamas County is beginning a project to update the Transportation System Development Charge methodology. Clackamas County has a TSDC for unincorporated areas, and the County and city of Happy Valley have a Joint TSDC that covers both Happy Valley and unincorporated areas around the city limits. The TSDC methodology has not been updated since 2006.

The role of the working group is to provide input to help shape the TSDC methodology update and rates. The group is expected to meet five to six times between now and the end of July 2016.

The purpose of today's meeting is to introduce and review a draft memorandum identifying sixteen components of the County's current TSDC methodology as well as potential alternatives for those components. County staff provided members with copies of the memorandum.

Randy Young, Henderson Young & Co, reviewed each of the sixteen components and members discussed them in turn. He explained that the project team would continue to receive input from

members on the memo, and then provide a draft revised memo for their review at the next working group meeting later in January 2016. The resulting memo will then to be presented to both the Clackamas County Board of County Commissioners, and the Happy Valley City Council.

Members are invited to continue to provide their input on the memo using this online survey: <https://www.surveymonkey.com/r/MQCVZ2W>

## **Committee Discussion: TSDC Methodology Memorandum**

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Randy Young, Henderson Young & Co, reviewed each of the sixteen components and members discussed them in turn. Members asked the following questions and made these comments:

### **Component #1: Modes of Travel**

- A member asked if TSDC funds can be used to improve roads or facilities that the County does not own. Staff replied that this is not a common practice.

### **Component #2: Priority of Projects**

- Staff clarified that under the current methodology, a developer can receive a CIP credit for completing a part of any project on the CIP list, even if that project is not a high priority for the public.
- A member asked about the pros and cons from a developer's perspective of using the current TSDC methodology versus using the alternative methodology (which would list only projects of highest priority). Staff replied that one benefit of the alternative methodology is that a developer might receive higher assurance that the shorter, prioritized list of projects would get built in their lifetime. On the other hand, one drawback is that the shorter list might not include some projects that the developer favors, and thus those projects may not be constructed for many years (after the prioritized projects are built).

### **Component # 6: Future Projects and Completed Projects**

- Staff noted that the issue with this component is whether a reimbursement fee should be allowed for projects that were built using grants that the jurisdiction is not required to pay back.
- A member commented that the current TSDC list includes only two reimbursement fees. The TSDC fee would probably not be reduced very much if we switch to the alternative methodology proposed.

### **Component #7: Trip Types**

- A member commented that a person trips model might result in a higher percentage of projects with TSDC eligibility.
- Staff clarified that the County can use existing data and metrics from other jurisdictions to calculate the person trips metric. The County does not need to create the metric from scratch.

### **Component #9: New Trips**

- Staff clarified that the alternative methodology proposes to reduce the TSDC charge for diverted link trips, since the motorist is already on the roadway and the diverted trip is not counted as an entirely new trip.

### **Component #10: Trip Length**

- Staff clarified that under the current methodology developments with land uses that create longer trips are charged a higher SDC. The proposed alternative methodology is to eliminate this adjustment, because the data that links land use to trip lengths is not very credible.
- A member asked if it would be a good practice to apply a trip length adjustment based on sub-area. For example, charging developers in Government Camp a higher fee because they are located far away from other areas, causing longer trip lengths. Staff responded that the TSDC calculation could be based on sub-area or based on the functional classification of roads that travelers are like to use to reach that development (i.e., arterial versus local roads). Another option is to create an overlay district. These methodologies are explained in Component 13.

### **Component #12: Residential Development TSDC Rates**

- A member asked if the alternative methodology would create a separate SDC for additions to square footage. Staff responded that yes, the developer or home owner would need to pay an additional SDC fee at the time of the addition of square footage.
- A member commented that an SDC should only be charged if the addition of square footage would actually generate more trips. Adding bedrooms would likely create more trips because more people would live in the home, but adding a larger living room or other area would not necessarily create more trips. Staff responded that some jurisdictions use a bedroom number basis for the SDC. This results in some architects trying to game the system by, for example, building a one bedroom-4 den house.

### **Component #14: Compliance Costs**

- Staff clarified that Oregon law allows the County to charge for the cost of project construction plus the cost of compliance (i.e., the cost of administering the SDC program).
- A member asked if compliance cost includes the debt service cost. Staff replied that the County's current methodology does not include debt service costs, but some other jurisdictions do include this.

### **Component #16: Indexing Future TSDC Rates**

- A member commented that the County used ODOT's published index in the past but ODOT stopped publishing it. This forced the County to develop its own index. County staff would prefer to use one published index rather than going by the County's complex formula.