

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS
Policy Session Worksheet

Presentation Date: 11/07/17 **Approx Start Time:** 2:30 pm **Approx Length:** 30 min

Presentation Title: Transportation System Development Charge (TSDC) Update

Department: Transportation & Development

Presenters: Diedre Landon, Administrative Services Manager, DTD

Other Invitees: Dan Johnson, Assistant Director of Development, DTD; Jimmy Thompson, Senior Policy Analyst, DTD; Ellen Rogalin, Community Relations Specialist, DTD/PGA

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

On November 8, 2017, the Board will hold the first of two public hearings for adoption of the updated TSDC methodology. Staff is seeking support of proposed updates to the Transportation System Development Charge (TSDC) program:

- Ordinance Amendments
- Plan Updates

EXECUTIVE SUMMARY:

In early 2016, the County began updating our 10-year-old Transportation System Development Charge (TSDC) plan in order to:

1. Update the list of capital projects eligible to receive TSDC revenue;
2. Update the TSDC rates charged to different kinds of development, and
3. Streamline and simplify the TSDC program for our customers.

Over the past year and a half, staff has been meeting with a work group of commercial and residential developers, the Home Builders Association and engineering firms that represent the site development community to help us develop the new plan, project list and rate schedule.

During the update process, we met with the Board of County Commissioners seven times and brought the work group recommendations back to the Board on four occasions (Attachment 1). Each of our seven meetings targeted a specific component of the TSDC plan.

We published notice of our methodology update in the Daily Journal of Commerce, online, through social media and emails. We also held a virtual open house for a month prior to finalizing our plan. We are coming to the end of our 90-day public comment period and adoption is scheduled for public hearings on November 8 and November 30.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? Total Project Cost = \$270,000; \$20,000 FY 2017/18

What is the funding source? TSDCs; Funds 223 & 227

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?

This supports the department’s mission to *provide transportation maintenance and construction, land use planning, permitting ... to residents, property owners, businesses and the traveling public so they and future generations can experience and invest in a safe, well-designed and livable community.*

- How does this item align with the County’s Performance Clackamas goals?

This supports the following County goals:

- *Grow a vibrant economy*
- *Build a strong infrastructure*
- *Build public trust through good government*

LEGAL/POLICY REQUIREMENTS:

TSDCs have been used in Oregon since the mid-1970s; state legislation on SDCs was adopted in 1989. Additions and modifications to the Oregon Systems Development Act (ORS 237.297 - 314) were made in 1993, 1999, 2001 and 2003.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Stakeholder involvement is critical to the success of the TSDC update process. We have a TSDC work group with participants from Clackamas County and Happy Valley staff, developers and commercial interests to help shape the TSDC process. Staff has met with the Clackamas County Board of Commissioners seven times throughout the process. Public & Government Affairs staff are involved in our education and outreach.

OPTIONS:

Option A. The Board concurs with decisions made at prior meetings and directs staff to proceed with adoption of the TSDC methodology using these assumptions.

Option B. The Board would like to make amendments and directs staff to develop an alternative to the current draft TSDC methodology prior to final adoption.

RECOMMENDATION:

Staff respectfully recommends that the Board of Commissioners approve Option A: concur with the decisions made at prior policy sessions and direct staff to proceed with adoption of the TSDC methodology using these assumptions.

ATTACHMENTS:

1. Clackamas County 2016-17 Process Overview: Transportation System Development Charge Plan Update

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

<p><i>For information on this issue or copies of attachments, please contact Diedre Landon, DTD Administrative Services Manager @ 503-742-4411.</i></p>

Clackamas County | 2016-17 Process Overview Transportation System Development Charge Plan Update

In early 2016, the County began updating our 10-year-old Transportation System Development Charge (TSDC) plan in order to:

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On November 8, 2017, the Board will hold a public hearing for adoption of the updated TSDC methodology. There will be two readings of the ordinance amendments, the first at the public hearing November 8 and the second at a Board Business Meeting on November 30, 2017.

STEP 1	BCC DISCUSSION DATE	DISCUSSION
Identify Eligible Projects	May 24, 2016 June 27, 2017	<p>The list of capital projects eligible to receive TSDC revenue sets the foundation for calculating the rates for different kinds of development.</p> <p>The work group chose criteria for selecting projects from the Transportation System Plan (TSP) and other locally adopted plans that will become eligible for TSDC funding.</p>
<p>OPTIONS:</p> <ol style="list-style-type: none"> 1) Continue the update process with the TSDC work group criteria; or 2) Modify the criteria before moving forward with the calculation of the growth share and draft rate schedule. 	<p>DECISION:</p> <p>Develop the project list using the following criteria:</p> <ul style="list-style-type: none"> • Increases traffic connections to daily needs and services • Reduces congestion at intersections • Located in or near a current or future employment area • Improves safety on roads • Provides the greatest benefit to the entire community by keeping projects on roads with significant amounts of traffic, such as arterials and collectors 	



STEP 2	BCC DISCUSSION DATE	DISCUSSION
Select Traffic Impact Measure	July 28, 2017	Rates differ by land use based on the number of trips a new or expanded development is estimated to add to the transportation system. The TSDC fee for a single-family home is lower than the fee for a large grocery store because it generates fewer trips.
OPTIONS: <ol style="list-style-type: none"> 1) Continue measuring the total impact a development has on traffic throughout a day (Average Daily Traffic [ADT]); or 2) Change to measuring the amount of traffic a development is estimated to add during the afternoon commute (PM Peak). 		DECISION: Continue to use Average Daily Traffic (ADT).

STEP 3	BCC DISCUSSION DATE	DISCUSSION
Define The Rate Structure	July 28, 2017 August 1, 2017	Currently, Clackamas County has a long list of rates, one for each specific type of land use. However, consolidating similar uses and going with a shorter list will make it easier for developers and the public to identify the correct rate, and will reduce the likelihood that commercial tenant improvements in an existing structure trigger a TSDC fee.
OPTIONS: <ol style="list-style-type: none"> 1) Continue to use the long list and adopt rates for 88 land uses; or 2) Reduce the complexity by consolidating similar uses and reducing the number of rates to 50. 		DECISION: Consolidate rates for similar land uses.
OPTIONS: <ol style="list-style-type: none"> 1) Continue having one rate per detached single-family home dwelling unit, regardless of the size of the home; or 2) Consider a rate that fluctuates based on the size of the home. 		DECISION: Continue with a single rate per dwelling unit for this update, but watch other jurisdictions and consider a proportional rate with the next TSDC update.

