

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution to Establish Transportation System \*
Development Charges for those Properties Within \* RESOLUTION NO. 2008-059
Unincorporated Deschutes County \*

WHEREAS, the Deschutes County Board of County Commissioners ("Board") held a duly noticed public hearing on May 28, 2008, to consider establishing a transportation system development charge ("SDC") to help fund transportation projects that are necessary to serve the existing and growth-related needs in the unincorporated areas of the county; and

WHEREAS, ORS 223.297 through 223.314 authorize governmental units to establish transportation system development charges; and

WHEREAS, system development charges are incurred upon the decision to develop property at a specific use, density and/or intensity, and the incurred charge equals, or is less than, the actual cost of providing public facilities commensurate with the needs of the chosen use, density and/or intensity; and

WHEREAS, system development charges are separate from and in addition to any applicable tax, assessment, charge, fee in lieu of assessment, or other fee provided by law or imposed as a condition of development; and

WHEREAS, system development charges are fees for services because they are based upon a development's receipt of services considering the specific nature of the development; and

WHEREAS, system development charges are imposed on the activity of development, not on the land, owner, or property, and, therefore, are not taxes on property or on a property owner as a direct consequence of ownership of property within the meaning of Section 11, Article XI of the Oregon Constitution or the legislation implementing that section; and

WHEREAS, revenues from the system development charges are to be used for capital improvements in the unincorporated areas outside the urban growth boundaries adjacent to the cities of La Pine, Sisters, Redmond and Bend; and

WHEREAS, the methodology proposed by Deschutes County Road Department ("Department") staff, identifies the uses of an "improvement fee" SDC, and a "reimbursement fee" SDC, and considers the transportation capital improvement needs of the unincorporated county; and

WHEREAS, the methodology proposes applying the SDCs to developing properties within the unincorporated county and outside of the designated urban growth boundaries of the cities of Sisters, La Pine, Redmond and Bend; and

WHEREAS, the Board determined that it is in the public interest to provide transportation capital facilities through the use of general county revenues, SDCs, and matching funds from the State of Oregon; now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as follows:

Section 1. The Board adopts the report, entitled Transportation System Development Charge Study, prepared by FCS Group, Inc. and DKS Associates, dated March 2008, attached as Exhibit "A" and incorporated by reference (herein "Methodology" or "Methodology Report"). The Board authorizes the collection of transportation system development charges in the unincorporated areas of Deschutes County.

Section 2. The Board adopts the System Development Charge Project List, attached as Exhibit "B," and incorporated by reference.

Section 3. DEFINITIONS.

- (A) "Applicant" shall mean the owner or other person who applies for a building or development permit in the unincorporated areas of Deschutes County outside the boundaries and the urban growth boundaries of the cities of La Pine, Sisters, Redmond and Bend.
- (B) "Building" shall mean any structure, built for the support, shelter or enclosure of persons, chattels or property of any kind.
- (C) "Building Permit" shall mean an official document or certificate authorizing the construction or siting of any building.
- (D) "Capital Improvement" shall mean a public facility or asset used for Transportation in the rural unincorporated areas outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond and Bend.
- (E) "Citizen or Other Interested Person" shall mean any person whose legal residence is within the unincorporated areas of Deschutes County outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond and Bend, as evidenced by registration as a voter, or by other proof of residency; or a person who owns, occupies, or otherwise has an interest in real property which is located within the unincorporated area of Deschutes County outside the urban growth boundaries of the cities of La Pine, Sisters Redmond and Bend.
- (F) "County" shall mean Deschutes County, Oregon.
- (G) "Department" shall mean the Deschutes County Road Department.
- (H) "Development" shall mean a building or other land construction, or making a physical change in the use of a structure or land, in a manner which increases the usage of any capital improvements or which may contribute to the need for additional or enlarged capital improvements.
- (I) "Development Permit" shall mean an official document or certificate, other than a building permit, authorizing development.
- (J) "Encumbered" shall mean monies committed by contract or purchase order in a manner that obligates the County to expend the encumbered amount upon delivery of goods, the rendering of services, or the conveyance of real property provided by a vendor, supplier, contractor or Owner.
- (K) "Extra capacity facility or improvement" means one or more arterial and collector improvements that are necessary in the interest of public health, safety and welfare to increase traffic capacity to address new development. Such improvements include, but are not limited to, signalization, channelization, widening, acquisition of right-of-way and necessary easements, street extensions, railroad crossing protective devices, bridges and bike paths.

- (L) "Improvement Fee" shall mean a fee for costs associated with capital improvements to be constructed after the effective date of this resolution. Notwithstanding anything in this resolution to the contrary, it is an incurred charge or cost based upon the use of or the availability for use of the systems and capital improvements required to provide services and facilities necessary to meet the routine obligations of the use and ownership of property, and to provide for the public health and safety upon development.
- (M) "Manufactured Housing" shall mean a dwelling unit constructed primarily off-site and transported to another site for use. A unit located in a designated mobile home park shall be considered a manufactured housing dwelling unit; otherwise a manufactured housing unit shall be considered a single-family dwelling unit.
- (N) "Multi-family housing" shall mean attached residential dwelling units.
- (O) "Occupancy Permit" shall mean an official document or certificate authorizing the occupation or use of any building or improvement authorized by a building permit.
- (P) "Owner" shall mean the person holding legal title to the real property upon which development is to occur.
- (Q) "Person" shall mean an individual, a corporation, including without limitation, limited liability corporation, a partnership, an incorporated association, or any other similar entity.
- (R) "Qualified Public Improvement" shall mean a capital improvement that is:
- (1) Required as a condition of development approval; and
  - (2) an Extra Capacity Facility or Improvement; or
  - (3) Identified in the capital improvement plan adopted pursuant to this resolution; and
  - (4) 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.
- (S) "Reimbursement fee" means a fee for costs associated with capital improvements constructed or under construction on the effective date of this resolution.
- (T) "Road Department Director" or "Director" shall mean the appointed Road Department Director of Deschutes County, Oregon.
- (U) "Single-family housing" shall mean a detached residential dwelling unit located on an individual lot.
- (V) "System Development Charge" shall mean a reimbursement fee, an improvement fee, or a combination thereof and an administrative recovery charge, assessed or collected at the time of increased usage of a capital improvement or issuance of an occupancy permit. System development charges are separate from and in addition to any applicable tax, assessment, fee in

lieu of assessment, or other fee or charge provided by law or imposed as a condition of development.

- (W) "System Development Charges Methodology" shall mean the methodology report adopted pursuant to this resolution, as amended.

Section 4. APPLICABILITY.

- (A) A Transportation System Development Charge is hereby imposed upon all new development for which a building permit is required within all unincorporated areas of the County outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond and Bend. This shall include new construction and alteration, expansion or replacement of a building or dwelling unit if such alteration, expansion or replacement results in an increase in the number of peak hour trips generated compared to the present number of peak hour trips generated by the development or the property on which the development is located. For alterations, expansions and replacements, the amount of the system development charge to be paid shall be the difference between the rate for the proposed development and the rate that would be imposed for the development prior to the alteration, expansion or replacement. Non-residential, farm-related buildings for growing and/or storing agricultural products to be used on site, and that do not generate additional commercial traffic are exempt.
- (B) The Transportation System Development Charges (SDC's) shall be determined as follows:
- (1) For those land-use categories which are specifically identified in the methodology report adopted pursuant to this resolution, the SDC amount shall be determined as identified in the Methodology Report.
  - (2) For land-use categories for which no trip generation rate is included in the methodology report, the Director shall use the land-use category identified in the Methodology Report that is most similar in trip generation, and may consider seasonal and/or cyclical variations to adjust peak hour trip rates. An applicant who does not agree with the Director's decision may appeal this decision as outlined in Section 12 of this resolution.
- (C) Applicants may submit a request for an alternative rate for system development charges, subject to the following conditions:
- (1) In the event an applicant believes that the impact on County capital improvements resulting from the development is less than the fee established in this resolution, such applicant may submit a calculation for an alternative system development charge to the Director prior to issuance of a building permit.
  - (2) The alternative system development charges rate calculations shall be based on data, information and assumptions contained in this resolution and the adopted methodology or an independent source, provided that the independent source is:
    - (a) a local study supported by a database adequate for the conclusions contained in such study,
    - (b) the study is performed using a generally accepted methodology and is based upon generally accepted standard sources of information relating to facilities planning, cost analysis and demographics
    - (c) The demonstrated number of peak hour trips is at least ten (10%) percent less than the number of peak hour trips set forth in the Methodology; and

- (d) the demonstrated number of peak hour trips shall be documented by a registered traffic engineer.
- (3) If the Director determines that the data, information and assumptions utilized by the applicant to calculate the alternative system development charges rates comply with the requirements of this Section, the alternative system development charges rates shall be paid in lieu of the rates set forth in this resolution.
- (4) If the Director determines that the data, information and assumptions utilized by the applicant to calculate the alternative system development charges rates do not comply with the requirements of this Section, were not calculated by a generally accepted methodology, were not at least ten (10%) less than the peak hour trips calculated in the Methodology report or were not demonstrated by a registered traffic engineer, then the Director shall provide to the Applicant (by Certified mail, return receipt requested) written notification of the rejection of the alternative system development charges rates and the reason therefor. The decision of the Director shall be in writing and issued within ten (10) working days from the date all data is received for review.
- (5) Any applicant who desires an alternative system development charge shall submit a proposal therefore not later than the date a building permit is issued. Issuance of a building permit shall not be construed as approval of such proposal.
- (D) Subject to the provisions of this Resolution, the County hereby assesses and shall collect a transportation system development charge ("SDC") on the following schedule:
  - (1) at the initial rate of \$3,016 per peak hour trip, consisting of a \$2,978 improvement fee, a \$0 reimbursement fee, and a \$38 administrative recovery charge.
  - (2) on and after July 1, 2009 and before April 1, 2010, at the rate of \$3,194 per peak hour trip, consisting of \$3,154 improvement fee, a \$0 reimbursement fee, and a \$40 administrative recovery charge;
  - (3) on and after April 1, 2010 and before January 1, 2011, at the rate of \$3,371 per peak hour trip, consisting of \$3,328 improvement fee, a \$0 reimbursement fee, and a \$43 administrative recovery charge;
  - (4) on and after January 1, 2011 and before July 1, 2011, at the rate of \$3,549 per peak hour trip, consisting of \$3,504 per peak hour trip, \$0 reimbursement fee, and a \$45 administrative recovery charge
  - (5) on and after July 1, 2011 the rate per peak hour trip shall be adjusted based upon the percentage increase in the construction cost index, published in January 2011 by the Engineering News Record for the City of Seattle, Washington. The calculation shall use July 1, 2008 and the peak hour trip rate of \$3,549 as the starting point.
- (E) For purposes of subsection (D) of this section the implementation of the adjusted rate shall first apply to building permits for which a building permit application is accepted by the County as complete on and after the date indicated.
- (F) Unless otherwise adjusted by order of the Board of County Commission, on each succeeding July 1 after July 1, 2011, the rate per peak hour trip, consisting of the improvement fee, the reimbursement, if any and the administrative recovery charge shall be adjusted by the annual percentage increase or decrease in the construction cost index, published in the preceding January

by the Engineering News Record for the City of Seattle, Washington. The calculation shall use the previous July 1 and the then applicable rate per peak hour trip as the starting point.

Section 5. UNINCORPORATED AREA OF LA PINE. Properties located in the unincorporated area south of the La Pine State Recreation Road and subject to the SDC assessed by Resolution Number 2006-010, shall pay the amount of the SDC assessed by this Resolution, less the amount of the SDC assessed by Resolution 2006-010.

Section 6. COLLECTION.

- (A) The Transportation SDC's shall be collected and paid in full upon application for an occupancy permit. An applicant may elect to pay an SDC over a ten-year period under the provisions of DCC 15.12.060.
- (B) Notwithstanding the occupancy of the improvement without payment of the SDC, the SDC liability shall survive and be a personal obligation of the permittee.
- (C) Intentional failure to pay the SDC within sixty days of the due date shall result in a penalty equal to fifty percent of the SDC. Interest shall accrue from the sixty-day point at the legal rate established by statute.
- (D) In addition to an action at law and any statutory rights, the County may:
  - (1) Refuse to issue a Certificate of Occupancy;
  - (2) Refuse to issue any permits of any kind to the delinquent permittee for any development;
  - (3) Condition any development approval of the delinquent permittee on payment in full, including penalties and interest;
  - (4) For purposes of this section, delinquent permittee shall include any person controlling a delinquent corporate permittee and, conversely, any corporation controlled by a delinquent individual permittee.

Section 7. CREDITS FOR DEVELOPER CONTRIBUTIONS OF QUALIFIED PUBLIC IMPROVEMENTS.

- (A) The County may grant a credit against the improvement fee portion, if any, of system development charges imposed pursuant to this resolution for the construction of any qualified public improvement.
- (B) Prior to issuance of a development permit, the applicant shall submit to the County a proposed plan and estimate of cost for construction of one or more qualified public improvements. The proposed plan and estimate shall include:
  - (1) a designation of the development project for which the proposed plan is being submitted;
  - (2) a legal description of any land proposed to be donated and documentation as to the seller and purchase price;
  - (3) a list of the contemplated capital improvements contained within the plan;
  - (4) an estimate of proposed construction costs certified by a professional architect or engineer; and
  - (5) a proposed time schedule for completion of the proposed plan; and

- (6) if the plan includes improvements that are not listed on the capital improvement plan adopted pursuant to this resolution, the applicant shall demonstrate to the Director's satisfaction that the improvement(s) qualify as an Extra Capacity Facility or Improvement. If the Director is satisfied that the applicant's proposed improvements (or a portion thereof) should be approved for credit, the Director shall prepare for Board approval a resolution amending the capital improvement plan. No credit shall be allowed for such proposed improvements until the Board approves an amendment to the capital improvement plan.
- (C) The credit provided for construction of a qualified public improvement shall be only for the cost of that portion of such improvement that exceeds the minimum standard facility size and must be designed and constructed to provide additional capacity to meet projected future transportation needs. Improvements that address capacity deficiencies existing at the time of development are not eligible. In the case of improvements addressing both, only that portion providing future capacity is eligible. The applicant shall have the burden of demonstrating that a particular improvement qualifies for credit.
  - (D) The Director is authorized to determine that the timing, location, design and scope of proposed improvement are consistent with and furthers the objectives of the County's capital improvements program and either:
    - (1) the improvement is required to fulfill a condition of development approval; or
    - (2) the improvement is within the impact area of the development. For purposes of this section, impact area is that geographic area determined by the Director in which the estimated peak hour traffic to be generated by the development exceeds ten (10%) percent of the existing average peak hour traffic. Existing traffic volumes shall be those observed within six months prior to filing the development application, adjusted for daily and seasonal traffic variations using factors provided by the Director.
  - (E) Credit eligibility shall be determined by the Director. In addition to meeting the standards of this section, the following shall control:
    - (1) No credits shall be issued for landscaping, street lighting, storm sewers, sidewalks, and erosion control; or sound walls, berms or other such mitigation devices.
    - (2) Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development condition is not creditable. The reasonable market value of land purchased by the applicant from a third party to complete a required off-site improvement is creditable.
    - (3) No credit shall be granted for utility relocation except for that portion which otherwise would have been the legal obligation of the county pursuant to a tariff, easement or similar relationship.
    - (4) No credit shall be granted for minor realignments not designated on the comprehensive plan.
    - (5) No more than 13.5 percent of the total eligible construction cost shall be creditable for survey, engineering, and inspection.
  - (F) All requests for credit vouchers must be in writing and filed with the Director not more than ninety-days after acceptance of the improvement. Improvement acceptance shall be in accordance with the County's policies, practices, procedures and standards. The amount of any credit shall be determined by the Director and based upon the subject improvement construction contract

documents, or other appropriate information, provided by the applicant for the credit. Upon a finding by the Director that the contract amounts exceed prevailing market rates for a similar project, the credit shall be based upon market rates. The Director shall provide the applicant with a credit voucher, on a form provided by the Department. The original of the credit voucher shall be retained by the Department. The credit voucher shall state a dollar amount that may be applied against any SDC imposed by the County against the subject property. In no event shall a subject property be entitled to redeem credit vouchers in excess of the SDC imposed. This paragraph applies only to issuance of credit vouchers and does not extend the deadline for credit redemption or otherwise modify the credit redemption deadline.

- (G) Credits shall be apportioned against the property which was subject to the requirement to construct an improvement eligible for credit. Unless otherwise requested, apportionment against lots or parcels constituting the property shall be proportionate to anticipated average peak hour trips generated by the respective lots or parcels. Upon written application to the Director, however, credits shall be reapportioned from any lot or parcel to any other lot or parcel within the confines of the property originally eligible for the credit. Reapportionment shall be noted on the original credit voucher retained by the Department.
- (H) Any credits issued pursuant to this Resolution are assignable, however, they shall apply only to that property subject to the original condition for land use approval upon which the credit is based or any partitioned or subdivided parcels or lots of such property to which the credit has been apportioned. Credits shall only apply against SDC's, are limited to the amount of the fee attributable to the development of the specific lot or parcel for which the credit is sought and shall not be a basis for any refund.
- (I) Any credit must be redeemed no later than the issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the occupancy permit. Under no circumstances shall any credit redemption be considered after issuance of an occupancy permit.
- (J) Credit vouchers shall expire on the date ten years after the acceptance of the applicable improvement by the county. No extension of this deadline shall be granted.

Section 8. FUND ESTABLISHED. The County hereby establishes a fund to be designated as the "Countywide Transportation SDC Improvement Fee Fund," (herein Transportation SDC Fund or the Fund).

- (A) All SDC payments shall be deposited into the Transportation SDC Fund immediately upon receipt.
- (B) The monies deposited into the Fund designated as the "Countywide Transportation SDC Improvement Fee Fund," including interest on the Fund, shall be maintained separate and apart from all other accounts of the county and shall be used solely for the purpose of providing the capital improvements that provide for the increased capacity necessitated by new development, including but not limited to:
  - (1) Design and construction plan preparation;
  - (2) Permitting and fees;
  - (3) Property acquisition, including any costs of acquisition, relocation or condemnation;
  - (4) Construction of capital improvements;
  - (5) Design and construction of storm and surface water drainage facilities associated with the construction of capital improvements and structures;



- (6) Relocating utilities associated with the construction of improvements and structures;
- (7) Landscaping within the right of way or upon property disturbed by the construction of capital improvements;
- (8) Capital construction management and inspection;
- (9) Surveying, soils and material testing;
- (10) Acquisition of capital equipment used on association with capital construction or road maintenance or both;
- (11) Repayment of monies transferred to or borrowed from any budgetary fund of the County, including interest, which were used to fund any of the capital improvements as herein provided;
- (12) Payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the County to fund capital improvements;
- (13) Direct costs of complying with the provisions of ORS 223.297 to 223.314, including the consulting, legal, and administrative costs required for developing and updating the SDC, the methodology, resolution, and capital improvements master plan; administration of credit applications and apportionment; and the costs of collecting SDC's and accounting for SDC receipts and expenditures.

Section 9. INVESTMENT OF TRANSPORTATION SDC FUND REVENUE.

- (A) Any funds on deposit in Transportation SDC Fund that is not immediately necessary for expenditure shall be invested by the County.
- (B) All income derived from such investments shall be deposited in the appropriate SDC trust fund and used as provided herein.

Section 10. ANNUAL ACCOUNTING REPORTS. The Director shall prepare an annual report accounting for SDC funds received, including the total amount of SDC improvement fee revenue collected in each fund, and expenditures.

Section 11. CHALLENGE OF EXPENDITURES.

- (A) Any citizen or other interested person may challenge an expenditure of SDC revenues.
- (B) Such challenge shall be submitted, in writing on a form approved by the County, to the Department for review within two years following the subject expenditure, and shall include the following information:
  - (1) The name and address of the citizen or other interested person challenging the expenditure;
  - (2) The amount of expenditure, the project, payee or purpose, and the approximate date on which it was made; and
  - (3) The reason why the expenditure is being challenged.
- (C) If the Director determines that the expenditure was not made in accordance with the provisions of this resolution and other relevant laws, a reimbursement of SDC fund revenues from other funds shall be made within one year following the determination that the expenditure was not appropriate.

- (D) The County shall make written notification of the results of the expenditure review to the citizen or other interested person who requested the review within ten days of completion of the review.

Section 12. APPEALS AND REVIEW HEARINGS.

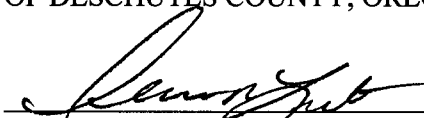
- (A) An applicant who is required to pay system development charges shall have the right to request a hearing to review the denial of any of the following:
- (1) A land-use category and/or seasonal/cyclical variations used to determine the SDC amount pursuant to Section 4.
  - (2) An alternative rate calculation pursuant to Section 4(D).
  - (3) A proposed credit for contribution of qualified public improvements pursuant to Section 7.
- (B) Such hearing shall be requested by the applicant within thirty (30) days of the date of first receipt of the Director's decision. Failure to request a hearing within the time provided shall be deemed a waiver of such right.
- (C) The request for hearing shall be filed with the Director and shall contain the following:
- (1) The name and address of the applicant;
  - (2) The legal description of the property in question;
  - (3) If issued, the date the building permit or development permit was issued;
  - (4) A brief description of the nature of the development being undertaken pursuant to the building permit or development permit;
  - (5) If paid, the date the system development charges were paid; and
  - (6) A statement of the reasons why the applicant is requesting the hearing.
- (D) Upon receipt of such request, the County shall schedule a hearing before the Board of Commissioners at a regularly scheduled meeting or a special meeting called for the purpose of conducting the hearing and shall provide the applicant written notice of the time and place of the hearing. Such hearing shall be held within forty-five (45) days of the date the request for hearing was filed.
- (E) Such hearing shall be before the Board of Commissioners and shall be conducted in a manner designed to obtain all information and evidence relevant to the requested hearing. Formal rules of civil procedures and evidence shall not be applicable; however, the hearing shall be conducted in a fair and impartial manner with each party having an opportunity to be heard and to present information and evidence.

Section 13. FULL FORCE AND EFFECT. If any clause, section or provision of this resolution shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of said resolution shall be in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein.

Section 14. EFFECTIVE. This resolution is effective immediately upon adoption by the Board of County Commissioners. The SDC established by this resolution shall first apply to building permits for which a building permit application is accepted by the County as complete on and after October 1, 2008.

DATED this 23<sup>rd</sup> day of July, 2008.

BOARD OF COUNTY COMMISSIONERS  
OF DESCHUTES COUNTY, OREGON

  
DENNIS R. LUKE, Chair

  
TAMMY (BANEY) MELTON, Vice Chair

ATTEST:

  
Recording Secretary

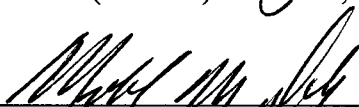
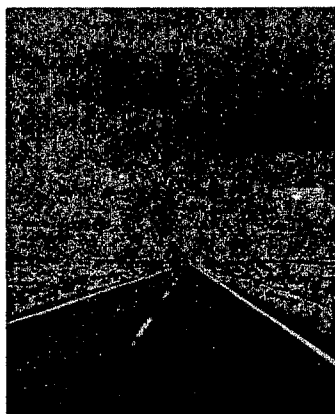
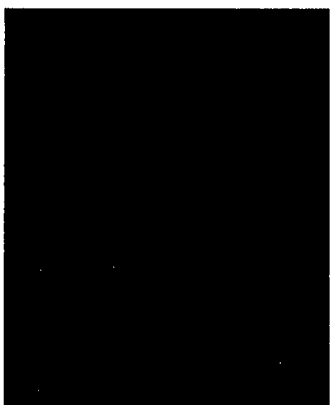
  
MICHAEL M. DALY, Commissioner

EXHIBIT "A"



Deschutes County  
Oregon



Draft Report for

**TRANSPORTATION  
SYSTEM  
DEVELOPMENT  
CHARGE STUDY**

March 2008

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**Deschutes County**  
**Transportation System Development**  
**Charge Study**

**Table of Contents**

<b>Section</b>	<b>Description</b>	<b>Page</b>
I.	Introduction / Background	1
II.	System Development Charge Methodology	2
III.	SDC Calculation	6
	Stakeholders Advisory Committee Meeting Summaries	Appendix A
	Technical Analysis	Appendix B
	SDC Presentation	Appendix C

## **I. Introduction / Background**

In July 2007, Deschutes County contracted with Financial Consulting Solutions Group, Inc. (FCS GROUP), and its subconsultant DKS Associates, to perform a transportation system development charge (SDC). Deschutes County is a growing county experiencing increasing demands on its transportation infrastructure. The County's latest transportation system plan identified a number of improvements that are needed to meet the needs of growth over the next twenty years. With the study, the County wished to implement an equitable, adequate, and defensible transportation SDC that would generate funding to meet the needs of growth without unduly burdening existing residents and business owners.

Consistent with these objectives, the following general approach was used to calculate the County's transportation SDC:

- **Assist with the Public Process.** In this step, we worked with a Stakeholders Advisory Committee (SAC) to present and explain, as well as solicit input on, the proposed charges and the policy recommendations behind them. Summaries of the Committee meetings are included as Appendix A.
- **Conduct Technical Analysis.** In this step, we worked with the Technical Advisory Committee (TAC), made up of County staff and the project engineer, to finalize the SDC project list, forecast demand growth in the service area, discuss policy options and recommendations, isolate the recoverable portion of existing and planned facility costs, and calculate proposed fees. The technical analysis is included as Appendix B.
- **Assemble Documentation and Presentation.** In this step, we wrote the report describing the recommended policies and resulting charges, and drafted adopting ordinances / resolutions. The SDC presentation packet is included as Appendix C.

## II. System Development Charge Methodology

A system development charge is a one-time fee imposed on new development (and some types of re-development) at the time of development. The fee is intended to recover a fair share of the costs of existing and planned facilities that provide capacity to serve growth.

Oregon Revised Statute (ORS) 223.297 - 223.314 defines SDCs and specifies how they shall be calculated, applied, and accounted for. By statute, a SDC is the sum of two components:

- a **reimbursement fee**, designed to recover costs associated with capital improvements *already constructed or under construction*, and
- an **improvement fee**, designed to recover costs associated with capital improvements *to be constructed in the future*.

The reimbursement fee methodology must be based on “the value of unused capacity available to future system users or the cost of the existing facilities”, and must further consider prior contributions by existing users and gifted and grant-funded facilities. The calculation must also “promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities.” Reimbursement fee proceeds may be spent on any capital improvements related to the systems for which the SDC applied – e.g., transportation SDCs must be spent on transportation improvements.

The improvement fee methodology must include only the cost of projected capital improvements or portions of improvements needed to increase system capacity for future users. In other words, the cost(s) of planned projects or portions of projects that correct existing deficiencies, or do not otherwise increase capacity for future users, may not be included in the improvement fee calculation. Improvement fee proceeds may be spent only on capital improvements, or portions thereof, which increase the capacity of the systems for which they were applied.

### A. Reimbursement Fee Methodology

The calculation of the reimbursement fee, described in detail in Section III, is fairly straightforward under the approach taken. In short, it is the dollar cost of unused, available, system capacity divided by the capacity it will serve. The unit of capacity used becomes the basis of the fee. In addition to the cost or value of the system, Oregon law (ORS 223.304) requires that the reimbursement fee methodology also incorporate the following:

- “Ratemaking principles employed to finance publicly owned capital improvements”, taken to mean that the fees must be calculated to equitably recover appropriate costs;
- “Prior contributions by existing users”, taken to mean that the cost of contributed assets should not be included in the reimbursement fee basis;
- “Gifts or grants from federal or state government or private persons”, taken to mean that gifted or grant-funded assets should not be included in the reimbursement fee basis; and
- “Other relevant factors identified by the local government imposing the fee”.

Finally, the methodology must promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities.

Construction of the County's existing transportation system has been funded largely from contributions and general tax sources such as property taxes and state gas taxes. Contributed assets clearly may not be included in the fee basis. Regarding general tax sources, the owner of a developing property can effectively argue that they have already paid for a share of the existing system through the taxes they have paid over time. Accordingly, asset costs funded by either of these sources should not be included in a reimbursement fee cost basis.

Conversely, a strong argument can be made that the cost of assets funded by previously paid SDC improvement fees provides a valid reimbursement fee cost basis. If previously paid charges have funded facilities that still have unused capacity available for growth, then the cost of that capacity may be included in the cost basis for new customers to pay for a full share of the capacity that will serve them. Therefore, we recommend that the County forego consideration of a reimbursement fee until such time that it has unused capacity in facilities funded by previously paid improvement fees.

**B. Improvement Fee Methodology**

The improvement fee calculation, like that of the reimbursement fee, is straightforward. In short, it is the eligible dollar cost of capacity-increasing capital projects divided by the capacity they will serve. Again, the unit of capacity used becomes the basis of the fee. The overriding issue to consider in the improvement fee calculation is the identification and separation of capacity-increasing capital costs.

We recommend that the County utilize the "capacity" method to allocate costs to the improvement fee basis. Under the capacity approach, the cost of a given project is allocated to growth proportionately by the capacity made available for growth. As an example, assume we are allocating the \$1 million cost of adding a lane to an existing road to meet existing demand as well as the needs of growth. If the new lane provides capacity for 500 trips and 200 meet an existing deficiency and 300 are for growth, then the allocation to the improvement fee basis would be  $300 / 500 = 60\%$  of \$1 million, or \$600,000.

**C. Calculation Summary**

In general, a SDC is calculated by adding the applicable reimbursement fee component to the applicable improvement fee component. Each separate component is calculated by dividing the eligible cost by the appropriate measure of growth in capacity. The unit of capacity used becomes the basis of the charge. A sample calculation is shown below.

Reimbursement Fee	+	Improvement Fee	=	SDC
Eligible cost of capacity in existing facilities		Eligible cost of planned capacity-increasing capital improvements		SDC (\$ / unit)
Growth in system capacity demand		Growth in system capacity demand		



#### D. SDC (Improvement Fee) Credits

The law requires that credits be provided against the improvement fee, for the construction of qualified public improvements. Oregon Revised Statute 223.304 states that, at a minimum, credits be provided against the improvement 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.”

The law further states that credits

“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 challenge is to craft a credit approach that meets statutory requirements *and* the County’s assumed general objectives for cash flow, prioritization of capital projects, and orderly but sustained development. It must be noted that we believe it is important for the County to retain as much control as possible over the prioritization and implementation of its capital plan(s). These plans are created to address total system needs – not just the needs of growth. Without control over how and when those needs are addressed, the re-prioritization of projects over time can leave important County needs unmet. To avoid this outcome, credits should:

- be only for the portion of the actual, estimated, or agreed-upon cost of capacity *in excess of that needed to serve the particular development*;
- provide cash redemption of credits only from SDCs paid by subsequent development on the site;
- be for planned projects only; and
- be provided only upon completion of a “qualified public improvement”.

We further recommend that cash redemption of credits be allowed for improvements that are not on the SDC project list, provided that they meet certain conditions. To be eligible for cash reimbursement, such improvements should:

- be required as a condition of development approval;
- provide additional capacity beyond the build-out demand of the proposed development;
- be limited to the oversizing portion of the improvement cost, up to the total of improvement fees to be paid in the sole recovery area; and
- be provided only after the improvement is added to the SDC project list.

Cash redemption of credits for projects not on the SDC project list would be provided only from SDCs paid by subsequent development in the sole recovery area. The policy is provided in Exhibit A to Meeting Summary #4 in Appendix A.

**E. Indexing Charge for Inflation**

Oregon law (ORS 223.304) allows for the periodic indexing of system development charges for inflation, as long as the index used is

- “(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.”

We propose that Deschutes County index its charges to the **Engineering News Record (ENR) Construction Cost Index (CCI)** for the City of Seattle, and adjust the charges annually as per that index. There is no comparable Oregon-specific index.

**F. Policy Review**

The County requested a review of four important SDC policies: SDC credits, Measure 37 claims, development of destination resorts, and area-specific transportation charges. These issues and our recommendations are summarized below:

Issue	Preliminary Recommendation
<p><b>1. SDC Credits</b></p> <p>SDC credits must be provided when developers construct qualified improvements that add system capacity (in excess of that needed by the development). What is a reasonable SDC credit policy that meets statutory requirements as well as the County's general objectives for cash flow, prioritization of capital projects, and orderly but sustained development?</p>	<p>See section E above.</p>
<p><b>2. Response to Measure 37 Claims</b></p> <p>Measure 37 essentially requires the County to compensate property owners for the reduced market value of their land due to regulations, or waive the regulations to allow the development to occur. This may have obvious effects on infrastructure needs. How does the enactment of Measure 37 relate to the County's transportation SDC?</p>	<p>"Measure 37" developments would be required to make "local" improvements and pay an SDC for their share of "system" capacity. Therefore, while these developments, should they occur, could impact long-term County infrastructure needs and priorities, they would adequately pay their fair share of infrastructure costs through the combined effect of the local improvements they would construct and the share of system capacity they would pay for through the SDC.</p>
<p><b>3. Destination Resorts</b></p> <p>Central Oregon is the site of several destination resorts, and it is expected that a number of similar resorts will locate in Deschutes County. What is the best approach for recovering the cost of providing transportation capacity to destination resorts that were not planned at the time of SDC calculation?</p>	<p>The County's current policy requires destination resorts to mitigate their immediate impacts by constructing local, or project, improvements. A new resort should be held to that standard and pay the new SDC in order to pay for its share of the system capacity needed to serve it.</p>
<p><b>4. Area-Specific Transportation Charges</b></p> <p>Does it make sense, due to expected levels of development and varying infrastructure needs, to charge SDCs that vary by geographic area within the rural County?</p>	<p>The generally rural character of the service area, with regard to the SDCs, and the common level of service provided and to be provided, supports the implementation of a uniform charge throughout the rural County.</p>

### III. SDC Calculation

The County does not currently have a transportation SDC that is applied Countywide. However, a charge does exist for properties located south of La Pine State Recreation Road.

The proposed Countywide charge is based on trip generation statistics provided in the Institute of Transportation Engineers (ITE) Trip Generation manual for each land use type and development size. We recommend that the Countywide charge be assessed on the same basis as that of the La Pine charge: peak-hour trips (P-HTs) generated by development. Peak-hour trips are defined as the average trip rate during the peak hour of adjacent street traffic – which usually coincides with the traditional commuting peak periods of 7 am to 9 am or 4 pm to 6 pm. Transportation engineers commonly use peak-hour trip estimates to assess transportation performance and determine system needs. Average daily trips, as measures of total traffic volume, are not generally used to size a system.

Also, there is documentation presented in the ITE Trip Generation manual that a significant percentage of trip ends associated with specific land uses are a result of linked, or pass-by, trips. Accordingly, the proposed charges are adjusted for pass-by trips – as shown at the end of this section.

The calculation of the proposed Countywide transportation SDC is summarized below and provided in detail in Appendix B.

#### **A. Capacity Basis**

In order to estimate the number of peak-hour trips to be generated by growth over the planning period (ending in 2027) – the denominator in both the reimbursement and improvement fee calculations – the following approach was taken.

- Utilizing 2007 development records, County staff reported the number of dwelling units within the unincorporated County. Based on ITE peak-hour trip rates for single-family residences, multi-family dwellings, and destination resorts, total trip generation for the unincorporated County was estimated to be 27,857 P.M. peak-hour trips in 2007.
- The Deschutes County 2000-2025 Coordinated Population Forecast reported an unincorporated County population of 53,032 in 2000 and projected a 2025 unincorporated population of 81,951. Assuming a constant annual growth rate of 2.2%, the 2007 unincorporated population was estimated to be 55,391 and the 2027 unincorporated population was projected to be 85,596.
- Next, the 2007 peak-hour trip estimate of 27,857 was grown proportionately with the projected population growth from 55,391 to 85,596. Accordingly, total P.M. peak-hour trips in 2027 were projected to be 43,047.
- Therefore, during the 2007-2027 study period, new development within the unincorporated County was expected to generate 15,191 P.M. peak-hour trips.

#### **B. Reimbursement Fee Calculation**

As stated previously, we recommend no initial reimbursement fee. However, as the County constructs transportation improvements with SDC proceeds, we recommend that it appropriately add these projects to the reimbursement fee cost basis. The County should promptly charge a reimbursement fee based on the remaining unused capacity provided by these SDC-funded improvements.

#### **C. Improvement Fee Calculation**

The following approach was taken to determine the cost of capacity-increasing capital improvements for inclusion in the improvement fee cost basis.

- The County's 2008 SDC Project List provided a list of needed capital projects. The sum of this list of project costs in current dollars was \$279,490,589.
- Next, a number of allocation alternatives were considered. Each alternative was based on a different allocation approach for the seven project categories: intersection improvements, State highway improvements, new road segments, existing road improvements, federal forest highway improvements, pedestrian and bike improvements, and bridge improvements or

reconstruction. The allocation alternatives ranged from allocating almost 100% of project costs to the improvement fee cost basis to allocating an average of 19% of project costs to the SDC (based on projected growth in trip volumes).

- After review and discussion, it was determined that the volume growth approach was the most appropriate for allocating SDC-eligible costs. Under this approach, project costs were allocated to growth to the extent that each improvement added capacity for future users. First, projects that did not provide capacity for future users were assigned a growth allocation of 0%. Next, projects that created capacity that would serve existing and future users equally were assigned a growth allocation of 35.3% – equivalent to growth's share of the future peak-hour trip total. Those projects that served only growth were allocated 100% to the improvement fee cost basis. Finally, State project costs were assigned a growth allocation of approximately 5.3%, which represented growth's proportionate share of the County's 15% funding target. The resulting total of eligible costs became the improvement fee cost basis: \$53,225,053.

Based on forecasted growth of 15,191 P.M. peak-hour trips, the resulting improvement fee was \$3,504 per peak-hour trip.

#### **D. Recommended System Development Charge**

The recommended transportation SDC of \$3,549 per peak-hour trip is the sum of the reimbursement fee and the improvement fee, adjusted by an administrative cost recovery factor of 1.28%, or \$45. At this time, there is no reimbursement fee component to the recommended charge. The administrative cost recovery factor was derived by dividing projected annual SDC accounting and administrative costs, including the amortized cost of this study, by forecasted annual SDC revenues. The resulting recommended SDCs for a comprehensive list of land uses are provided below.

Deschutes County  
 Transportation System Development Charge Study  
 March 2008

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Ts	SDC	Units
110	General Light Industrial	Typically less than 500 employees, free standing and single use. Examples: Printing plants, material testing laboratories, data processing equipment assembly, power stations.	0.98	1	0.98	\$ 3,478	KSF
130	Industrial Park	Industrial Park areas that contain a number of industrial and/or related facilities (mix of manufacturing, service, and warehouse).	0.86	1	0.86	\$ 3,052	KSF
140	Manufacturing	Facilities that convert raw materials into finished products. Typically have related office, warehouse, research, and associated functions.	0.74	1	0.74	\$ 2,626	KSF
161	Mini-Warehouse	Storage Units or Vaults rented for storage of goods. Units are physically separate and access through an overhead door or other common access point. Example: U-Store-It.	0.26	1	0.26	\$ 923	KSF
210	SF Detached	Single family detached housing.	1.01	1	1.01	\$ 3,584	DU
220	Apartment	Rental Dwelling Units within the same building. At least 4 units in the same building. Examples: Quadplexes and all types of apartment buildings.	0.62	1	0.62	\$ 2,200	DU
230	Condo/Townhouse	Residential Condominium/Townhouses under single-family ownership. Minimum of two single family units in the same building structure.	0.52	1	0.52	\$ 1,845	DU
240	Mobile Home	Trailers or Manufactured homes that are sited on permanent foundations. Typically the parks have community facilities (laundry, recreation rooms, pools).	0.59	1	0.59	\$ 2,094	Occupied DU
253	Elderly Housing	Restricted to senior citizens. Contains residential units similar to apartments or condos. Sometimes in self-contained villages. May also contain medical facilities, dining, and some limited supporting retail.	0.17	1	0.17	\$ 603	Occupied DU
310	Hotel	Lodging facility that may include restaurants, lounges, meeting rooms, and/or convention facilities. Can include a large motel with these facilities.	0.59	1	0.59	\$ 2,094	Room
320	Motel	Sleeping accommodations and often a restaurant. Free on-site parking and little or no meeting space.	0.47	1	0.47	\$ 1,688	Room
411 *	Local Park	County-owned parks, varying widely as to location, type, and number of facilities, including boating / swimming facilities, ball fields, and picnic facilities.	0.09	1	0.09	\$ 319	Acres
417	Regional Park	Regional park authority-owned parks, varying widely as to location, type, and number of facilities, including trails, lakes, pools, ball fields, camp / picnic facilities, and general office space.	0.2	1	0.2	\$ 710	Acres
430	Golf Course	Includes 9, 18, 27, and 36 hole municipal and private country clubs. Some have driving ranges and clubhouses with pro shops, restaurants, lounges. Many of the muni courses do not include such facilities.	2.74	1	2.74	\$ 9,724	Holes
436	Multipurpose Recreation Facility	Multi-purpose recreational facilities contain two or more of the following land uses at one site: mini-golf, batting cages, video arcade, bumper boats, go-carts, and driving ranges.	5.77	1	5.77	\$ 20,478	Acres
437	Bowling Alley	Recreational facilities with bowling lanes which may include a small lounge, restaurant or snack bar.	3.54	1	3.54	\$ 12,563	Lanes
493	Athletic Club	Privately owned with weightlifting and other facilities often including swimming pools, hot tubs, saunas, racquet ball, squash, and handball courts.	5.76	1	5.76	\$ 20,442	KSF
495	Recreational Community Center	Recreational community centers are facilities similar to and including YMCAs, often including classes, day care, meeting rooms, swimming pools, tennis racquetball, handball, weightlifting equipment, locker rooms, & food service.	1.64	1	1.64	\$ 5,820	KSF
520 *	Elementary School	Public. Typically serves K-6 grades.	0.28	1	0.28	\$ 994	Student
522	Middle School	Public. Serves students that completed elementary and have not yet entered high school.	0.15	1	0.15	\$ 532	Student
530	High School	Public. Serves students that completed middle or junior high school.	0.14	1	0.14	\$ 497	Student
540	Junior/Community College	Two-year junior colleges or community colleges.	0.12	1	0.12	\$ 426	Student
560	Church	Contains worship area and may include meeting rooms, classrooms, dining	0.66	1	0.66	\$ 2,342	KSF
565 *	Day Care	Facility for pre-school children care primarily during daytime hours. May include classrooms, offices, eating areas, and playgrounds.	13.18 0.82	0.33 0.33	4.35 0.27	\$ 15,438 \$ 958	KSF Student
590	Library	Public or Private. Contains shelved books, reading rooms or areas, sometimes meeting rooms.	7.09	1	7.09	\$ 25,162	KSF
591	Lodge/Fraternal Organization	Includes a club house with dining and drinking facilities, recreational and entertainment areas, and meeting rooms.	0.03	1	0.03	\$ 106	Members
710	General Office	Office building with multiple tenants. Mixture of tenants can include professional services, bank and Loan institutions, restaurants, snack bars, and service retail facilities.	1.49	1	1.49	\$ 5,288	KSF
715	Single Tenant Office Building	Single tenant office building. Usually contains offices, meeting rooms, file storage areas, data processing, restaurant or cafeteria, and other service functions.	1.73	1	1.73	\$ 6,140	KSF
720	Medical-Dental Office	Provides diagnosis and outpatient care on a routine basis. Typically operated by one or more private physicians or dentists.	3.72	1	3.72	\$ 13,202	KSF
760	Office Park	Park or campus-like planned unit development that contains office buildings and support services such as banks & loan institutions, restaurants, service stations.	1.5	1	1.5	\$ 5,324	KSF

Deschutes County  
 Transportation System Development Charge Study  
 March 2008

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Ts	SDC	Units
760	Research & Development Center	Single building or complex of buildings devoted to research & development. May contain offices and light fabrication facilities.	1.08	1	1.08	\$ 3,833	KSF
770	Business Park	Group of flex-type or incubator 1 - 2 story buildings served by a common roadway system. Tenant space is flexible to accommodate a variety of uses. Rear of building usually served by a garage door. Typically includes a mix of offices, retail & wholesale.	1.29	1	1.29	\$ 4,578	KSF
812	Building Materials & Lumber	Small, free standing building that sells hardware, building materials, and lumber. May include yard storage and shed storage areas. The storage areas are not included in the GLA needed for trip generation estimates.	4.49	1	4.49	\$ 15,935	KSF
813	Discount Super Store	A free-standing discount store that also contains a full service grocery dept. under one roof.	3.87	0.718	2.78	\$ 9,866	KSF
814	Specialty Retail	Small strip shopping centers containing a variety of retail shops that typically specialize in apparel, hard goods, services such as real estate, investment, dance studios, florists, and small restaurants.	2.71	1	2.71	\$ 9,618	KSF
815	Discount Store	A free-standing discount store that offers a variety of customer services, centralized cashing, and a wide range of products under one roof. Does not include a full service grocery dept. like Land Use 813, Free-standing Discount Superstore.	5.06	0.475	2.4	\$ 8,518	KSF
816	Hardware/Paint Store	Typically free-standing buildings with off-street parking that sell paints and hardware.	4.84	0.450	2.18	\$ 7,737	KSF
817	Nursery/Garden Center	Free-standing building with yard containing planting or landscape stock. May have large green houses and offer landscape services. Typically have office, storage, and shipping facilities. GLA is Building GLA, not yard and storage GLA.	3.8	1	3.8	\$ 13,486	KSF
820	Shopping Center	Integrated group of commercial establishments that is planned, developed, owned, and managed as a unit. Provides enough on-site parking to serve its own parking demand. May include non-merchandising facilities such as office buildings, movie theatres, restaurants, post offices, health clubs, and recreation like skating rinks and amusements.	3.75	0.393	1.47	\$ 5,217	KSF Leasable
841	New Car Sales	New Car dealership with sales, service, parts, and used vehicles	2.64	1	2.64	\$ 9,369	KSF
848	Tire Store	Primary business is tire sales and repair. Generally does not have a large storage or warehouse area.	4.15	1	4.15	\$ 14,728	KSF
850	Supermarket	Free-standing grocery store. May also contain ATMs, photo centers, pharmacies, video rental areas.	10.45	0.265	2.76	\$ 9,795	KSF
851	Convenience Market	Sells convenience foods, newspapers, magazines, and often Beer & Wine. Does not have gas pumps.	52.41	0.282	14.8	\$ 52,525	KSF
880	Pharmacy w/o drive through	Facilities that fulfill medical Prescriptions	8.42	0.327	2.75	\$ 9,760	KSF
881	Pharmacy w/ drive through	Facilities that fulfill medical Prescriptions	8.62	0.383	3.3	\$ 11,712	KSF
890	Furniture Store	Sells furniture, accessories, and often carpet/floor coverings.	0.46	0.157	0.07	\$ 248	KSF
911 *	Walk-In Bank	Usually a Free-standing building with a parking lot. Does not have drive-up windows. May have ATMs.	33.15	0.270	8.95	\$ 31,764	KSF
912	Drive-In Bank	Provides Drive-up and walk-in bank services. May have ATMs.	45.74	0.270	12.35	\$ 43,830	KSF
931	Quality Restaurant	High quality eating establishment with slower turnover rates (more than one hour).	7.49	0.288	2.15	\$ 7,630	KSF
932	High Turnover Sit-Down Rest.	Sit-Down eating establishment with turnover rates of less than one hour.	10.92	0.315	3.44	\$ 12,209	KSF
933 *	Fast Food w/o Drive-Thru	Fast Food but no drive-through window	28.15	0.265	6.94	\$ 24,630	KSF
934	Fast Food With Drive-Thru	Fast Food with drive-through window	34.64	0.265	9.2	\$ 32,651	KSF
936 *	Drinking Place	Contains a bar where alcoholic beverages and snacks are serviced and possibly some type of entertainment such as music, games, or pool tables	11.34	0.315	3.58	\$ 12,706	KSF
944	Gas Station	Sell gasoline and may also provide vehicle service and repair. Does not have Convenience Market and/or Car Wash.	13.86	0.235	3.26	\$ 11,570	Fueling Positions
945	Gas/Service Station with Convenience Market	Selling gas and Convenience Market are the primary business. May also contain facilities for service and repair. Does not include Car Wash.	13.38	0.123	1.65	\$ 5,856	Fueling Positions
946 *	Gas/Service Station with Convenience Market, Car Wash	Selling gas, Convenience Market, and Car Wash are the primary business. May also contain facilities for service and repair.	13.33	0.382	5.09	\$ 18,064	Fueling Positions
947	Self-Service Car Wash	Allows manual cleaning of vehicles by providing stalls for the driver to park and wash.	5.54	1	5.54	\$ 19,661	Wash Stalls

NOTES:

Source: Institute of Transportation Engineers, *Trip Generation*, Seventh Edition.

Peak-Hour Trips: Weekday, peak-hour of adjacent street traffic. Most often, one hour between 4 and 6 p.m.

Pass-By Trip Factor reflects diverted linked trips in addition to pass-by trips.

ITE codes identified with asterisks (\*) include information derived from the ITE manual (e.g., pass-by factor is derived from pass-by counts for a similar land use or are as estimated by traffic engineers).

Land Use Units:

KSF = 1,000 gross square feet building area

DU = dwelling unit

Room = number of rooms for rent

Fueling Positions = maximum number of vehicles that can be served simultaneously

Student = number of full-time equivalent students enrolled

**Appendix A**  
**Stakeholders Advisory Committee**  
**Meeting Summaries**



**Deschutes County**  
**Transportation System Development Charge Study**  
**Stakeholders Advisory Committee**  
**Summary of Meeting #1**

On November 27th, the Deschutes County Transportation System Development Charge (SDC) Stakeholders Advisory Committee held its first meeting. The following were in attendance:

<u>Name</u>	<u>Representing</u>
Andy High	Central Oregon Builders Association
Steve Hultberg	Ball Janik LLP
Erik Kancler	Central Oregon Land Watch
Bill Robie	Central Oregon Association of Realtors
Conrad Ruel	South County
Kirk Schueler	Brooks Resources
Todd Taylor	Knife River
Tom Blust	Deschutes County
John Ghilarducci	FCS GROUP

The meeting began with introductions. The consultant then reviewed the proposed meeting agenda, and summarized the project scope and schedule. The Committee agreed to meet in December in order to expedite completion of the study, and set the date and time of the next meeting -- December 18 from 3 to 5 pm.

The consultant then provided a presentation on SDC Basics. There were questions and discussion throughout the presentation, which segued into a review of several specific policy issues which had been identified and summarized in advance of the meeting. These issues are listed below, with comments stating the general input of the Committee.

- ◆ Appropriateness of the reimbursement fee. Due to the fact that the existing County transportation system has been funded by a combination of tax sources and other "general" funds, the consultant proposed that the County should forego charging a reimbursement fee as part of its initial transportation SDC. The Committee generally agreed, but suggested that a reimbursement fee methodology, or formula, be included in the analysis and report in order to allow the County to add a reimbursement fee when it later develops a basis for such a fee.
- 1. SDC Credits. The consultant summarized the minimum legal requirements for SDC credits, as well as some practices that exceed minimum requirements but may still provide adequate protection for the County's financial health. The Committee generally agreed that it was in both the County's and the developer's interests to allow for cash redemption of SDC credits by a developer. However, there remained some question as to whether that cash reimbursement should be limited to SDCs subsequently paid by building on the development site, or whether the SDC fund could be used in special circumstances to cash reimburse SDC

**Deschutes County  
Meeting Summary**

credits. Such a special circumstance could occur when a developer constructed a qualified public improvement but could not reasonably expect to recover the over-sizing cost of that improvement from subsequent development if limited to the development site. The consultant offered to develop a proposed approach that might meet these interests.

2. Measure 37 Claims. This issue revolved around the potential impact of unplanned development on transportation infrastructure needs and, as a result, SDCs. The Committee generally agreed with the consultant and County staff that in the case of "Measure 37" development, those developments would still be required to make "local" improvements and pay an SDC for their share of "system" capacity. Therefore, while these developments, should they occur, could impact long-term County infrastructure needs and priorities, they would adequately pay their fair share of infrastructure costs through the combined effect of the local improvements they would construct and the share of system capacity they would pay for through the SDC.
3. Destination Resorts. The County's current policy requires destination resorts to mitigate their immediate impacts by constructing local, or project, improvements. It was generally understood and agreed that a new resort should be held to that standard and pay the new SDC in order to pay for its share of the system capacity needed to serve it.
4. Area-specific Charges. There was initial agreement that a uniform charge would be preferred for the rural County, but it was also agreed that the Committee should review both the project list and recent growth patterns to ensure that such an approach would not be inequitable.

The next meeting will include follow-up discussion of these issues, as well as a review of preliminary SDC calculations, and the alternative methods of approaching the improvement fee allocation and subsequent calculation. The consultant also agreed to bring trip generation estimates for a number of different land uses, including hotels.

**Deschutes County**  
**Transportation System Development Charge Study**  
**Stakeholders Advisory Committee**  
**Summary of Meeting #2**

On December 18<sup>th</sup>, the Deschutes County Transportation System Development Charge (SDC) Stakeholders Advisory Committee held its second meeting. The following were in attendance:

<u>Name</u>	<u>Representing</u>
Andy High	Central Oregon Builders Association
Steve Hultberg	Ball Janik LLP
Erik Kancler	Central Oregon Land Watch
Bill Robie	Central Oregon Association of Realtors
Conrad Ruel	South County
Kirk Schueler	Brooks Resources
Tom Blust	Deschutes County
Peter Russell	Deschutes County
Carl Springer	DKS Associates
John Ghilarducci	FCS GROUP

The consultant presented the proposed meeting agenda, and reviewed the meeting summary from meeting #1. In the course of that discussion, the Committee revisited the issue of providing credits for system improvements that have not been included on the SDC project list. While not required, it has been generally agreed that the practice of providing SDC credits for projects not on the list may be warranted if the County's cash position can be protected. The initial recommendation had been that credits be provided only for the construction of system improvements that have been included on the project list. It was also recommended that cash reimbursement of those credits be allowed only from SDC receipts generated by subsequent building permitted on the development site.

The consultant suggested that credits for projects not on the list could be provided without detriment to the County cash position if the project, once initiated, was put on the list and subsequent SDCs paid by development on the site were used to cash out credits earned by the initial developer. Ideally, the SDC would be updated at the time the new project was known, so that the SDCs charged would reflect that new cost. Allowing transferability of credits, or cash reimbursement from SDCs generated elsewhere in the County would put County cash receipts at risk and is not recommended.

As an example, if a developer constructs a roundabout (e.g, the Calderra Springs Roundabout), and it is agreed that the roundabout is a qualified system improvement except for the fact that it is not on the project list, then under the suggested policy the County would credit the developer with the oversizing portion of that project cost (say, \$250,000 of a \$750,000 project). The project would then be added to the project list, and the SDCs adjusted commensurately. As

**Deschutes County  
Meeting Summary**

building permits are issued for development in Calderra Springs, the SDCs paid would be used to cash redeem the credits issued to the initial developer who constructed the roundabout until \$250,000 is recovered. The County would not use other SDC funds generated to redeem developer credits associated with the roundabout.

The consultant then presented the initial technical analysis, including a trip growth forecast used in the calculation, and several alternative approaches to allocating planned project cost to growth by project type (i.e., bridges, new roads, State projects, etc.). The Committee generally agreed that the method used to forecast trip growth (proportional with population growth) was reasonable, and is considering the cost estimates and the calculated SDC alternatives.

There was a question about how the project costs on the list were determined. Staff agreed to review the project costs to ensure that those costs are reasonable and accurate given the planning level of detail used.

The next meeting, scheduled for January 15<sup>th</sup> at 3 pm, will include follow-up discussion of these issues and the technical analysis.

**Deschutes County**  
**Transportation System Development Charge Study**  
**Stakeholders Advisory Committee**  
**Summary of Meeting #3**

On January 15<sup>th</sup>, the Deschutes County Transportation System Development Charge (SDC) Stakeholders Advisory Committee held its third meeting. The following were in attendance:

<u>Name</u>	<u>Representing</u>
Andy High	Central Oregon Builders Association
Steve Hultberg	Ball Janik LLP
Erik Kancler	Central Oregon Land Watch
Bill Robie	Central Oregon Association of Realtors
Conrad Ruel	South County
Kirk Schueler	Brooks Resources
Todd Taylor	Knife River
Tom Blust	Deschutes County
John Ghilarducci	FCS GROUP

The consultant presented the proposed meeting agenda, and reviewed the meeting summary from meeting #2. In the course of that discussion, the Committee again revisited the issue of providing credits for system improvements that have not been included on the SDC project list. It has been generally agreed that the practice of providing SDC credits for projects not on the list may be warranted if the County's cash position can be protected. The consultant paraphrased his updated proposal that credits for projects not on the list could be provided without detriment to the County cash position if SDCs paid by subsequent development on the site were used to cash out the credits earned by the initial developer. Ideally, the SDC would be updated at the time the new project was known, so that the SDCs charged would reflect that new cost.

It was suggested that the County could offer cash reimbursement from its general SDC fund balance if limited to a percentage of that fund. The City of Bend uses a formula approach to establish the amount, as a percentage, that is paid out in credit redemptions from the SDC fund. Another approach would be to provide criteria for the County to use to determine whether an improvement not on the list would qualify for an SDC credit and then subsequent cash redemption. Such criteria could include that the project must provide agreed-upon excess capacity that will provide system benefit but will exceed the ability of the "recovery area" to generate subsequent SDCs for cash repayment of that oversizing cost to the initial developer. Steve Hultberg offered to draft some policy language on this issue for discussion by the Committee.

Next, Tom Blust briefed the Committee on the updates County staff made to the project list, resulting in a reduction to the total of approximately \$25 million. During the course of the project list discussion, and the presentation of draft findings that followed, the Committee

**Deschutes County  
Meeting Summary**

expressed concern about the gap between what would be funded by SDCs and the total cost (County share) of the project list. The County is obligated to address this gap, estimated to be as high as \$60.5 million after deducting the State's anticipated share of State projects, using sources other than SDC improvement fees, which may be spent only on capacity-increasing project costs. The consultant noted that as the County constructs projects on the project list, it will establish a basis for an SDC reimbursement fee. Reimbursement fee proceeds may be spent on the gap. Their use is not restricted to capacity-increasing project costs. The Committee generally favored the affirmation that adoption of an SDC program carries with it an obligation on the part of the County to meet the funding gap through other sources.

There was also much discussion on the allocation of State projects to the SDC basis. Improvement fee alternatives 3 and 4 (4 is the recommended option) both include an allocation of 15% of State projects to the SDC basis. This is effectively 100% of the anticipated County share of these project costs. Assuming that the growth-related portion of each State project is greater than 15%, then this approach effectively allocates the benefit of State funding to existing County residents, and defines the full County share (anticipated to be 15%) of each State project as part of the growth share of that project. An alternative approach, generally supported by the Committee, would be to define the likely County share of each State project, in this case 15% of each project cost, and then share the burden of funding that local share between existing residents and growth. County staff agreed to review each State project and determine an appropriate allocation between existing County and new development.

The project team also agreed to research comparable transportation SDCs for counties. The information provided in the presentation packet included only nearby cities.

The next meeting, yet to be scheduled, will include follow-up discussion of these issues and the technical analysis. It is anticipated that the next meeting will be the last meeting of the Committee.

**Deschutes County**  
**Transportation System Development Charge Study**  
**Stakeholders Advisory Committee**  
**Summary of Meeting #4**

On March 4<sup>th</sup>, the Deschutes County Transportation System Development Charge (SDC) Stakeholders Advisory Committee held its fourth meeting. The following were in attendance:

<u>Name</u>	<u>Representing</u>
Andy High	Central Oregon Builders Association
Steve Hultberg	Ball Janik LLP
Bill Robie	Central Oregon Association of Realtors
Conrad Ruel	South County
Tom Blust	Deschutes County
Peter Russell	Deschutes County
John Ghilarducci	FCS GROUP

The consultant presented the proposed meeting agenda, and reviewed the meeting summary from meeting #3. The meeting summary was accepted as written.

The first topic of discussion was the proposed SDC credit policy, and the related policy for cash redemption of credits. The committee reviewed and discussed language proposed by committee member Steve Hultberg. Some minor revisions / clarifications were suggested, but in general, the proposed language was received positively by the group. The proposed credit policy, incorporating the suggested revisions is provided as Exhibit A. Please review and comment as appropriate.

Next, the consultant summarized the policy issues that have been discussed with the committee to date, and confirmed the committee's recommendations on each issue. The matrix of issues and recommendations (excluding the credit recommendation in Exhibit A), is provided as Exhibit B.

After concurring on the issues summary, the committee discussed a suggestion related to the timing of SDC collection. It was proposed that the County collect the SDC as a condition of issuance of a certificate of occupancy (C of O). It is the understanding of the committee that after April 1, 2008 a C of O will be required of all new development in the state, and it was thought that issuance of the certificate would better approximate the time of actual additional demand for system capacity. The committee agreed with this recommendation, subject to the County's ability to efficiently administer such a policy.

County staff next summarized the input of the State of Oregon Department of Transportation (ODOT) regarding the State projects on the project list, and the County's proposed allocation of those project costs to growth and, consequently, the system development charge. Briefly, ODOT

**Deschutes County  
Meeting Summary**

recommended that several additional projects be included on the project list, and provided updated cost information for the projects that were already on the list. ODOT further recommended that the County increase the percentage of State projects allocated to the SDC. The committee considered this input, but did not concur with the ODOT recommendations about increasing the allocation from previous alternatives.

Finally, the committee considered the updated SDC analysis, focusing the discussion on four alternatives.

1. The first alternative included the expanded list of projects, based on ODOT's longer list, and allocated the full 15% County share to the SDC basis. The result of this first alternative was an SDC of \$6,318 per peak-hour trip.
2. The second alternative again included the expanded list of projects, but allocated only a proportional share (about 35%) of the 15% County share of State projects to the SDC basis. Philosophically, this approach shares the burden of meeting the County cost share between existing County residents and growth. The result of this second alternative was an SDC of \$4,131 per peak-hour trip.
3. The third alternative included only those projects previously identified as State projects, but with their updated costs, and allocated the full 15% County share to the SDC basis. The result of this third alternative was an SDC of \$4,667 per peak-hour trip.
4. The fourth alternative again included only those projects previously identified as State projects, with their updated costs, and allocated only a proportional share (again about 35%) of the 15% County share of State projects to the SDC basis. The result of this fourth alternative was an SDC of \$3,549 per peak-hour trip.

The committee agreed on the fourth alternative as the recommended SDC. County staff agreed that the original list of State projects represented the highest priority projects from the perspective of the County. In addition, those projects had been reported in the County transportation system plan (TSP). The additional projects that ODOT proposed had not been included in the TSP. In addition, the committee agreed that the County cost share of State projects would be most appropriately *shared* between current County residents and growth.

The comment was made that presentation materials should focus on the charge to a single family residence, because that number will be seen far more often than the charge per peak-hour trip. The consultant agreed to emphasize the charge per single family residence.

County staff and the consultant thanked committee members for their participation and briefly reviewed the schedule for remaining tasks and meetings with the County Board of Commissioners, inviting committee members to attend any and all meetings to the extent that they can. There is a Board work session scheduled for March 26<sup>th</sup>, and a public hearing scheduled for May 28<sup>th</sup>. There will be no further meetings of the Stakeholders Advisory Committee.



## Exhibit A

### MEMORANDUM

**TO:** Deschutes County SDC  
Stakeholders Advisory Committee

**FROM:** Steven Hultberg

**DATE:** February 28, 2008

**CLIENT:**

**RE:** Proposals for SDC Ordinance

The purpose of the recommendation below is to deal with a situation where i) a property owner is required to construct an improvement as a condition of approval, ii) the improvement creates capacity above and beyond the impacts of the approved development; and iii) the improvement is not on the County's CIP, and is thus not eligible for SDC credits. In general, the proposal would allow the property owner to i) request that the improvement be placed on the County's CIP; ii) require the County to amend the CIP unless the amendment is not in the public interest; iii) allow the property owner to receive SDC credits for the excess capacity; and iv) limit the recovery area to the property owner's development, with no right to transfer the credits.

Applicability. The following conditions would have to be met in order to request that the County amend the CIP to include the improvement.

1. The improvement is required as a condition of development approval.
2. The improvement is a system improvement that provides additional capacity above and beyond the impacts of the full build-out of the proposed development. The applicant is required to provide this analysis to the County consistent with the requirements of the SDC ordinance.
3. The improvement is not on the County's CIP.

Procedure for Amending CIP. The CIP could be amended under the following procedure:

1. Applicant must file request within 30 days of final approval. (Note: Ideally the applicant would be in discussion with the county regarding the improvement prior to the approval.)
2. Applicant must provide sufficient evidence quantifying the excess capacity created by the improvement.
3. Applicant must identify sole recovery area, which is limited to the development approved by the land use approval.

4. County ~~must~~ consider request within sixty days of application and approve request unless it determines that request would negatively impact the construction or funding of other projects on the CIP.

Procedure for SDC Credits. Credits would be issued pursuant to the following conditions:

1. CIP must be amended prior to payment of SDC or issuance of credits.
2. Credits limited to the oversizing portion of the improvement cost, up to total of improvement fees to be paid in the sole recovery area.
3. Cash redemption of credits provided to applicant limited to improvement fees generated by development in the sole recovery area. ~~No cash reimbursement, credits only.~~
4. All other provisions of SDC Ordinance would apply.

## Exhibit B

**Deschutes County  
Transportation SDC Study  
Preliminary Policy Issues Analysis**

Issue	Preliminary Recommendation
<p>▪ <b>Reimbursement Fee</b></p> <p>Is it appropriate to include a reimbursement fee as a component of the County's initial transportation SDC?</p>	<p>Due to the fact that the existing County transportation system has been funded by a combination of tax sources and other "general" funds, the County should forego charging a reimbursement fee as part of its initial transportation SDC. A reimbursement fee methodology, or formula, should be included in the analysis and report in order to allow the County to add a reimbursement fee when it later develops a basis for such a fee.</p>
<p><b>1. SDC Credits</b></p> <p>SDC credits must be provided when developers construct qualified improvements that add system capacity (in excess of that needed by the development). What is a reasonable SDC credit policy that meets statutory requirements as well as the County's general objectives for cash flow, prioritization of capital projects, and orderly but sustained development?</p>	<p>See Exhibit A.</p>
<p><b>2. Response to Measure 37 Claims</b></p> <p>Measure 37 essentially requires the County to compensate property owners for the reduced market value of their land due to regulations, or waive the regulations to allow the development to occur. This may have obvious effects on infrastructure needs. How does the enactment of Measure 37 relate to the County's transportation SDC?</p>	<p>"Measure 37" developments would be required to make "local" improvements and pay an SDC for their share of "system" capacity. Therefore, while these developments, should they occur, could impact long-term County infrastructure needs and priorities, they would adequately pay their fair share of infrastructure costs through the combined effect of the local improvements they would construct and the share of system capacity they would pay for through the SDC.</p>
<p><b>3. Destination Resorts</b></p> <p>Central Oregon is the site of several destination resorts, and it is expected that a number of similar resorts will locate in Deschutes County. What is the best approach for recovering the cost of providing transportation capacity to destination resorts that were not planned at the time of SDC calculation?</p>	<p>The County's current policy requires destination resorts to mitigate their immediate impacts by constructing local, or project, improvements. A new resort should be held to that standard and pay the new SDC in order to pay for its share of the system capacity needed to serve it.</p>
<p><b>4. Area-Specific Transportation Charges</b></p> <p>Does it make sense, due to expected levels of development and varying infrastructure needs, to charge SDCs that vary by geographic area within the rural County?</p>	<p>The generally rural character of the service area, with regard to the SDCs, and the common level of service provided and to be provided, supports the implementation of a uniform charge throughout the rural County.</p>

**Appendix B**  
**Technical Analysis**

**Deschutes County  
Transportation SDC Study  
SDC Calculation**

**DRAFT**

**Table 1**

<b>Improvement Fee</b>		
Capacity Expanding CIP	\$ 53,225,053	
Growth to End of Planning Period	15,191 Peak-Hour Trips	
Improvement Fee	\$ 3,503.82 per P-HT	
<b>Reimbursement Fee</b>		
Cost of Net Unused Capacity	\$ -	
Growth to End of Planning Period	15,191 Peak-Hour Trips	
Reimbursement Fee	\$ - per P-HT	
<b>Total System Development Charge</b>		
Improvement Fee	\$ 3,503.82 per P-HT	
Reimbursement Fee	\$ - per P-HT	
SDC Subtotal	\$ 3,503.82 per P-HT	
plus: Administrative Cost Recovery	\$ 44.85 per P-HT	1.28%
<b>Total SDC</b>	<b>\$ 3,549 per P-HT</b>	

Deschutes County  
 Transportation SDC Study  
 Customer Data: Trip Growth

DRAFT

Table 2

**Trip Growth Estimated From Residential Development and Population Change**

Initial Residential Development			
Development Type	Dwellings [1]	Trip Factor [2]	Peak-Hour Trips
Single-Family Residential	25,101	1.01	25,352
Multi-Family Residential	177	0.62	110
Destination Resorts	7,484	0.32	2,395
<b>Totals</b>	<b>32,762</b>		<b>27,857</b>

2005 Unincorporated County Population	53,032.0
2025 Unincorporated County Population	81,951.0
Estimated 2007 Unincorporated County Population	55,391.1
Estimated 2027 Unincorporated County Population	85,596.5
<b>Population Growth Factor: 2007-2027</b>	<b>1.545</b>

Source: Deschutes County 2000-2025 Coordinated Population Forecast.

Future Residential Development			
Development Type	Dwellings [3]	Trip Factor [2]	Peak-Hour Trips
Single-Family Residential	38,789	1.01	39,177
Multi-Family Residential	274	0.62	170
Destination Resorts	11,565	0.32	3,701
<b>Totals</b>	<b>50,628</b>		<b>43,047</b>

<b>Total Growth in County-Wide P.M. Peak-Hour Trips, 2007-2027</b>	<b>15,190.6</b>
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**NOTES:**

- (1) Source: Deschutes County Community Development Department (December 2007).
- (2) Source: Institute of Transportation Engineers, Trip Generation, Seventh Edition.
- (3) Based on escalating the number of 2007 developments to 2027 based on the 2007-2027 population growth factor.

Deschutes County  
 Transportation SDC Study  
 Existing Infrastructure Costs

DRAFT

Table 3

Description	Capacity Related	Unused Capacity	Used Capacity	Unused Capacity of Assets Funded by SDC Expenditures							
				FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	
Historical SDC Expenditures (1)	\$ -	\$ -	\$ -								
Allocable Plant-in-Service for Reimbursement		\$ -	\$ -								
<b>Cost of Unused Capacity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>21.1%</b>	<b>17.8%</b>	<b>14.1%</b>	<b>9.9%</b>	<b>5.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

NOTES

(1) Unused Capacity of Assets Funded by SDC Expenditures. To date, the charge has not had a reimbursement fee component.

Note [A]. Not applicable for 2007 SDC study.

Note [B]. Based on escalating estimated 2007 peak-hour trips, utilizing the 2007-2027 population growth factor.

Deschutes County  
Transportation SDC Study  
SDC Project List

DRAFT

Table 4

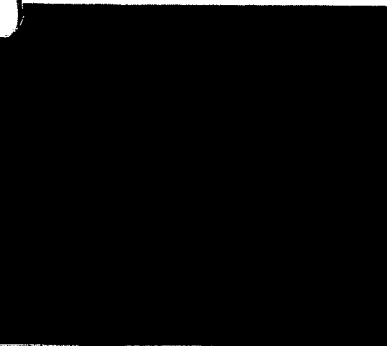
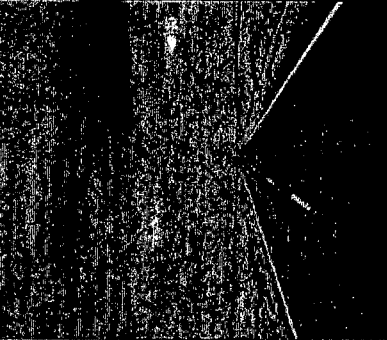
	Transportation Components (1)							SDC Eligible Cost
	Intersection	State Highway	New Road	Old Road (Existing Roads)	Federal Forest	Bike / Ped	Bridge	
Total Cost	\$ 5,012,591	\$ 175,000,000	\$ 20,120,000	\$ 50,163,748	\$ 25,431,250	\$ 568,000	\$ 3,195,000	\$ 279,490,589
Alternative 1	100%	50%	100%	100%	100%	100%	100%	\$ 191,990,589
Alternative 2	100%	50%	100%	100%	0%	100%	100%	\$ 166,559,339
Alternative 3	100%	25%	100%	100%	0%	100%	100%	\$ 122,809,339
Alternative 4	100%	0%	100%	100%	0%	100%	100%	\$ 79,059,339
Alternative 5	100%	0%	100%	100%	0%	0%	100%	\$ 78,491,339
Alternative 6	100%	0%	100%	Excess Capacity	0%	0%	100%	\$ 70,921,873
Alternative 7	100%	0%	100%	Volume Growth	0%	0%	100%	\$ 46,029,455
Alternative 8	100%	0%	100%	Capacity Increase	0%	0%	100%	\$ 41,991,118
Alternative 9	100%	Excess Capacity	100%	Excess Capacity	0%	0%	Excess Capacity	\$ 184,706,384
Alternative 10	100%	Volume Growth	100%	Volume Growth	0%	0%	Volume Growth	\$ 105,716,191
Alternative 11	100%	15%	100%	Excess Capacity	0%	0%	Excess Capacity	\$ 96,995,837
Alternative 12	100%	15%	100%	Volume Growth	0%	0%	Volume Growth	\$ 70,211,911
Alternative 13	100%	15% Vol. Growth	100%	Volume Growth	0%	0%	Volume Growth	\$ 53,225,053

SDC Charge  
\$ 12,684  
\$ 11,010  
\$ 8,129  
\$ 5,249  
\$ 5,212  
\$ 4,714  
\$ 3,075  
\$ 2,809  
\$ 12,204  
\$ 7,004  
\$ 6,430  
\$ 4,667  
\$ 3,549

NOTES:  
(1) Source: Deschutes County Transportation System Plan. Revised Project List. January 7, 2008.



**Appendix C**  
**SDC Presentation**



# Transportation System Development Charge (SDC) Study

*Presented by*

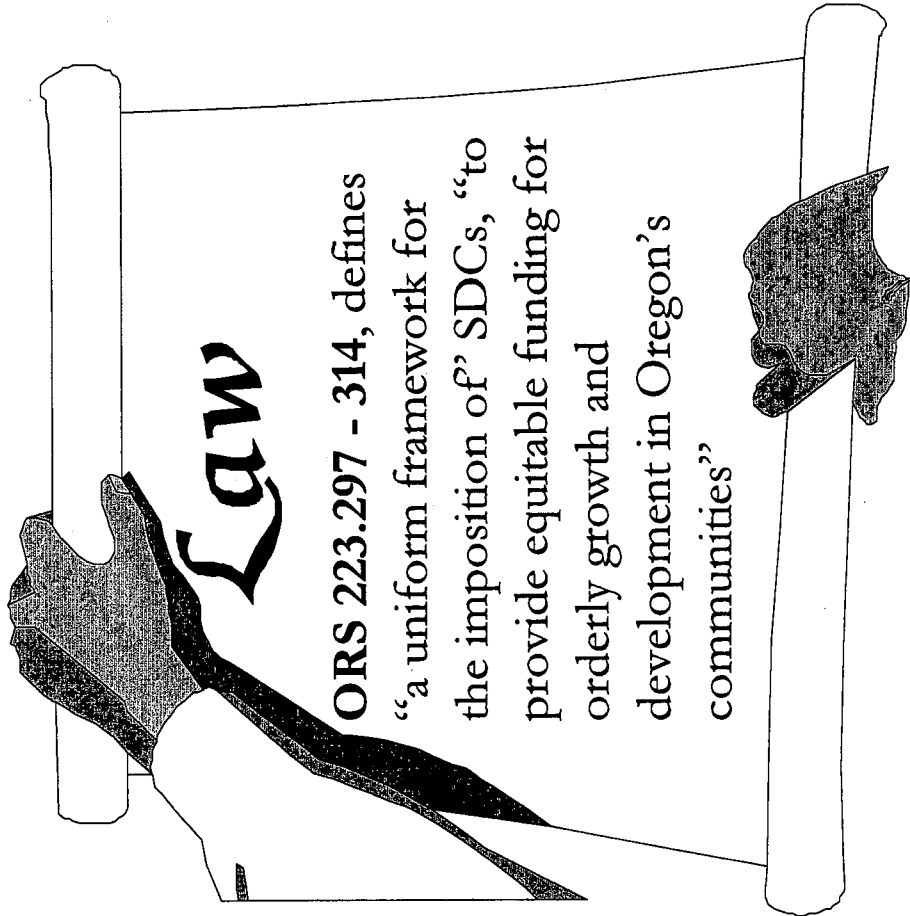
John Ghilarducci, FCS GROUP Principal

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*Deschutes County*

## SDC Background



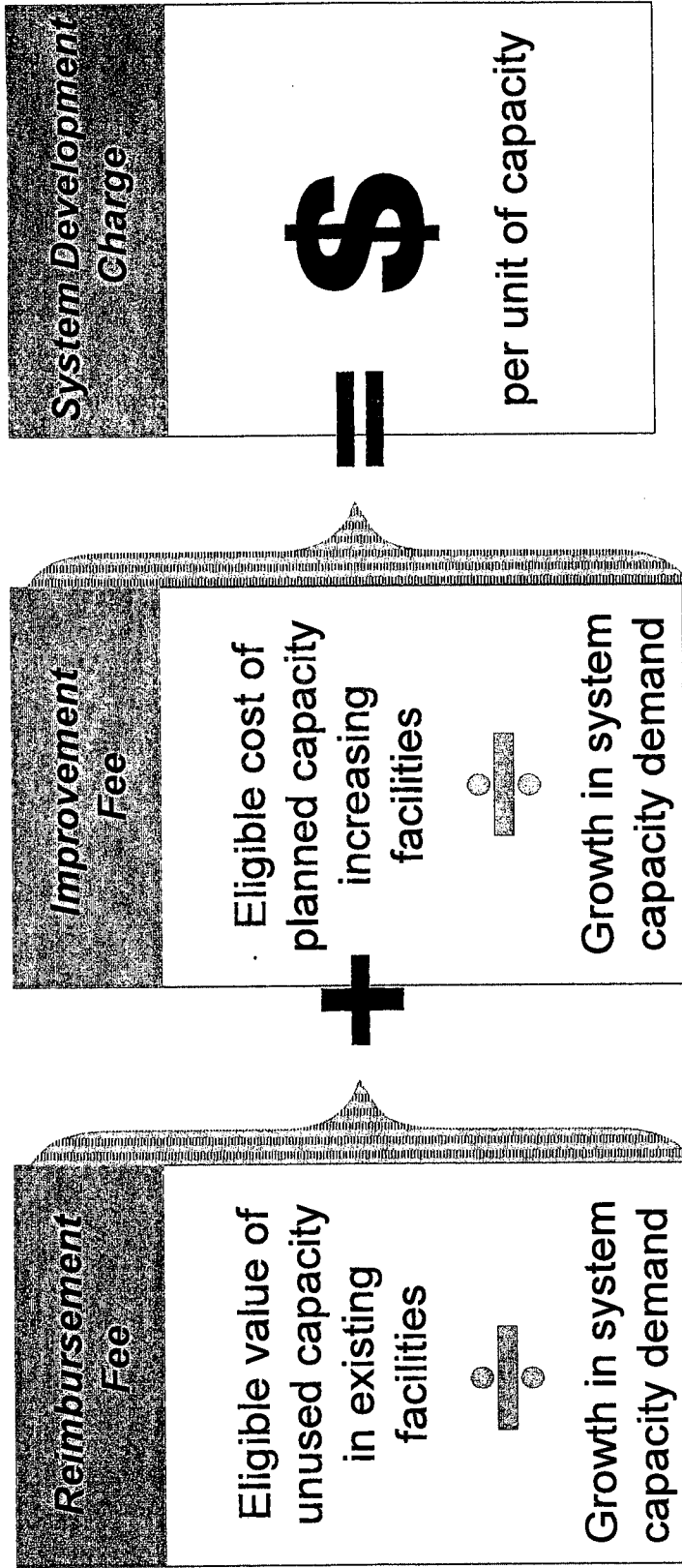
## Key Characteristics

1. SDCs are one-time charges, not ongoing rates.
2. SDCs are for capital only, in both their calculation and in their use.
3. Properties which are already developed do not pay SDCs unless they “redevelop”.
4. SDCs include both future and existing cost components.
5. SDCs are for general facilities, not “local” facilities.



*Deschutes County*

# SDC Components and Calculation





*Deschutes County*

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**Credits against the improvement fee must be provided for the construction of a capital improvement, which is:**

- ✓ required as a condition of development,
- ✓ identified in an adopted capital facilities plan, and
- ✓ is either off-site or, if on-site, is required to provide more capacity than needed by the development in question.





*Deschutes County*

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## **Key Assumptions Reflected in the proposed charges**

- Planned transportation projects (from the 2007 SDC project list) will provide system capacity for 20 years
- Future development of residential parcels and destination resorts in the rural county will generate an additional 15,191 peak-hour trips during the planning period
- Future non-residential development within the rural county will be extremely limited



*Deschutes County*

# Trip Forecast

## Initial Residential Development

Development Type	Dwellings [1]	Trip Factor [2]	Peak-Hour Trips
Single-Family Residential	25,101	1.01	25,352
Multi-Family Residential	177	0.62	110
Destination Resorts	7,484	0.32	2,395
<b>Totals</b>	<b>32,762</b>		<b>27,857</b>

2005 Unincorporated County Population	53,032.0
2025 Unincorporated County Population	81,951.0
Estimated 2007 Unincorporated County Population	55,391.1
Estimated 2027 Unincorporated County Population	85,596.5
<b>Population Growth Factor: 2007-2027</b>	<b>1.545</b>

Source: Deschutes County 2000-2025 Coordinated Population Forecast.

## Future Residential Development

Development Type	Dwellings [3]	Trip Factor [2]	Peak-Hour Trips
Single-Family Residential	38,789	1.01	39,177
Multi-Family Residential	274	0.62	170
Destination Resorts	11,565	0.32	3,701
<b>Totals</b>	<b>50,628</b>		<b>43,047</b>

<b>Total Growth in County-Wide P.M. Peak-Hour Trips, 2007-2027</b>	<b>15,190.6</b>
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**NOTES:**

- (1) Source: Deschutes County Community Development Department (December 2007).
- (2) Source: Institute of Transportation Engineers, Trip Generation, Seventh Edition.
- (3) Based on escalating the number of 2007 developments to 2027 based on the 2007-2027 population growth factor.



*Deschutes County*

## Project List Summary

Improvement Type	Total
Intersection	\$ 5.0 million
State Highway (initial list)	\$ 175.0 million
New Road	\$ 20.1 million
Old Road	\$ 50.2 million
Federal Forest	\$ 25.4 million
Bike / Pedestrian	\$ 0.6 million
Bridge	\$ 3.2 million
	\$ 279.5 million





## Allocation Approach

Project costs were allocated to the SDC based on the extent to which each County project will add capacity for growth:

- 100% allocation for projects to serve only growth
- Proportional allocation of 35.3% for projects to serve both growth and existing users
- 5.3% allocation to growth for the County share of State projects that will serve growth and existing users proportionally (35.3% of 15%)
- 0% allocation to growth for projects that will provide no capacity for future users



*Deschutes County*

# Allocation Summary

Transportation Project Types							SDC Eligible Cost
Intersection	State Highway	New Road	Old Road (Existing Roads)	Federal Forest	Bike / Ped	Bridge	
\$ 5,012,591	\$ 175,000,000	\$ 20,120,000	\$ 50,163,748	\$ 25,431,250	\$ 568,000	\$ 3,195,000	
100%	5.3%	100%	35%	0%	0%	35%	19%
\$ 5,012,591	\$ 9,263,142	\$ 20,120,000	\$ 17,701,863	\$ 0	\$ 0	\$ 1,127,457	\$ 53,225,053

Note: The above costs do not include Transportation System Management (TSM) and Transportation Demand Management (TDM) expenses (\$55,000).



Deschutes County

# Improvement Fee Calculation

## Capacity Analysis

Projected Growth	15,191	Peak-Hour Trips
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## Improvement Fee Calculation

Capacity Increasing Project Costs	\$ 53,225,053
Improvement Fee	\$ 3,504 per P-HT



*Deschutes County*

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## SDC Calculation

### System Development Charge

Improvement Fee Subtotal	\$ 3,504	per P-HT
plus: Administrative Cost Recovery	\$ <span style="border: 1px solid black; padding: 2px;">1.28%</span>	per P-HT
Total SDC	\$ 3,549	per P-HT

Note: Based on 1.01 peak-hour trips, the SDC for a single-family residence would be \$3,584.



*Deschutes County*

## SDC Application Examples

Customer Type	Adjusted Peak-Hour Trips	SDC	Basis
Single-Family Home	1.01 per DU	\$ 3,584	per DU
Apartments	0.62 per DU	\$ 2,200	per DU
General Office Building	1.49 per 1,000 sq. ft.	\$ 5,288	per 1,000 sq. ft.
Specialty Retail	2.71 per 1,000 sq. ft.	\$ 9,617	per 1,000 sq. ft.
Supermarket	2.76 per 1,000 sq. ft.	\$ 9,794	per 1,000 sq. ft.
Light Industry	0.98 per 1,000 sq. ft.	\$ 3,478	per 1,000 sq. ft.
Manufacturing	0.74 per 1,000 sq. ft.	\$ 2,626	per 1,000 sq. ft.

Partial list only



Deschutes County

# ITE Trip Generation by Land Use

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Ts	Total SDC	Units
110	General Light Industrial	Typically less than 500 employees, free standing and single use. Examples: Printing plants, material testing laboratories, data processing equipment assembly, power stations.	0.98	1	0.98	\$ 3,478	KSF
130	Industrial Park	Industrial Park areas that contain a number of industrial and/or related facilities (mix of manufacturing, service, and warehouse).	0.86	1	0.86	\$ 3,052	KSF
140	Manufacturing	Facilities that convert raw materials into finished products. Typically have related office, warehouse, research, and associated functions.	0.74	1	0.74	\$ 2,626	KSF
151	Mini-Warehouse	Storage Units or Vaults rented for storage of goods. Units are physically separate and access through an overhead door or other common access point. Example: U-Store-It.	0.26	1	0.26	\$ 923	KSF
210	SF Detached	Single family detached housing.	1.01	1	1.01	\$ 3,584	DU
220	Apartment	Rental Dwelling Units within the same building. At least 4 units in the same building. Examples: Quadplexes and all types of apartment buildings.	0.62	1	0.62	\$ 2,200	DU
230	Condo/Townhouse	Residential Condominium/Townhouses under single-family ownership. Minimum of two single family units in the same building structure.	0.52	1	0.52	\$ 1,845	DU
240	Mobile Home	Trailers or Manufactured homes that are sited on permanent foundations. Typically the parks have community facilities (laundry, recreation rooms, pools).	0.59	1	0.59	\$ 2,094	Occupied DU
253	Elderly Housing	Restricted to senior citizens. Contains residential units similar to apartments or condos. Sometimes in self-contained villages. May also contain medical facilities, dining, and some limited, supporting retail.	0.17	1	0.17	\$ 603	Occupied DU
310	Hotel	Lodging facility that may include restaurants, lounges, meeting rooms, and/or convention facilities. Can include a large motel with these facilities.	0.59	1	0.59	\$ 2,094	Room
320	Motel	Sleeping accommodations and often a restaurant. Free on-site parking and little or no meeting space.	0.47	1	0.47	\$ 1,668	Room
411 *	Local Park	County-owned parks, varying widely as to location, type, and number of facilities, including boating / swimming facilities, ball fields, and picnic facilities.	0.09	1	0.09	\$ 319	Acres
417	Regional Park	Regional park authority-owned parks, varying widely as to location, type, and number of facilities, including trails, lakes, pools, ball fields, camp / picnic facilities, and general office space.	0.2	1	0.2	\$ 710	Acres
430	Golf Course	Includes 9, 18, 27, and 36 hole municipal and private country clubs. Some have driving ranges and clubhouses with pro shops, restaurants, lounges. Many of the muni courses do not include such facilities.	2.74	1	2.74	\$ 9,724	Holes



Deschutes County

# ITE Trip Generation by Land Use

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Is	Total SDC	Units
435	Multipurpose Recreation Facility	Multi-purpose recreational facilities contain two or more of the following land uses at one site: mini-golf, batting cages, video arcade, bumper boats, go-carts, and driving ranges.	5.77	1	5.77	\$ 20,478	Acres
437	Bowling Alley	Recreational facilities with bowling lanes which may include a small lounge, restaurant or snack bar.	3.54	1	3.54	\$ 12,563	Lanes
493	Athletic Club	Privately owned with weightlifting and other facilities often including swimming pools, hot tubs, saunas, racquet ball, squash, and handball courts.	5.76	1	5.76	\$ 20,442	KSF
495	Recreational Community Center	Recreational community centers are facilities similar to and including YMCAs, often including classes, day care, meeting rooms, swimming pools, tennis racquetball, handball, weightlifting equipment, locker rooms, & food service.	1.64	1	1.64	\$ 5,820	KSF
520 *	Elementary School	Public. Typically serves K-6 grades.	0.28	1	0.28	\$ 994	Student
522	Middle School	Public. Serves students that completed elementary and have not yet entered high school.	0.15	1	0.15	\$ 532	Student
530	High School	Public. Serves students that completed middle or junior high school.	0.14	1	0.14	\$ 497	Student
540	Junior/Community College	Two-year junior colleges or community colleges.	0.12	1	0.12	\$ 428	Student
560	Church	Contains worship area and may include meeting rooms, classrooms, dining area and facilities.	0.66	1	0.66	\$ 2,342	KSF
565 *	Day Care	Facility for pre-school children care primarily during daytime hours. May include classrooms, offices, eating areas, and playgrounds.	13.18 0.82	0.33 0.33	4.35 0.27	\$ 15,438 \$ 958	KSF Student
590	Library	Public or Private. Contains shelved books, reading rooms or areas, sometimes meeting rooms.	7.09	1	7.09	\$ 25,162	KSF
591	Lodge/Fraternal Organization	Includes a club house with dining and drinking facilities, recreational and entertainment areas, and meeting rooms.	0.03	1	0.03	\$ 106	Members
710	General Office	Office building with multiple tenants. Mixture of tenants can include professional services, bank and loan institutions, restaurants, snack bars, and service retail facilities.	1.49	1	1.49	\$ 5,288	KSF
715	Single Tenant Office Building	Single tenant office building. Usually contains offices, meeting rooms, file storage areas, data processing, restaurant or cafeteria, and other service functions.	1.73	1	1.73	\$ 6,140	KSF
720	Medical-Dental Office	Provides diagnosis and outpatient care on a routine basis. Typically operated by one or more private physicians or dentists.	3.72	1	3.72	\$ 13,202	KSF
750	Office Park	Park or campus-like planned unit development that contains office buildings and support services such as banks & loan institutions, restaurants, service stations.	1.5	1	1.5	\$ 5,324	KSF
760	Research & Development Center	Single building or complex of buildings devoted to research & development. May contain offices and light fabrication facilities.	1.08	1	1.08	\$ 3,833	KSF



Deschutes County

# ITE Trip Generation by Land Use

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Ts	Total SDC	Units
770	Business Park	Group of flex-type or incubator 1 - 2 story buildings served by a common roadway system. Tenant space is flexible to accommodate a variety of uses. Rear of building usually served by a garage door. Typically includes a mix of offices, retail & wholesale.	1.29	1	1.29	\$ 4,578	KSF
812	Building Materials & Lumber	Small, free standing building that sells hardware, building materials, and lumber. May include yard storage and shed storage areas. The storage areas are not included in the GLA needed for trip generation estimates.	4.49	1	4.49	\$ 15,935	KSF
813	Discount Super Store	A free-standing discount store that also contains a full service grocery dept. under one roof.	3.87	0.718	2.78	\$ 9,866	KSF
814	Specialty Retail	Small strip shopping centers containing a variety of retail shops that typically specialize in apparel, hard goods, services such as real estate, investment, dance studios, florists, and small restaurants.	2.71	1	2.71	\$ 9,618	KSF
815	Discount Store	A free-standing discount store that offers a variety of customer services, centralized cashing, and a wide range of products under one roof. Does not include a full service grocery dept. like Land Use 813, Free-standing Discount Superstore.	5.06	0.475	2.4	\$ 8,518	KSF
816	Hardware/Paint Store	Typically free-standing buildings with off-street parking that sell paints and hardware.	4.84	0.450	2.18	\$ 7,737	KSF
817	Nursery/Garden Center	Free-standing building with yard containing planting or landscape stock. May have large green houses and offer landscape services. Typically have office, storage, and shipping facilities. GLA is Building GLA, not yard and storage GLA.	3.8	1	3.8	\$ 13,486	KSF
820	Shopping Center	Integrated group of commercial establishments that is planned, developed, owned, and managed as a unit. Provides enough on-site parking to serve its own parking demand. May include non-merchandising facilities such as office buildings, movie theatres, restaurants, post offices, health clubs, and recreation like skating rinks and amusement.	3.75	0.393	1.47	\$ 5,217	KSF Leasable
841	New Car Sales	New Car dealership with sales, service, parts, and used vehicles	2.64	1	2.64	\$ 9,369	KSF
848	Tire Store	Primary business is tire sales and repair. Generally does not have a large storage or warehouse area.	4.15	1	4.15	\$ 14,728	KSF
850	Supermarket	Free-standing grocery store. May also contain ATMs, photo centers, pharmacies, video rental areas.	10.45	0.265	2.76	\$ 9,795	KSF
851	Convenience Market	Sells convenience foods, newspapers, magazines, and often Beer & Wine. Does not have gas pumps.	52.41	0.282	14.8	\$ 52,525	KSF
880	Pharmacy w/o drive through	Facilities that fulfill medical Prescriptions	8.42	0.327	2.75	\$ 9,760	KSF





Deschutes County

# ITE Trip Generation by Land Use

ITE Code	Customer Type	Land Use Description	Peak-Hour Trips	Pass-By Trip Factor	Adjusted P-H Ts	Total SDC	Units
881	Pharmacy w/ drive through	Facilities that fulfill medical prescriptions	8.62	0.383	3.3	\$ 11,712	KSF
890	Furniture Store	Sells furniture, accessories, and often carpet/floor coverings.	0.46	0.157	0.07	\$ 248	KSF
911 *	Walk-In Bank	Usually a Free-standing building with a parking lot. Does not have drive-up windows. May have ATMs.	33.15	0.270	8.95	\$ 31,764	KSF
912	Drive-In Bank	Provides Drive-up and walk-in bank services. May have ATMs.	45.74	0.270	12.35	\$ 43,930	KSF
931	Quality Restaurant	High quality eating establishment with slower turnover rates (more than one hour).	7.49	0.288	2.15	\$ 7,630	KSF
932	High Turnover Sit-Down Rest.	Sit-Down eating establishment with turnover rates of less than one hour.	10.92	0.315	3.44	\$ 12,209	KSF
933 *	Fast Food w/o Drive-Thru	Fast Food but no drive-through window	26.15	0.265	6.94	\$ 24,630	KSF
934	Fast Food With Drive-Thru	Fast Food with drive-through window	34.64	0.265	9.2	\$ 32,651	KSF
936 *	Drinking Place	Contains a bar where alcoholic beverages and snacks are serviced and possibly some type of entertainment such as music, games, or pool tables	11.34	0.315	3.58	\$ 12,705	KSF
944	Gas Station	Sell gasoline and may also provide vehicle service and repair. Does not have Convenience Market and/or Car Wash.	13.86	0.235	3.26	\$ 11,570	Fueling Positions
945	Gas/Service Station with Convenience Market	Selling gas and Convenience Market are the primary business. May also contain facilities for service and repair. Does not include Car Wash.	13.38	0.123	1.65	\$ 5,856	Fueling Positions
946 *	Gas/Service Station with Convenience Market, Car Wash	Selling gas, Convenience Market, and Car Wash are the primary business. May also contain facilities for service and repair.	13.33	0.382	5.09	\$ 18,064	Fueling Positions
947	Self-Service Car Wash	Allows manual cleaning of vehicles by providing stalls for the driver to park and wash.	5.54	1	5.54	\$ 19,661	Wash Stalls

**NOTES:**

Source: Institute of Transportation Engineers, *Trip Generation*, Seventh Edition.

Peak-Hour Trips: Weekday, peak-hour of adjacent street traffic. Most often, one hour between 4 and 6 p.m.

Pass-By Trip Factor reflects diverted linked trips in addition to pass-by trips.

ITE codes identified with asterisks (\*) include information derived from the ITE manual (e.g., pass-by factor is derived from pass-by counts for a similar land use or are estimated by traffic engineers).

Land Use Units:

KSF = 1,000 gross square feet building area

DU = dwelling unit

Room = number of rooms for rent

Fueling Positions = maximum number of vehicles that can be served simultaneously

Student = number of full-time equivalent students enrolled



Deschutes County

# Alternative SDCs Considered

Transportation Project Types							SDC per Peak-Hour Trip
State		Old Road		Federal			
Intersection	Highway	New Road (Existing Roads)	Forest	Bike / Ped	Bridge		
\$ 5,012,591	\$ 342,250,000	\$ 20,120,000	\$ 50,163,748	\$ 25,431,250	\$ 568,000	\$ 3,195,000	
<b>Alternative 1</b>	\$ 51,337,500	\$ 20,120,000	\$ 17,701,863	\$ 0	\$ 0	\$ 1,127,457	\$ 6,318
<b>Alternative 2</b>	\$ 18,116,059	\$ 20,120,000	\$ 17,701,863	\$ 0	\$ 0	\$ 1,127,457	\$ 4,131

Transportation Project Types							SDC per Peak-Hour Trip
State		Old Road		Federal			
Intersection	Highway	New Road (Existing Roads)	Forest	Bike / Ped	Bridge		
\$ 5,012,591	\$ 175,000,000	\$ 20,120,000	\$ 50,163,748	\$ 25,431,250	\$ 568,000	\$ 3,195,000	
<b>Alternative 3</b>	\$ 26,250,000	\$ 20,120,000	\$ 17,701,863	\$ 0	\$ 0	\$ 1,127,457	\$ 4,667
<b>Alternative 4</b>	\$ 9,263,142	\$ 20,120,000	\$ 17,701,863	\$ 0	\$ 0	\$ 1,127,457	\$ 3,549

Recommended Approach

Note: The above costs do not include Transportation System Management (TSM) and Transportation Demand Management (TDM) expenses (\$55,000).



*Deschutes County*

# Area (City) SDC Comparison

## Transportation

SDC [1]

City

City	Transportation SDC [1]
Bend	\$ 4,356
Deschutes County -- Proposed	3,584
Redmond [2]	2,906
Madras	2,897
Prineville	2,893

## NOTES

[1] Charges shown are minimum SDCs for one single-family residence.

[2] Currently under review.



*Deschutes County*

# County SDC Comparison

## Transportation SDC [1]

County	Transportation SDC [1]
Jackson County	\$ 3,791
Deschutes County -- Proposed	3,584
Clackamas County [2]	3,340
Washington County	3,200
Columbia County [2]	2,250
Marion County [2]	1,821

### NOTES

- [1] Charges shown are minimum SDCs for one single-family residence.
- [2] Charge applies to development in rural areas. Higher charges apply inside urban growth boundaries.

EXHIBIT B  
Deschutes County  
SYSTEM DEVELOPMENT CHARGE  
Project List

Length (mi)	Road Name	From	To	Proposed Treatment	Current Functional Class	Existing Road Section (ft.)	County Standard Section (ft.)	Construction Cost	Engineering & Administration	Project Cost	
	<b>Improvement Projects (Intersection only)</b>										
	BURGESS RD AT DAY RD	Rural / South County Area	Rural / South County Area	Add turn lanes to Burgess Road	Arterial/Collector			\$ 225,000	\$ 56,250	\$ 281,250	
	OLD REDMOND-BEND HWY AT TUMALO RD	Rural / Tualo Area	Rural / Tualo Area	Add turn lanes to Old Redmond-Bend	Arterial/Collector			\$ 200,000	\$ 50,000	\$ 250,000	
	HUNTINGTON RD AT SOUTH CENTURY DRIVE	Rural / North County Area	Rural / North County Area	Add turn lanes	Collector			\$ 200,000	\$ 50,000	\$ 250,000	
	COYNER RD AT NORTHWEST WAY	Rural / North County Area	Rural / North County Area	Add turn lanes to Northwest Way	Collector			\$ 500,000	\$ 125,000	\$ 625,000	
	BAKER ROAD AND CINDER BUTTE ROAD	Rural/Deschutes River/Woods	Rural/Deschutes River/Woods	Install Roundabout	Arterial/Collector			\$ 1,221,320	\$ 305,330	\$ 1,526,650	
	POWELL BUTTE HWY (NEFF ALFA MKT. ROAD)	Rural/Bend Area	Rural/Bend Area	Install Roundabout	Arterial/Arterial			\$ 1,463,753	\$ 365,938	\$ 1,829,691	
									<b>Subtotal</b>	<b>\$ 5,012,691</b>	
	<b>Transportation System Management (TSM) and Transportation Demand Management (TDM) Projects</b>										
	Regional TDM Program	Countywide	Countywide	County share to continue funding of Commute Options (per year)				\$ 10,000		\$ 10,000	
	Rideshare Lots	Countywide	Countywide	Install regional rideshare lots at various future locations				\$ 45,000		\$ 45,000	
								<b>Subtotal</b>		<b>\$ 55,000</b>	
	<b>State Highway Improvement Projects (ODOT Projects with County participation)</b>										
	QUARRY ROAD INTERCHANGE			grade separation	Principal Arterial			\$ 9,000,000	\$ 2,250,000	\$ 11,250,000	
	WICKIUP JUNCTION INTERCHANGE PHASE I			grade separation, realignment	Principal Arterial			\$ 24,000,000	\$ 6,000,000	\$ 30,000,000	
	WICKIUP JUNCTION INTERCHANGE PHASE II			grade separation, realignment	Principal Arterial			\$ 80,000,000	\$ 20,000,000	\$ 100,000,000	
	HUNTINGTONS CENTURY EXTENSION			grade separation/roadway extension	Principal Arterial			\$ 9,000,000	\$ 2,250,000	\$ 11,250,000	
	TUMALO INTERCHANGE			grade separation, realignment	Principal Arterial			\$ 9,000,000	\$ 2,250,000	\$ 11,250,000	
	OLD BEND REDMOND HIGHWAY			grade separation	Principal Arterial			\$ 9,000,000	\$ 2,250,000	\$ 11,250,000	
									<b>Subtotal</b>	<b>\$ 175,000,000</b>	
	<b>New Road Segments (urban and rural)(only include intersections)</b>										
1.24	COOLEY ROAD	18TH STREET	DESCHUTES MARKET ROAD	New Road	Arterial	21	32	\$ 1,000,000	\$ 250,000	\$ 1,250,000	
0.76	HUNNELL ROAD	COOLEY ROAD	RODGERS ROAD	New Road	Collector	28	30	\$ 1,500,000	\$ 375,000	\$ 1,875,000	
0.25	DESCHUTES MKT., PHASE I	END NEW ALIGNMENT, PHASE I	DESCHUTES MKT. RD.	New Road	Collector	28	30	\$ 5,970,000	\$ 1,492,500	\$ 7,462,500	
0.2	CROOKED RIVER DR	WILCOX DR	SMITH ROCK WAY	New Road	Collector	28	30	\$ 1,200,000	\$ 31,500	\$ 1,231,500	
1.5	NEW ROAD	MASTEN RD	6TH ST	New Road	Collector	28	30	\$ 2,000,000	\$ 500,000	\$ 2,500,000	
6.75	19TH STREET EXTENSION	19TH ST. (REDMOND)	DESCHUTES MARKET ROAD	New Road	Collector	28	30	\$ 5,800,000	\$ 1,450,000	\$ 7,250,000	
0.2	BRITTA EXTENSION	END OF BRITTA	HWY 20/ROBAL RD	New Road	Collector	28	30	\$ 500,000	\$ 125,000	\$ 625,000	
									<b>Subtotal</b>	<b>\$ 20,120,000</b>	
	<b>Improvement Projects (Existing Roads)</b>										
1.51	NW 19TH ST	NW ODEM WAY	NW LOWER BRIDGE WAY	Widen & Overlay	Collector	21	28	\$ 377,500	\$ 94,375	\$ 471,875	
1.54	CINDER BUTTE RD	MINNETONKA LN	BAKER RD	Widen & Overlay	Collector	28	30	\$ 385,000	\$ 96,250	\$ 481,250	
0.61	NW PERSHALL WAY	19ST	NW COYNER AVE	Widen & Overlay	Collector	28	30	\$ 152,500	\$ 38,125	\$ 190,625	
1.58	NORTHWEST WAY	MAPLE	NW ODEM WY.-NW ALMETER WY	Widen & Overlay	Collector	28	30	\$ 387,500	\$ 96,875	\$ 484,375	
1.25	NW COYNER AVE	PERSHALL	NW HELMHOLTZ WAY	Widen & Overlay	Collector	24-27	28	\$ 312,500	\$ 78,125	\$ 390,625	
3.93	SOUTH CENTURY DR	VANDEVERT RD	GENERAL PATCH BRIDGE	Widen & Overlay	Collector	24-27	28	\$ 982,500	\$ 245,625	\$ 1,228,125	
1.02	VANDEVERT RD	HWY 97	SOUTH CENTURY DR	Widen & Overlay	Collector	27	30	\$ 255,000	\$ 63,750	\$ 318,750	
0.98	BAILEY RD	US 20	TUMALO RESERVOIR RD	Widen & Overlay	Collector	23	30	\$ 245,000	\$ 61,250	\$ 306,250	
4.5	JOHNSON MARKET RD	SHEVLIN PARK	TUMALO RESERVOIR RD	Widen & Overlay	Collector	30-32	30	\$ 1,125,000	\$ 281,250	\$ 1,406,250	
2.78	TUMALO RESERVOIR RD	OB RILEY	TUMALO RESERVOIR RD	Widen & Overlay	Collector	21-23	28	\$ 1,152,500	\$ 288,125	\$ 1,440,625	
4.61	BEAR CREEK ROAD	CITY LIMITS	COLLINS RD	Widen & Overlay	Collector	23-28	30	\$ 695,000	\$ 173,750	\$ 868,750	
1.835	CHINA HAT ROAD	KNOTT ROAD	HIGHWAY 20	Widen & Overlay	FS Collector	24	30	\$ 458,750	\$ 114,688	\$ 573,438	
3.6	CLOVERDALE ROAD	END MAINTENANCE	HIGHWAY 20	Widen & Overlay	Collector	23	30	\$ 900,000	\$ 225,000	\$ 1,125,000	
0.315	COOLEY ROAD	HIGHWAY 20	HIGHWAY 126	Widen & Overlay	Collector	22	30	\$ 78,750	\$ 19,688	\$ 98,438	
1.64	PLEASANT RIDGE ROAD	HIGHWAY 97	O.B. RILEY ROAD	Widen & Overlay	Collector	28	30	\$ 410,000	\$ 102,500	\$ 512,500	
1.39	N. CANAL BOULEVARD	REDMOND CITY LIMITS	DESCHUTES MKT. RD.	Widen & Overlay	Collector	21-24	30	\$ 347,500	\$ 86,875	\$ 434,375	
1.45	NE NEGUS WAY	REDMOND CITY LIMITS	HIGHWAY 97	Widen & Overlay	Collector	21-26	30	\$ 392,500	\$ 98,125	\$ 490,625	
1.57	NW HELMHOLTZ AVE.	NW HELMHOLTZ AVE.	NE 17TH STREET	Widen & Overlay	Collector	22	30	\$ 392,500	\$ 98,125	\$ 490,625	
2.15	NW HELMHOLTZ WAY	MAPLE AVE	NW UPA'S AVE.	Widen & Overlay	Collector	23-25	30	\$ 537,500	\$ 134,375	\$ 671,875	
8.49	NW LOWER BRIDGE WAY	43RD STREET	COYNER AVE	Widen & Overlay	Collector	24	30	\$ 2,132,500	\$ 533,125	\$ 2,665,625	
1.04	STEVENS ROAD	HOLMES ROAD	HOLMES ROAD	Widen & Overlay	Collector	27	30	\$ 260,000	\$ 65,000	\$ 325,000	
1.01	SW OBSIDIAN AVE.	BEND CITY LIMITS	WARD ROAD	Widen & Overlay	Collector	27	30	\$ 263,500	\$ 65,875	\$ 329,375	
0.51	SW WICKIUP AVE.	REDMOND CITY LIMITS	UGB	Widen & Overlay	Collector	20	30	\$ 137,500	\$ 34,375	\$ 171,875	
1.75	SPRING RIVER RD	HARPER BRIDGE	SW 58TH STREET/24-26	Widen & Overlay	Arterial	27	28	\$ 457,500	\$ 109,375	\$ 566,875	
0.305	SMITH ROCK WAY	COMMUNITY BOUNDARY	FS ROAD #40	Widen & Overlay	Arterial	26	28	\$ 76,250	\$ 19,063	\$ 95,313	
8.9	HUNTINGTON ROAD	SOUTH CENTURY	COMMUNITY BOUNDARY	Widen & Overlay	Arterial	27	30	\$ 2,775,000	\$ 693,750	\$ 3,468,750	
5.63	MASTEN ROAD	COLLAR DRIVE	BURGESS ROAD	Reconstruction/ widen and overlay	Arterial	22-26	30	\$ 4,900,000	\$ 1,225,000	\$ 6,125,000	
1.93	RICKARD ROAD	GROFF ROAD	HIGHWAY 20	Reconstruction/ pave	Collector	20	30	\$ 1,700,000	\$ 425,000	\$ 2,125,000	

