

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution to Modify the Transportation System Development Charges Established by Resolution No. 2008-059 for Properties Within Unincorporated Deschutes County. * RESOLUTION NO. 2013-020

WHEREAS, the Deschutes County Board of County Commissioners ("Board") held a duly noticed public hearing on June 5, 2013, to consider modifying the transportation system development charge ("SDC") originally established by Resolution No. 2008-059 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 and modify 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 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 future development of properties within the unincorporated county and outside 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 in Resolution No. 2008-059 adopted the report, titled Transportation System Development Charge Study prepared by FCS Group Inc. and DKS Associates, dated March 2008 (FCS Group Report) which is hereby amended by a report titled "Transportation System Development Charge Update", dated April, 2013, prepared by Deschutes County Road Department, attached as Exhibit "A" and incorporated by reference (herein "Methodology" or "Methodology Report"). In the event of a conflict between the FCS Report and Methodology Report, the latter shall control. The Board authorizes the assessment and 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 ("Capital Improvement Plan"). The Capital Improvement Plan hereby supersedes the capital improvement plan which was adopted as part of Resolution No. 2008-059.

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 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 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, issued by Deschutes County, 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) "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.

- (L) "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.
- (M) "Multi-family housing" shall mean attached residential dwelling units.
- (N) "Occupancy Permit" shall mean an official document or certificate authorizing the occupation or use of any building or improvement authorized by a building permit.
- (O) "Owner" shall mean the person holding legal title to the real property upon which development is to occur.
- (P) "Person" shall mean an individual, a corporation, including without limitation, limited liability corporation, a partnership, an incorporated association, or any other similar entity.
- (Q) "Qualified Public Improvement" shall mean a capital improvement that is:
 - (1) Required as a condition of development approval; and
 - (2) Identified in the capital improvement plan adopted pursuant to this resolution; 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.
- (R) "Reimbursement fee" means a fee for costs associated with capital improvements constructed or under construction by the County on the effective date of this resolution.
- (S) "Road Department Director" or "Director" shall mean the appointed Road Department Director of Deschutes County, Oregon or the Director's designee.
- (T) "Single-family housing" shall mean a detached residential dwelling unit located on an individual lot.
- (U) "System Development Charge" or "SDC" 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.
- (V) "System Development Charges Methodology" shall mean the methodology set forth in the FCS Group Report as modified by the Methodology Report.

Section 4. APPLICABILITY.

- (A) A Transportation System Development Charge is hereby assessed and imposed upon all new development for which a building permit or a development permit is required and issued within all unincorporated areas of the County outside the cities of La Pine, Sisters, Redmond and Bend. From and after assessment, the transportation system development charge shall run with the property, not with any structure attached to the property. Development shall mean and include new construction, alteration, expansion or replacement of a building or dwelling unit. 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.
- 1) All development subject to payment of the City of Bend Transportation SDC via the Water and Sewer Agreement between the City of Bend and Cascade Highlands Limited Partnership (recorded agreement #2005-73584) shall pay 50% of the Transportation SDC for the specific use.
- (B) Consideration of existing use.
- 1) If construction, alteration, expansion, replacement, or change-of-use results in an increase in the calculated number of peak hour trips generated by the development or the property on which the development is located, as compared to the pre-development number of calculated peak hour trips, then a new Transportation SDC shall apply. The amount of the system development charge to be paid shall be the difference between the calculated trips generated from the proposed development and the calculated trips generated from the property prior to the construction, alteration, expansion or replacement. If the change in use results in a Transportation SDC for the proposed use which is less than the Transportation SDC for the use being replaced, then no new or additional SDC shall be assessed and no refund or credit shall be given.
 - 2) If the previous development or prior use of the property, which was not subject to SDC payment, has been abandoned for at least two consecutive years, as determined by the Community Development Department under the County Code, then no consideration of existing use shall occur and a new SDC assessment shall apply. However, if such development or use was discontinued due to fire, natural disaster or required demolition on account of public health and safety, then the two-year time period will be extended to 10 consecutive years.
 - 3) Previously paid SDCs shall be credited to the property regardless of any period of abandonment. The credit shall be based on the number of PM peak hour trips generated by the development at the time of original SDC assessment.
- (C) The Transportation System Development Charges (SDC's) shall be determined as follows:
- (1) For those land-use categories which are specifically identified in the most recent edition of the Institute of Traffic Engineers (ITE) Trip Generation Manual or the Methodology Report adopted pursuant to this resolution, the SDC amount shall be determined as identified in the Methodology Report, unless otherwise approved by the Director.
 - (2) For land-use categories for which no trip generation rate is included in the Methodology Report (or ITE Trip Generation Manual), the Director shall use the land-use category identified in the Methodology Report (or ITE Trip Generation Manual) that is most similar to the subject land use category and apply the corresponding trip generation rate. The Director may consider seasonal and/or cyclical variations to adjust the calculation of peak hour trip rates. An applicant who disagrees with the Director's decision may appeal this decision as outlined in Section 12 of this Resolution.

- (D) Applicants may submit a request for an alternative trip generation rate and corresponding system development charges for a development, subject to the following conditions:
- (1) In the event an applicant believes that the trip generation impact on County capital improvements resulting from the development is less than the trip generation rates used to establish the SDC fee established by this Resolution, the applicant may submit a calculation for an alternative system development charge to the Director, but no later than the 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 Methodology or an independent source, provided that the independent source is:
 - (a) a study supported by a data base 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 Report or otherwise calculated by the Director pursuant to subsection (B) of this Section; and
 - (d) the demonstrated number of peak hour trips shall be documented by a registered traffic engineer or otherwise qualified professional engineer.
 - (3) The Director shall issue a written decision within ten (10) working days from the date of receipt of a complete application and shall notify the applicant by regular mail.
 - (4) If the Director determines that the data, information and assumptions utilized by the applicant to calculate the alternative system development charges rates satisfy the requirements of this subsection and have been timely submitted, the alternative system development charges rates shall be paid in lieu of the rates set forth in or otherwise determined by the Director under this Resolution.
 - (5) If the Director determines that the data, information and assumptions utilized by the applicant to calculate the alternative system development charges rates do not satisfy the requirements of this subsection or have not been timely submitted, the Director shall deny the application and apply the rates established by the Director.
- (E) 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 \$3,758 per PM peak hour trip, consisting of a \$3,625 improvement fee, a \$86 reimbursement fee, and a \$47 administrative recovery charge.
- (F) For SDC's that have been assessed, but not yet been paid as of the effective date of this Resolution, the property owner shall pay the lesser of the applicable SDC charge determined under Resolution No. 2008-059 or this Resolution.
- (G) Unless otherwise adjusted by order of the Board of County Commission, on each succeeding July 1 after 2014, the SDC, 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 immediately preceding January by the Engineering

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

Section 5. COLLECTION.

- (A) The Transportation SDC's shall be collected and paid in full no later than the date of submittal of an 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) In cases where an occupancy permit is not required, the Transportation SDC shall be collected and paid in full no later than the date on which the property is used in the manner approved by the development permit. An applicant may elect to pay an SDC over a ten-year period under the provisions of DCC 15.12.060.
- (C) Notwithstanding the receipt of an occupancy permit or the use of the property pursuant to a development permit without payment of the SDC, the SDC liability shall survive and be a personal obligation of the permittee.
- (D) Intentional failure to pay the SDC within sixty (60) days of the due date shall result in a penalty equal to fifty percent (50%) of the SDC. Interest shall accrue on and after 60 days after the due date at the rate of nine (9%) percent per annum.
- (E) 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) If the property becomes occupied prior to issuance of a Certificate of Occupancy, initiate code enforcement proceedings;
 - (5) 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 the applicant to construct 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, if any, and documentation as to the seller and purchase price;
 - (3) a list of the contemplated capital improvements contained within the development plan;

- (4) an estimate of construction costs for the contemplated capital improvements certified by a professional architect or engineer; and
 - (5) a proposed time schedule for completion of the proposed capital improvements.
- (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. Projected future transportation needs shall be determined by reference to the Deschutes County Transportation System Plan. Improvements that address capacity deficiencies existing at the time of development are not eligible. In the case of improvements addressing both capacity deficiencies and adding future capacity, 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 and measured 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 design or construction costs associated with 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 that is necessary to complete a required off-site improvement is creditable. The Director may require an applicant at the applicant's expense to furnish an appraisal to determine the market value of such property.
 - (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 if the project had been undertaken by the County.
 - (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, inspection and permit fees.
- (F) All requests for credit vouchers must be in writing and filed with the Director not more than 90 days after County 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 relevant 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 only against the SDC otherwise 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. Under no circumstances will the County be required to pay an applicant in cash, as consideration for the improvement. 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 the subject of the application 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 improvement 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 not 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 (10) 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 (2) 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 (1) 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 (10) 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 a decision only in the following matters:
 - (1) A land-use category and/or seasonal/cyclical variations used by the Director to determine the SDC amount pursuant to Section 4.
 - (2) An alternative rate calculation pursuant to subsection (C) of Section 4.
 - (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 addressing the decision subject to review set forth in subsection (A) of this section and the reasons why the applicant is challenging the decision.
- (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 opened 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.
- (F) Appeal of the decision of the Board shall be made to the Circuit Court of Deschutes County.

Section 13. FULL FORCE AND EFFECT. If any clause, section or provision of this resolution shall be declared unconstitutional or invalid, the remaining portions of said resolution shall be in full force and effect and be valid as if such invalid portion had not been adopted. Nothing contained herein shall be construed as invalidating any assessment or collection of system development charges pursuant to Resolution No. 2008-059, nor any project funded in whole or in part with funds collected thereunder. In addition, all funds assessed and collected pursuant to Resolution No. 2008-059, which have not been committed, shall be treated in the same manner as funds received pursuant to Section 8 of this Resolution.

Section 14. EFFECTIVE. This resolution is effective immediately upon adoption by the Board of County Commissioners. The SDC established by Resolution No. 2008-059 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. The SDC established by Resolution No. 2013-020 shall first apply to building permits or development approvals for which a building permit or development application was accepted by the County as complete on and after the effective date of this resolution.

DATED this 12th day of June, 2013.

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON

voted - no -
ALAN UNGER, Chair

Tammy Baney
TAMMY BANEY, Vice Chair

ATTEST:

Bonnie Baker
Recording Secretary

Anthony DeBone
ANTHONY DEBONE, Commissioner

**Road Department**61150 SE 27th St. • Bend, Oregon 97702
(541) 388-6581 • FAX (541) 388-2719**TRANSPORTATION SYSTEM DEVELOPMENT CHARGE UPDATE
(Methodology Report)**

By Chris Doty, PE/PTOE, Road Department Director

April 5, 2013

With the recent County approval and State acknowledgement of the County's new Transportation System Plan (TSP), the County's Transportation System Development Charge (SDC) must be updated to reflect a new Capital Improvement Plan (CIP) contained within the TSP as well as modified growth projections through the year 2030.

Background:

In July of 2008, the Board of County Commissioners approved Resolution 2008-059 which established a countywide Transportation SDC. The passage of the Resolution concluded a public process primarily involving the Deschutes County Transportation SDC Stakeholders Advisory Committee. The Committee recommended a SDC methodology and final SDC rate based upon the best available data regarding needed transportation projects and growth projections. A primary component of the SDC methodology and rate is the Road Department's CIP which establishes the planned transportation projects necessary to accommodate growth and system improvement throughout a 20-year planning horizon.

On August 20, 2012, the Board of County Commissioners approved an update to the County's TSP. The update includes a new Transportation CIP. The revised CIP contains significant changes in planned projects through the year 2030.

The current SDC methodology calculates an improvement fee (no reimbursement fee¹) based on the number of PM peak hour trips added to the transportation system. The formula is as follows:

¹ The current SDC methodology does not contain a reimbursement fee portion; however Resolution 2008-059 (and supporting documents) describes a "placeholder" methodology for future consideration of a reimbursement SDC.

$$SDC = \frac{\text{Eligible cost of planned "capacity increasing" capital improvements (\$)}}{\text{Growth in system capacity demand (in peak hour trips)}}$$

The existing SDC methodology calculates the SDC eligible cost of planned capital improvements at approximately \$55M (of \$280M in total project cost). The existing SDC methodology also assumes growth, measured in the estimated number of daily peak hour trips added to the system, at approximately 15,200.

The resulting SDC, updated several times through inflation adjustments, stands at \$3,673 per PM peak hour trip (including \$47/PM peak hour trip administration fee).

SDC Committee:

On February 12 and February 26th 2013, **the County's SDC Committee met to review an update proposal based on a new CIP and revised infrastructure growth estimates.** The SDC Committee was comprised of the following members:

Paul Dewey, Central Oregon Landwatch
 Chris Doty, Deschutes County Road Department Director
 Andy High, Central Oregon Builders Association
 Steve Hultberg, Radler, White and Alexander
 Gary Miller, Special Road District #8
 Bill Robie, Central Oregon Realtors Association
 Peter Russell, Deschutes County, Senior Transportation Planner
 Dale Van Valkenburg, Brooks Resources
 Mike Williams, Hooker Creek

In addition to reviewing and recommending adoption of:

1. A revised infrastructure growth estimate
 - a. With new methodology for estimating system trip generation.
2. A project list (CIP)
 - a. **With growth's portion of improvements identified.**

The SDC Committee also reviewed the following elements related to the SDC methodology:

3. Consistency within the methodology as it relates to resort versus non-resort single-family residential dwelling units.
4. Transportation SDC Recommendation
 - a. Reimbursement fee SDC Portion
 - b. Improvement fee SDC Portion
 - c. Total Transportation SDC
5. SDC Resolution related clarifications pertaining to:

- a. Establishment that SDCs are assigned to land rather than structure.
- b. Timeframe to declare abandonment of use.
- c. Clarification of how to charge Home Occupations.
- d. How to address illegal use.
- e. How to address change of use.
- f. How to adopt changes/updates to the Institute of Transportation Engineers' Trip Generation Manual.

In establishing items 1-5 above, the SDC Committee arrived at a new SDC rate.

The SDC Committee achieved full consensus on the above issues as follows:

Item 1 and 1a: Infrastructure Growth Estimate

Similar to the estimate calculated in Resolution 2008-059, the growth in transportation system use utilized a residentially based background trip generation estimate, then calculated system growth across the 20-year planning period utilizing an estimated growth rate.

Based on recent Census and historical permit data, the Deschutes County Community Development Department (CDD) has estimated an unincorporated area growth rate of 1.0% per year (2010 to 2030). See Exhibit A-1.

To calculate the background system use in 2010 (as a baseline for estimating future growth), a **"blended" residential trip generation rate was created and utilized to account for Deschutes County's unique high percentage of secondary home development.**

The blended residential trip rate is calculated as follows:

Blended Single-Family Residential Trip Generation Rate Calculation

Land Use	ITE #/Type	PM peak hour trips/unit	% of Total Use in Des. County	Rate
Single Family Residential (primary housing)	#210 Single Family Detached Housing	1.00	74%	0.74
Single Family Residential (Secondary/resort housing)	#260 Recreational Homes	0.26	26%	0.07
Total "Blended" Trip Generation Rate per Residential Dwelling Unit (PM Pk Hr)				0.81

The blended trip generation rate resolves the prior issue of methodology inconsistency between residential uses contained within, or outside of, a Goal 8 destination resort. The blended rate is a global rate of the average trip generation of a dwelling unit in Deschutes County that will be applied to all building permits for single-family residences (inside and outside of resorts).

Utilizing 2010 Census and CDD permit data, the 20-year growth in system use within the unincorporated area is estimated per the following tables:

Growth in Residential Development

Land Use	# Units 2010	# Units 2030 (1% per year for 20 years)	Growth in Units
Single Family (SF) Residential	31,013	37,836	6,823

Growth in System Use (Residential Based at 0.81 PM peak hour trips/unit)

Land Use	# of PM Peak Hour Trips (2010)	# of PM Peak Hour Trips (2030)	Growth in # of PM Peak Hour Trips	Growth (2010 to 2030) as a percent of total system use.
SF Residential	25,120	30,645	5,525	18.0%

Total Growth Related Trips added to System (2010 to 2030)

Land Use	Growth Related PM peak hour trips
Residential	5,525
Non-Residential (Commercial, etc.)	553
<i>*Estimated at 10% of residential trips per 2009 to 2013 SDC collection data</i>	
Total	6,078

Based on a revised growth estimate and a modified trip generation rate, growth within the unincorporated area of Deschutes County is anticipated to add 6,078 PM peak hour trips to the transportation system by 2030. This growth is estimated to account for an 18.0% increase in transportation system use.

Item 2 and 2a: Capital Improvement Plan/Project List and Growth's Portion of Planned Projects

Utilizing the CIP (with minor modifications) contained within the recently approved TSP, the SDC Committee assigned growth's share of planned projects primarily based on the methodology and rationale established in Resolution 2008-059.

Exhibit B is the recommended Project List with identified SDC funding apportionment based on the SDC Committee's recommendation in the following categories:

SDC Eligible Expense by Project Category

Project Category	Project Cost	% SDC Eligible	Total \$ SDC Eligible
County Intersection Projects	\$7.08M	100%	\$7.08M
System Management	\$0.2M	0%	\$0
State Highway Segments	\$125.10M	0%	\$0
State Highway Intersections	\$115.55M	2.7%	\$3.12M
County New Segments	\$3.46M	100%	\$3.46M
County Modernization Projects	\$34.49M	18%	\$6.21M
Forest Highway Projects	\$15.4M	10%	\$1.54M
Bike/Ped Projects	\$0.57M	0%	\$0
Bridge Projects	\$3.44M	18%	\$0.62M
TOTAL Project Cost	\$305.3M		\$22.03M

The SDC Committee followed the prior methodology and rationale for assignment of SDC eligible expense (growth's portion) as established in Resolution 2008-059, with one exception (Forest Highway Projects).

County Intersection Projects and New County Road Segments remain funded at 100% via growth. County Modernization Projects and Bridge Projects are funded based on growth's proportional impact to background use – which has been revised to 18.0%. State Highway Intersection Projects (intersecting County facilities) are funded at 2.7%. This is based on a percent of a percent. The County's share of an intersection's is 15%. Assuming growth accounts for 18% of the new use of the intersection, then 2.7% is 18% of the total County share of 15%. System Management, State Highway Segments, and Bike/Ped Projects (mostly sidewalk) do not have any funding assigned to growth.

Within the existing SDC methodology, Forest Highway Projects were not assigned any growth-related SDC expense as previously the Federal Forest Highway Program fully funded Forest Highway reconstruction and modernization projects. With passage of the federal transportation bill, MAP-21, Forest Highway projects now require a 10% local match. As Forest Highway Projects are similar to County Modernization Projects (18% growth attributable), the SDC Committee has accepted a staff recommendation of a 10% allocation attributable to growth – equal to the match requirement.

In summary, the SDC Committee has recommended a growth-related allocation of approximately \$22.2M of the \$305.3M project list. Of the \$305.3M in projects contained on the list, approximately \$64.6M are County system related projects and \$240.7M are State Highway projects planned within Deschutes County.

Item 3: Consistency within the methodology as it relates to resort versus non-resort residential dwelling units.

The prior SDC rate approved in Resolution 2008-059 contained inconsistencies within the methodology report regarding the estimated impact of destination resort development versus the SDC that was applied at time of development. These inconsistencies were noted and arguments were made that single-family residential development within destination resort communities should pay lower SDCs due to observed lower trip generation rates. To **address this inconsistency, staff proposed a “blended” single-family residential trip generation rate which assumes and/or acknowledges the following:**

1. Lower trip generation rates observed within destination resorts are primarily a function of secondary home development.
2. Secondary home development is not exclusive to Goal 8 destination resorts within Deschutes County.
3. Primary single-family home development is generally not restricted or prohibited within destination resort communities.
4. It is not practical to assign or predict which single-family residences are or will remain secondary homes in perpetuity.
5. Approximately 74% of single-family residential units in Deschutes County are **primary residences and 26% are secondary residences (or “recreational” homes).**
6. **The Institute of Transportation Engineers’ Trip Generation manual provides trip generation rates for traditional single-family residential development (ITE land use #210) and secondary or recreation home development (ITE land use #260).**

In consideration of these assumptions and acknowledgements, a weighted or “blended” trip generation rate was calculated as previously outlined in Item #1a.

The blended residential trip rate is calculated as follows:

Blended Single-Family Residential Trip Generation Rate Calculation

Land Use	ITE #/Type	PM peak hour trips/unit	% of Total Use in Des. County	Rate
Single Family Residential (primary housing)	#210 Single Family Detached Housing	1.00	74%	0.74
Single Family Residential (Secondary/resort housing)	#260 Recreational Homes	0.26	26%	0.07
Total "Blended" Trip Generation Rate per Residential Dwelling Unit (PM Pk Hr)				0.81

Given the existing blend of residential use observed within Deschutes County, the blended residential trip rate provides a reasonable rate for calculation of existing transportation system use.

With an assumption that future development patterns will closely resemble the existing residential development composition (primary vs secondary home development), the blended trip generation rate provides a reasonable predictor for future system use.

As proposed by staff and approved by the SDC Committee, the trip generation rate for all single-family residential development in unincorporated Deschutes County is recommended to be 0.81 PM peak hour trips per dwelling unit.

Item 4a-c: Transportation SDC Recommendation

ORS 223.297-223.314 defines SDCs and provides the framework for how they are calculated and applied, as well as accounted for. The SDC is comprised of two components: the improvement fee portion and the reimbursement fee portion.

The improvement fee portion is **designed to capture costs associated with growth's share of future projects.** The reimbursement fee portion is designed to recover costs of capital improvements already constructed, but used by future growth. The SDC methodology established in Resolution 2008-059 utilized an improvement fee portion, but deferred establishment of a reimbursement fee portion until the County has a justifiable cost basis for doing so, as follows:

"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 forgo charging a reimbursement fee as a 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."

The reimbursement fee portion methodology established in Resolution 2008-059 is as follows:

$$= \frac{\text{Cost of assets funded by previously paid SDC improvement fees(\$)}}{\text{Growth in system capacity demand (in peak hour trips)}}$$

Reimbursement Fee Portion:

The SDC Committee reviewed the above methodology as well as a record of SDC expenditures from 2009 to present (FY 13) and recommended approval of a reimbursement fee portions as follows:

$$= \frac{\$525,000 \text{ (SDC expenditures 2009 to 2013)}}{6,078 \text{ PM Peak Hour Trips (per Item 1)}}$$
$$= \text{\$86 per PM Peak Hour Trip}$$

Improvement Fee Portion:

In contemplation of the CIP (Project List) and growth's recommended portion of planned projects as well as the revised growth projects for transportation system use, the SDC Committee recommended the following improvement fee portion:

$$= \frac{\$22,030,000 \text{ (SDC eligible expense per Item 2)}}{6,078 \text{ PM Peak Hour Trips (per Item 1)}}$$
$$= \text{\$3,672 per PM Peak Hour Trip}^2$$

Total Transportation SDC:

The total recommended Transportation SDC is:

$$= \text{\$86} + \text{\$3,672} = \text{\$3,758 per PM Peak Hour Trip}$$

² Including the existing \$47 per PM peak hour trip administrative recovery fee, established in Resolution 2008-059.

Exhibit C contains an updated listing of SDC rates for various land uses utilizing the 9th Edition of the Institute of Transportation Engineers' Trip Generation Manual.

Item 5a through 5f: Other Modifications and Clarifications to the SDC Resolution

The SDC Committee reviewed staff recommendations pertaining to requested modifications and clarifications within the SDC Resolution based on issues that have been raised since implementation of Resolution 2008-059.

The SDC Committee approved a staff proposal³ to address the following in the new SDC Resolution:

- a. Establish that SDCs run with the land.
- b. Declare that uses which have been abandoned for more than two (2) consecutive years are not eligible for any credit for existing use.
- c. Establish that:
 - i. Type I home occupations have negligible impact and pay no SDC
 - ii. Type II home occupations have a 0.5 PM peak hour trip impact and pay the according SDC for 0.5 PM peak hour trips.
 - iii. Type III home occupations have a 1.0 PM peak hour trip impact and pay the according SDC for 1.0 PM peak hour trips.
- d. Address illegal use issues through code enforcement and require payment of SDC.
- e. Establish that SDC payment be required of development applications (not just those requiring a building permit) for change of use which result in increasing use of the transportation system.
- f. Reference the applicability of subsequent updates of the ITE Trip Generation Manual.

Exhibits/Attachments:

Exhibit A-1: DC CDD Growth Rate Projection Letter

Exhibit B: Project List (Capital Improvement Plan)

Exhibit C: Transportation SDC Rate Sheet

Exhibit D: February 12, 2013 Memo to SDC Committee (Proposals on several SDC Policy Issues)

³ See Peter Russell Memo, dated February 12, 2013, Re: *Proposals on several SDC Policy Issues*



Community Development Department

Planning Division Building Safety Division Environmental Soils Division

P.O. Box 6005 117 NW Lafayette Avenue Bend, Oregon 97708-6005
(541)388-6575 FAX (541)385-1764
<http://www.co.deschutes.or.us/cdd/>

January 15, 2013

Chris Doty, Director
Deschutes County Road Department
61150 SE 27th Street
Bend, OR 97702

Re: Percentage of Seasonal Homes in Rural Deschutes County

Dear Chris:

As part of the Road Department's work to revise the County's transportation system development charge (SDC), you had asked the Planning Division to: 1) look at the percentage of homes in unincorporated Deschutes County that are not primary residences and 2) make a projection about future housing unit starts. The non-primary homes, which the Census describes as seasonal, recreational, or occasional use, do not generate trips at the same rate as a home that is occupied year-round.

Staff contacted Portland State University, which is the entity that prepares the state's coordination population forecast. PSU provided US Census data for 2010 regarding total housing units as well as occupied vs. vacant units for the unincorporated area of Deschutes County. The federal data do not distinguish between single-family vs. multi-family units.

All the data provided below are for the unincorporated areas of Deschutes County:

- Total Housing Units: 31,013
- Occupied Housing Units: 20,808
- Vacant Housing Units: 10,205
- Seasonal Housing Units: 8,017

Seasonal homes are therefore 26% of the housing units in Deschutes County (8,017/31,013). We recommend monitoring the federal Census data to see if the share of seasonal housing units of the County's total housing units changes over time.

The historic growth rates for population and housing support the Census results where a significant number of homes are recreational homes. The Planning data incorporates our GIS records from 2000-2010. It shows rooftops grew at a faster rate than people.

Table 1, Growth of Population and Housing Units in Deschutes County

	2000	2010	Avg. Annual Growth Rate
Population	48,898 (46,148*)	51,188	1.0%
Housing Units	26,348 (24,973*)	31,013	2.2%

*Estimated unincorporated population less annexation from Redmond and La Pine incorporation

The table shows while the unincorporated population of Deschutes County grew by 1.0% per year by contrast the rate of housing units was more than double that, growing by 2.2%. Rooftops accumulating at a faster rate than people indicate many dwellings are being constructed as secondary homes.

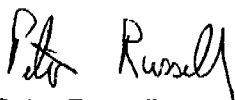
We looked at the number of single-family and manufactured housing units constructed from 2000-2012 based on our permitting records. There were 6,423 single-family units and 1,170 manufactured homes constructed for a total of 7,593 housing units over twelve years. However, the volumes dropped substantially beginning in 2008. Table 2 shows different averages for three different time periods; the raw data for the table is enclosed.

Table 2, Average Number of Housing Units Built in Deschutes County

Years Averaged	Stick built Homes	Manufactured Homes	Both Types
2000-2012	494	90	584
2000-2007	712	125	837
2008-2012	145	34	179

Based on the combination of a large supply of vacant homes and low population growth, it would seem the housing starts in the County will remain at levels closer to 2008-2012 than 2000-2007. In the last three (2010-2012) stick built and manufactured housing starts have totaled 131, 141, and 185 units respectively, so there does appear to be a gradual recovery. In terms of projections, a conservative estimate would be 1% in new housing units annually. Of that potential 1% growth in annual homes, it would seem reasonable to assume 26% units will be second homes.

I hope this information proves helpful and I look forward to participating in any committee work on the revision of the transportation SDC.



Peter Russell
Senior Transportation Planner

Year	Stick built	Mfg Home	Both
2000	695	226	921
2001	605	151	756
2002	596	140	736
2003	665	139	804
2004	804	100	904
2005	945	71	1,016
2006	908	102	1,010
2007	479	70	549
2008	228	53	281
2009	125	34	159
2010	98	33	131
2011	118	23	141
2012	157	28	185
TOTALS	6,423	1,170	7,593
2000-12 avg.	494	90	584
2000-2007 a.vg	712	125	837
2008-12 avg.	145	34	179

Source: Deschutes County Planning Division permitting records

DRAFT DC Transportation CIP and SDC Project List
RESOLUTION 2013-020

Route Name	From	To	Proposed Treatment	Current Functional Class	Existing Road Section (ft)	County Section (ft)	Construction Cost	Engineering & Administration	Project Cost	SDC Com. Rte. SDC Eligible cost	Priority
County Improvement Projects (Intersection only)											
POWELL BUTTE HWY /NEFF-ALFALFA MKT. ROAD	Rural/Bend Area	Rural/Bend Area	Initial Roundabout	Arterial/Arterial			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	High
POWELL BUTTE HWY /BUTLER MARKET ROAD	Rural/Bend Area	Rural/Bend Area	Initial Roundabout	Arterial/Arterial			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	High
BURGESS RD AT DAY RD	Rural / South County Area	Rural / South County Area	Add turn lanes to Burgess Road	Arterial/Collector			\$ 225,000	\$ 54,250	\$ 281,250	\$ 281,250	Medium
OLD REDMOND-BEND HWY AT TUMALO RD	Rural / Tumalo Area	Rural / Tumalo Area	Add turn lanes to Old Redmond-Bend Hwy and improve intersection sight distance	Arterial/Collector			\$ 200,000	\$ 50,000	\$ 250,000	\$ 250,000	Medium
BAKER ROAD AND CINDER BUTTE ROAD	Rural / Deschutes River Woods	Rural / Deschutes River Woods	Initial Roundabout	Arterial/Collector			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	Medium
CAMAL BLDG/HELMHOLTZ	Rural / Redmond Area	Rural / Redmond Area	Initial Roundabout	Arterial/Collector			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	Medium
DESCHUTES MKT/NAMEHOOK	Rural/Bend Area	Rural/Bend Area	Initial Roundabout	Collector			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	Medium
SOUTH CENTURY/SPRING RIVER ROAD	Rural / South County Area	Rural / South County Area	Initial Roundabout	Collector/Arterial			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	Medium
HUNTINGTON RD AT SOUTH CENTURY DRIVE	Rural / South County Area	Rural / South County Area	Initial Roundabout	Collector			\$ 720,000	\$ 180,000	\$ 900,000	\$ 900,000	Low
COYNER RD AT NORTHWEST WAY	Rural / North County Area	Rural / North County Area	Add turn lanes to Northwest Way	Collector			\$ 200,000	\$ 50,000	\$ 250,000	\$ 250,000	Low
Transportation System Management (TSM) and Transportation Demand Management (TDM) Projects											
Project											
Subregional TDM Program		Countywide	County share to continue funding of Commute Options (per year)				\$ 8,000	\$ 8,000	\$ 160,000	\$ 160,000	High
Rudshara Lbs		Countywide	Initial regional bidshara lbs at various future locations				\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	Medium
State Highway Improvement Projects (ODOT Projects with County Participation)											
11TH AVE - O'NEIL HWY			add travel lanes each direction	Principal Arterial			\$ 9,000,000	\$ -	\$ 9,000,000	\$ -	High
SOUTH CENTURY - LA PINE REC			add travel lanes each direction	Principal Arterial			\$ 25,500,000	\$ -	\$ 25,500,000	\$ -	High
HAWK'S BEARD TO RAIL WAY			add travel lanes each direction	Principal Arterial			\$ 20,000,000	\$ -	\$ 20,000,000	\$ -	High
LA PINE REC - DRAFTER			add travel lanes each direction	Principal Arterial			\$ 11,800,000	\$ -	\$ 11,800,000	\$ -	Medium
COUCH MARKET - GERKING MARKET			add travel lanes each direction	Principal Arterial			\$ 4,900,000	\$ -	\$ 4,900,000	\$ -	Medium
PROVIDENCE - HAMBLY			add travel lanes each direction	Principal Arterial			\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	Medium
OR RILEY - COOLEY			add travel lanes each direction	Principal Arterial			\$ 2,400,000	\$ -	\$ 2,400,000	\$ -	Medium
QUAL TREE DR. - 2 MI. EAST			add travel lanes each direction	Principal Arterial			\$ 9,900,000	\$ -	\$ 9,900,000	\$ -	Medium
CLINE FALLS HWY. - HELMHOLTZ			add travel lanes each direction	Principal Arterial			\$ 8,600,000	\$ -	\$ 8,600,000	\$ -	Medium
SHERMAN - CROOK CO			add travel lanes each direction	Principal Arterial			\$ 6,100,000	\$ -	\$ 6,100,000	\$ -	Medium
U.S. 97 TO 1/2 MILE WEST			overpass, geometric improvements	Principal Arterial			\$ 26,100,000	\$ -	\$ 26,100,000	\$ -	Low
State Highway Intersection Improvement Projects (ODOT Projects with County Participation)											
U.S. 97/LOWER BRIDGE WAY			Grade separate from U.S. 97	Principal Arterial/Arterial			\$ 21,000,000	\$ -	\$ 21,000,000	\$ 21,000,000	High
U.S. 20/COOK AVE/O.B. RILEY RD.			Overpass with highbridges	Principal Arterial/Collector			\$ 15,500,000	\$ -	\$ 15,500,000	\$ 15,500,000	High
U.S. 97/MCKINUP JUNCTION INTERCHANGE PHASE I			grade separation, realignment	Principal Arterial			\$ 30,000,000	\$ -	\$ 30,000,000	\$ 30,000,000	Medium
OR 128/HELMHOLTZ			Single Overpass	Principal Arterial/Collector			\$ 9,500,000	\$ -	\$ 9,500,000	\$ 9,500,000	Medium
U.S. 87/QUARRY ROAD INTERCHANGE			Traffic Signal	Principal Arterial/Collector			\$ 1,250,000	\$ -	\$ 1,250,000	\$ 33,750	Medium
U.S. 97/HANDEVERT			Grade separation	Principal Arterial			\$ 15,000,000	\$ -	\$ 15,000,000	\$ 405,000	Low
U.S. 20/HAMBLYWARD			Disconnect from U.S. 97	Principal Arterial/Collector			\$ 2,300,000	\$ -	\$ 2,300,000	\$ 62,100	Low
U.S. 20/POWELL BUTTE HIGHWAY			Initial Roundabout	Principal Arterial/Collector			\$ 1,000,000	\$ -	\$ 1,000,000	\$ 27,000	Low
OR 317U.S. 97			Initial Roundabout	Principal Arterial/Arterial			\$ 1,000,000	\$ -	\$ 1,000,000	\$ 27,000	Low
New Road Segments (urban and rural/county include intersections)											
0.76	MURWELL ROAD	RODGERS ROAD	New Road	Collector	39		\$ 602,000	\$ 150,500	\$ 752,500	\$ 752,500	High
0.06	COOLEY ROAD	18TH STREET	New Road	Arterial	37		\$ 522,730	\$ 130,643	\$ 653,373	\$ 653,373	Low
0.2	CROOKED RIVER DR	DESCHUTES MARKET ROAD	New Road	Collector	30		\$ 158,600	\$ 39,600	\$ 198,200	\$ 198,200	Low
1.5	NEW ROAD	SMITH ROCK WAY	New Road	Collector	30		\$ 1,188,000	\$ 297,000	\$ 1,485,000	\$ 1,485,000	Low
0.2	BRITTA EXTENSION	END OF BRITTA	New Road	Collector	30		\$ 300,000	\$ 75,000	\$ 375,000	\$ 375,000	Low
										Subtotal	\$ 3,463,813

EXHIBIT B

DRAFT DC Transportation CIP and SDC Project List
RESOLUTION 2013-020

Project	Project Location	Project Description	Current Functional Class	Existing Road Section (ft)	County Road Section (ft)	Construction Cost	Estimated SDC	Priority
0.318	DEER RUN LANE	HUNTINGTON ROAD	Local	22-24	28	\$ 251,865	\$ 314,820	High
2.92	FOSTER ROAD	LA PINE REC. ROAD	Collector	20	39	\$ 2,500,000	\$ 3,125,000	High
2.7	HUMMEL ROAD	TUMALO ROAD	Collector	22-24	39	\$ 2,020,000	\$ 2,625,000	High
2.3	HUNTINGTON ROAD	RIVERVIEW DR. (S)	Future Collector	22-24	39	\$ 1,150,000	\$ 1,445,000	High
1.83	RICKARD ROAD	GRORFF ROAD	Collector	20	39	\$ 617,000	\$ 772,000	High
1.1	CANAL BLVD.	HELMHOLTZ	Arterial	32	64	\$ 407,100	\$ 508,875	High
4.23	HELMHOLTZ	MAPLE	Collector	22-24	68	\$ 4,800,000	\$ 6,125,000	High
1.65	BURGESS ROAD	DAY ROAD	Collector	20	44	\$ 867,675	\$ 1,084,504	High
0.82	3TH STREET	HUNTINGTON ROAD	Collector	25	31	\$ 205,000	\$ 256,500	Medium
1	17TH STREET	LAPINE STATE REC. ROAD	Collector	30	38	\$ 250,000	\$ 312,500	Medium
0.51	W ANTLER AVE	HIGHWAY 370	Collector	21	24	\$ 127,500	\$ 159,375	Medium
1.39	N CANAL BOULEVARD	NW HELMHOLTZ WAY	Collector	21-24	39	\$ 341,500	\$ 434,375	Medium
1.83	GOSNEY ROAD	HIGHWAY 97	Collector	28	39	\$ 257,500	\$ 321,875	Medium
0.49	NW LOWER BRIDGE WAY	CORR CANAL BRIDGE	Collector	24	28	\$ 127,500	\$ 159,375	Medium
1.45	NE NEGUS WAY	HOLMES ROAD	Collector	24	29	\$ 212,500	\$ 265,625	Medium
4.27	BUCKHORN ROAD	REDMOND CITY LIMITS	Collector	21-28	39	\$ 382,500	\$ 483,125	Medium
1	31ST STREET	LOWER BRIDGE	Collector	20	39	\$ 1,368,000	\$ 1,700,000	Medium
1.57	NW 35TH STREET	NW HELMLOCK AVE	Arterial	24	30	\$ 250,000	\$ 312,500	Low
2.13	61ST STREET	S. CANAL BLVD	Collector	24	30	\$ 392,500	\$ 496,625	Low
0.53	NW ALMETER WAY	NW SEDGEMACK AVE	Collector	24	28	\$ 532,500	\$ 665,625	Low
0.98	BALLEY RD	US 20	Arterial	25	30	\$ 132,500	\$ 165,625	Low
2.78	BEAR CREEK ROAD	TUMALO RESERVOIR RD	Collector	33	39	\$ 245,000	\$ 306,250	Low
1.83	CHINA HAT ROAD	HIGHWAY 20	Collector	22-28	39	\$ 695,000	\$ 881,750	Low
1.81	CHANDLER BUTTE	END MAINTENANCE	Collector	24	29	\$ 458,750	\$ 573,438	Low
0.71	COOLEY ROAD	MARINETONKA LN	Collector	22	28	\$ 352,000	\$ 440,625	Low
1.38	NW HELMHOLTZ	O.B. RILEY ROAD	Collector	22	39	\$ 78,750	\$ 98,438	Low
0.98	NW HELMHOLTZ	W. ANTLER AVE	Collector	25	28	\$ 332,500	\$ 415,625	Low
6.84	HUNTINGTON ROAD	HIGHWAY 97 - S Canal Blvd	Collector	25	28	\$ 200,000	\$ 250,000	Low
1.81	SW OGDEN AVE	BURGESS ROAD (less 2.3mi)	Collector	24	31	\$ 1,651,000	\$ 2,063,750	Low
0.31	SMITH ROCK WAY	HIGHWAY 97	Collector	20	39	\$ 252,500	\$ 315,625	Low
1.04	STEVENS ROAD	RR XING/AGB TERREBONNE	Collector	27	39	\$ 77,600	\$ 97,250	Low
4.81	TUMALO RESERVOIR RD	COLLINS RD	Collector	37	39	\$ 260,000	\$ 325,000	Low
0.51	SW WICKUP AVE	SW 8TH STREET/74-26	Collector	21-23	39	\$ 1,152,500	\$ 1,440,625	Low
0.3	BOZEMAN TRAIL	RICKARD ROAD	Collector	20	29	\$ 127,500	\$ 159,375	Low
2.13	SW WAY	MAPLE	Local	22-24	39	\$ 237,000	\$ 297,000	Low
4.27	CLINE FALLS HIGHWAY	AT NUTCRACKER DRIVE	Arterial	32	79	\$ 2,339,100	\$ 2,923,875	Medium
				30	39	\$ 90,000	\$ 112,500	Low
3.36	SKYLINERS ROAD	END CO. MAINTENANCE	Collector	24	34	\$ 9,000,000	\$ 11,250,000	High
3.82	BURGESS RD	SOUTH CENTURY DR	Collector	24	33	\$ 3,300,000	\$ 4,125,000	Low
6.23	Federal Lands Access Program Projects (primarily federal funding)							
450	7th Street	Cook Avenue	Local			\$ 8,500	\$ 10,625	High
220	4th Street	Bruce Avenue	Local			\$ 10,500	\$ 13,125	Medium
575	5th Street	Cook Avenue	Local			\$ 21,000	\$ 26,250	Medium
450	6th Street	Riverview Avenue	Local			\$ 14,000	\$ 17,500	Low
6200	Tumalo Trail	Riverview Avenue	10 Multi-use trail			\$ 128,000	\$ 160,000	High
1048	5th Street	C Avenue	Local			\$ 9,000	\$ 2,250	Medium
260	B Avenue	U.S. 97	Local			\$ 36,000	\$ 9,000	Medium
1080	A Avenue	11th Street	Local			\$ 4,700	\$ 5,875	Medium
			Local			\$ 40,000	\$ 10,000	Low

EXHIBIT C: Deschutes County Transportation SDC Rate Sheet

April 5, 2013

ITE Code	Type of Use	Land Use Description	Peak-Hour Trips	Trip Reduction 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 laboratorial, data processing equipment assembly, power stations.	0.97	1	0.97	\$3,082	KSF
130	Industrial Park	Industrial park areas that contain a number of industrial and/or related facilities (mix of manufacturing, service and warehouse).	0.85	1	0.85	\$3,194	KSF
140	Manufacturing	Facilities that convert raw materials into finished products. Typically have related office, warehouse, research and associated functions.	0.73	1	0.73	\$2,743	KSF
151	Mini-Warehouse	Storage units or vaults rented for storage of goods. Units are physically separate and access is through an overhead door or other common access point. Example: U-Store-It.	0.19	1	0.19	\$714	KSF
210	SF Detached	Single family detached housing.	0.81**	1	0.81**	\$3,044	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.	0.60	1	0.62	\$2,255	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	\$1,954	DU
240	Mobile Home	Trailers or manufactured homes that are sited on permanent foundations. Typically the parks have community facilities (laundry, recreation rooms, and pools).	0.59	1	0.59	\$2,217	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	\$639	Occupied DU
310	Hotel	Lodging facility that may include restaurants, lounges, meeting rooms and/or convention facilities. Can include a large motel.	0.60	1	0.60	\$2,255	Room
320	Motel	Sleeping accommodations and often a restaurant. Free onsite parking and little or no meeting space.	0.47	1	0.47	\$1,766	Room
330	Resort Hotel	Similar to hotel, but primary difference is resort hotels cater to tourist and vacation industry, often providing a wide variety of recreational facilities/programs (golf course, tennis court, beach access, or other amenities).	0.42	1	0.42	\$1,578	Room
412	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	\$338	Acre
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.	0.20	1	0.20	\$752	Acre
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 and lounges. Many of the municipal courses do not include such facilities.	2.92	1	2.92	\$10,973	Hole
435	Multipurpose Recreation Facility	Contain two or more of the following land uses at one site: mini-golf, batting cages, video arcade, bumper boats, go-carts, driving ranges	3.58	1	3.58	\$13,454	KSF
437	Bowling Alley	Recreational facilities with bowling lanes which may include a small lounge, restaurant or snack bar.	1.71	1	1.71	\$6,426	KSF
493	Athletic Club	Privately owned with weightlifting and other facilities, often including swimming pools, hot tubs, saunas, racquetball, squash and handball courts.	5.96	1	5.96	\$22,398	KSF
495	Recreational Community Center	Facilities similar to and including YMCAs, often including classes, day care, meeting rooms, swimming pools; and tennis, racquetball, handball, weightlifting equipment, locker rooms and food service.	2.74	1	2.74	\$10,297	KSF
520	Elementary School	Public, typically serves grades K-6.	1.21 0.15	1 1	1.21 0.15	\$4,547 \$564	KSF Student
522	Middle School	Public, serves students who have completed elementary school but have not yet entered high school.	1.19 0.16	1 1	1.19 0.16	\$4,472 \$601	KSF Student
530	High School	Public, serves students who have completed middle or junior high school.	0.97 0.13	1 1	0.97 0.13	\$3,845 \$489	KSF Student
540	Junior/Community College	Two-year junior colleges or community colleges.	2.54 0.12	1 1	2.54 0.12	\$9,545 \$451	KSF Student
560	Church	Contains worship area and may include meeting rooms, classrooms, dining area.	0.55	1	0.55	\$2,067	KSF

EXHIBIT C: Deschutes County Transportation SDC Rate Sheet

April 5, 2013

ITE Code	Type of Use	Land Use Description	Peak-Hour Trips	Trip Reduction Factor	Adjusted P-H-Ts	SDC	Units
565	Day Care	Facility for care of pre-school children, primarily during daytime hours. May include classrooms, offices, eating areas and playgrounds.	12.34 0.81	0.33 0.33	4.07 0.27	\$15,295 \$1,015	KSF Student
590	Library	Public or private. Contains shelved books, reading rooms or areas, and sometimes meeting rooms.	7.30	1	7.30	\$27,433	KSF
591	Lodge/ Fraternal Organization	Includes a clubhouse with dining and drinking facilities, recreational and entertainment areas and meeting rooms.	0.03	1	0.03	\$113	Member
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	\$5,599	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.	1.74	1	1.74	\$6,539	KSF
720	Medical- Dental Office	Provides diagnosis and out-patient care on a routine basis. Typically operated by one or more private physicians or dentists.	3.57	1	3.57	\$13,416	KSF
750	Office Park	Park or campus-like planned unit development containing office buildings and support service such as banks and loan institutions, restaurants and service stations.	1.48	1	1.48	\$5,562	KSF
760	Research & Development Center	Single building or complex of buildings devoted to research and development. May contain offices and light fabrication facilities.	1.07	1	1.08	\$4,021	KSF
770	Business Park	Group of flex-type or incubator one- and two-story buildings served by a common roadway system. Tenant space is flexible to accommodate a variety of uses. Rare of building is usually served by a garage door. Typically includes a mix of offices, retail and wholesale.	1.26	1	1.26	\$4,735	KSF
812	Building Materials & Lumber	Small, freestanding building where hardware, building materials and lumber are sold. 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	\$16,873	KSF
813	Discount Super Store	A freestanding discount store that also contains a full service grocery department under one roof.	4.35	0.72	3.13	\$11,763	KSF
814	Variety Store	A variety store is a retail store that sells a broad range of inexpensive items at a single price. These are also called "dollar stores" and can be stand alone or in a small strip shopping center.	6.82	1	6.82	\$25,630	KSF
815	Discount Store	A freestanding discount store offering a variety of customer services, centralized cashiers, and a wide range of products under one roof. Does not include a full-service grocery department, like Land Use 813 (Freestanding Discount Superstore).	4.98	0.54	2.69	\$10,109	KSF
816	Hardware/ Paint Store	Typically freestanding buildings with off-street parking, where paints and hardware are sold.	4.84	0.29	1.40	\$5,261	KSF
817	Nursery/ Garden Center	Freestanding building with yard containing planting or landscape stock. May have large greenhouses and offer landscaping services. Typically contain office, storage and shipping facilities. GLA is Building GLA, not yard storage GLA.	6.94 8.06	1 1	6.94 8.06	\$26,081 \$30,289	KSF Acre
818	Nursery (Wholesale)	A free-standing building with an outside storage area for planting or landscape stock. Primarily service contractors and suppliers and may have large greenhouses and offer landscaping services. Most have office, storage, and shipping.	5.17 0.45	1 1	5.17 0.45	\$19,429 \$1,691	KSF Acre
820	Shopping Center	Integrated group of commercial establishments that is planned, developed, owned and managed as a unit. Provides enough onsite parking to serve its buildings, movie theatres, restaurants, post offices, health clubs and recreation such as skating rinks and amusements.	3.71	0.40	1.48	\$5,562	KSF Gross Leasable Area
826	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	0.39	1.06	\$3,983	KSF Gross Leasable Area
841	New Car Sales	Car dealership with sales, service, parts and used vehicles.	2.62	1	2.62	\$9,846	KSF
848	Tire Store	Primary business is tire sales and repair. Generally does not have a large storage or warehouse area.	4.15	0.72	2.99	\$11,236	KSF
850	Supermarket	Freestanding grocery store. May also contain ATMs, photo centers, pharmacies, video rental areas.	9.48	0.26	2.45	\$9,207	KSF

EXHIBIT C: Deschutes County Transportation SDC Rate Sheet

April 5, 2013

ITE Code	Type of Use	Land Use Description	Peak-Hour Trips	Trip Reduction Factor	Adjusted P-H-Ts	SDC	Units
851	Convenience Market w/o gas	Sells conventional foods, newspapers, magazines and often beer and wine. Does not have gas pumps.	52.41	0.28	14.67	\$55,130	KSF
853	Convenience Market w/gas	Sells conventional foods, newspapers, magazines and often beer and wine. Market has gas pumps but primary business is selling convenience items.	50.92	0.11	5.6	\$21,044	KSF
880	Pharmacy Without Drive-Through	Facilities that fill medical prescriptions.	8.40	0.34	2.86	\$10,748	KSF
881	Pharmacy With Drive-Through	Facilities that fill medical prescriptions.	9.91	0.38	3.77	\$14,168	KSF
890	Furniture Store	Sells furniture, accessories and often carpet/floor coverings.	0.45	0.16	0.07	\$263	KSF
911	Walk-In Bank	Usually a freestanding building with a parking lot. Does not have drive-up windows. May have ATMs.	12.13	0.27	3.28	\$12,326	KSF
912	Drive-In Bank	Provides drive-up and walk-in bank services. May have ATMs.	24.30	0.27	6.6	\$24,803	KSF
925	Drinking Place	Contains a bar where alcoholic beverages and snacks are served, and possibly some type of entertainment such as music, games or pool tables.	11.34	0.32	3.63	\$13,642	KSF
931	Quality Restaurant	High-quality eating establishment with slower turnover rates (more than one hour).	7.49	0.29	2.17	\$8,155	KSF
932	High Turnover Sit-Down Restaurant	Sit-down eating establishment with turnover rates of less than one hour.	9.85	0.31	3.05	\$11,462	KSF
933	Fast Food Without Drive-Through	Fast-food restaurant without drive-through window.	26.15	0.27	7.06	\$26,531	KSF
934	Fast Food With Drive-Through	Fast food restaurant with drive-through window.	32.65	0.27	8.82	\$33,146	KSF
936	Coffee/Donut Shop w/o Drive-Through	Single-tenant coffee and donut restaurants without drive-through windows. Limited to no indoor seating.	40.75	0.17	6.92	\$26,005	KSF
937	Coffee/Donut Shop w/Drive-Through	Single-tenant coffee and donut restaurants with drive-through windows. Limited to no indoor seating.	42.80	0.11	4.70	\$17,663	KSF
938	Coffee/Donut Shop w/Drive-Through and no seating	Single-tenant coffee and donut restaurants with drive-through windows. No seating present.	75.00	0.11	8.25	\$31,004	KSF
944	Gas Station	Sells gasoline and may also provide vehicle service and repair. Does not have convenience market and/or car wash.	13.87	0.23	3.08	\$11,575	Fueling Positions
945	Gas/Service Station with Convenience Market	Primary businesses are selling gas and convenience market. May also contain facilities for service and repair. Does not include car wash.	13.51	0.17	2.30	\$8,643	Fueling Positions
946	Gas/Service Station with Convenience Market Car Wash	Sells gas. Primary businesses are convenience market and car wash. May also contain facilities for service and repair.	13.86	0.17	2.37	\$8,906	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	\$20,819	Wash Stall
950	Truck Stop	Located on or near major roadways and provide refueling, food, and other services to motorists and truck drivers.	13.63	0.17	2.32	\$8,719	Fueling Positions
N/A	Type 1 Home Occupation	DCC 18.116.280(C). Does not produce more than five (5) trips a day to/from the site, including parcel deliveries.	1	0.0***	0.0	\$0	DU
N/A	Type 2 Home Occupation	DCC 18.116.280(D). Does not produce more than ten (10) trips a day to/from the site, including parcel deliveries.	1	0.5***	0.5	\$1,879	DU
N/A	Type 3 Home Occupation	DCC 18.116.280(E). Does not produce more than twenty (20) trips a day to/from the site, including parcel deliveries.	1	1***	1	\$3,758	DU

*Trip Reduction Factor is average rate for both pass-by and diverted-link in ITE Manual and/or as set by previous SDC table in Resolution 2008-059

**Local blended rate for rural residences and Goal 8 destination resort residences

***Rate based on empirical knowledge, planning and engineering best judgment, and SDC committee discussion



Community Development Department

Planning Division Building Safety Division Environmental Soils Division

P.O. Box 6005 117 NW Lafayette Avenue Bend, Oregon 97708-6005
(541)388-6575 FAX (541)385-1764
<http://www.co.deschutes.or.us/cdd/>

MEMORANDUM

To: Transportation System Development Charge (SDC) Review Committee
From: Peter Russell, Senior Transportation Planner
Date: Feb. 12, 2013
Re: Proposals on several SDC policy issues

Background

The Board of County Commissioners (BOCC) established a countywide transportation system development charge (SDC) in summer 2008 with Resolution 2008-059. In the years since, the County has identified several unanticipated issues during implementation of SDCs. While these issues have been resolved on a case-by-case basis either at the staff level or by an applicant's appeal to the Board, the Board and staff agree it would be preferable to add language into the SDC resolution itself to address these issues. The major topics are:

- Does the SDC run with the land or the structure?
- What to do if a use has been abandoned or interrupted?
- How to handle home occupations?
- What to do with uses established illegally?
- Should SDCs only be limited to building permits or should the SDC be triggered by a change of use if the new land use will generate more trips than the previous one?
- Update trip rates to 9th edition of Institute of Traffic Engineers handbook

SDCs run with the land

The issue of whether an SDC runs with the land or the structure came up in August 2011 when an applicant appealed to the Board an SDC charge based on a site plan review. The house on the site plan had been removed from a rural lot south of Redmond, stored in a second location, and was proposed to be placed on a vacant lot in Terrebonne for its third and final location. Staff argued the vacant Terrebonne lot was not producing any trips, but would after the single-family home was placed on the site. Applicant contended due to **the home's age and original location** it was already included in the traffic assumptions upon which the transportation SDC was based and thus SDCs should not be applied. The Board in its Sept. 24, 2011, work session and Oct. 3, 2011, decision **upheld staff's interpretation and directed staff to develop policy language for inclusion in any SDC updates.**

Staff proposes language that SDCs run with the land and are not associated with the structure.

Proposed language regarding SDCs are tied to the property

In Section 4, Applicability, insert into (A) the following underlined sentence:

- (A) A Transportation System Development Charge is hereby imposed upon all new development for which a building permit is required within the unincorporated areas of the County outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond, and Bend. Once assessed, the transportation system development charge is assigned to the property permanently unless 1) the use is interrupted or abandoned for a time of two years or more or 2) is replaced by a legally established land use that generates more trips than the previously approved land use. The transportation system development charge runs with the land, not the structure.

SDCs apply when a land use is abandoned or interrupted

The majority of SDCs pertain to either a vacant site or one that is being redeveloped. Occasionally, however, a site will have a use that was abandoned or interrupted. In the County's development code (DCC 18.120.010) a land use must be legally re-established if the use or structure has been abandoned or interrupted for more than one (1) year. The time period in DCC 18.120.010 was based on national case law.

In the past, staff has approached SDCs for abandoned or interrupted sites on a case-by-case basis. If the use had been abandoned 30 years ago, staff has applied SDCs. If the use had been abandoned for less than a year, then staff has not applied SDC's. The gray area has been uses that were lawfully established prior to the 2008 implementation of the SDC, but then abandoned for a year or more. Staff is sensitive to the current economic climate and in that previously mentioned Sept. 2011 work session recommended a two-year (2) window instead of one (1) year be used when determining if SDCs apply to a property or structure. The Board agreed with the two-year timeline.

Staff recommends that a two-year timeline be used to determine when a use or structure has been abandoned or interrupted. This would include failure to initiate a use as well.

Proposed language regarding SDCs are triggered when a use or structure is abandoned

In Section 4, Applicability, insert into (A) the following underlined sentence:

- (A) A Transportation System Development Charge is hereby imposed upon all new development for which a building permit is required within the unincorporated areas of the County outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond, and Bend. Once assessed, the transportation system development charge is assigned to the property permanently unless 1) the use is interrupted or abandoned for a time of two years or more or 2) is replaced by a legally established land use that generates more trips than the previously approved land use. In other words, the transportation system development charge runs with the land, not the structure.

SDCs and home occupations

The County at DCC 18.116.280 allows for varied home occupations of differing levels of intensity, ranging from those that are essentially invisible to neighbors to those that result in

employees arriving on-site. For comparison's sake, a single-family home generates 10 trips a day.

Type 1 home occupations result in less than five trips a day to the site, including customers, clients, or parcel deliveries. Type 2 home occupations result in no more than 10 business-related trips to the site and no more than two employees. Type 3 home occupations can have up to five employees if the property is 10 acres in size and zoned EFU, MUA10, or RR10 and has on-site parking for up to five customers and allows up to 20 business-related trips a day.

In the past, for Type 1 home occupations staff has assessed half the SDC for a single-family home as Type 1 home occupations increase trips from a single-family home site by no more than 50%. For Type 2 and Type 3 home occupations, staff has attempted to find an analogous use in the ITE manual, scaling the trip generation based on the size of the proposed use. (For example, if the ITE indicated use X would generate 10 trips per 1,000 square feet and the home occupation use would only occupy 250 square feet, we'd base the SDC on 2.5 trips from the site.) One challenge is that many home occupations are not represented in the ITE manual or lack an even remotely analogous use.

Staff recommends for Type 1 home occupations dropping the SDC requirement; for Type 2 home occupations charge half the SDC for a single-family home; and for Type 3 home occupations charge an SDC equal to a single-family home.

Proposed modification to Land Use/Trip Generation Table for SDC rates:

At the end of BOCC Resolution 2008-059 is a table listing ITE Code, Customer Type, Land Use Description, etc. Add the following underlined classifications, rates, and amounts.

ITE Code	Customer Type	Land Use Description	Peak Hour Trips	Pass-By Trip Factor	Adjusted P-H-Ts	SDC	Units
<u>N/A</u>	<u>Type 1</u>	<u>Home Occupation</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>N/A</u>
<u>N/A</u>	<u>Type 2</u>	<u>Home Occupation</u>	<u>0.5</u>	<u>0</u>	<u>0.5</u>	<u>\$1,836</u>	<u>N/A</u>
<u>N/A</u>	<u>Type 3</u>	<u>Home Occupation</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>\$3,673</u>	<u>N/A</u>

SDCs apply to a use that was established illegally

Infrequently, a land use process is initiated as a result of a code enforcement complaint. The County's first option in code enforcement is voluntary compliance, which means the property owner or his agent applies for the necessary building and/or land use permits.

Staff recommends these cases be dealt with as if this were a new use and SDC's apply, otherwise the County runs the risk of people building illegal structures to avoid paying SDC's. In a previous work session the Board had agreed with that position.

Proposed language regarding SDCs are applicable for a land use that was initiated to resolve a code enforcement complaint.

In Section 4, Applicability, insert into (A) the following underlined sentence:

- (A) A Transportation System Development Charge is hereby imposed upon all new development for which a building permit is required or a development permit is approved within the unincorporated areas of the County outside the urban growth boundaries of the cities of La Pine, Sisters, Redmond, and Bend.

Should SDCs be only tied to building permits or could development permits be included?

The County SDC is tied to the building permit process. However, a land use application can result in a more intense use of a building, yet not require a building permit as can a zone change or plan amendment. Examples of this include a general office becoming a medical office, a personal hangar becoming the site of an aviation-related business, or a home being rezoned for commercial use. In other words, the site will generate more traffic post-land use approval than pre-land use approval, yet the applicant will not have paid any SDCs to mitigate that additional traffic

Staff would recommend the language proposed for code enforcements would also address this issue. The proposed language cites a development permit, but is silent on whether the permit is tied to resolving a code enforcement complaint or is just a run of the mill land use application.

Update tables to most recent edition of Institute of Traffic Engineers trip generation manual
BOCC Resolution 2008-059 contains a table listing 57 land uses and their trip generation rates and their applicable SDCs, based on the ITE "Trip Generation" 7th edition. This table is now two editions behind and several land uses now have lower trip generation rates in the 9th edition than they had in the 7th.

While BOCC 2008-059 is based on the ITE manual, nowhere does the resolution explicitly state that fact. Staff would recommend adding the following underlined language and updating the table.

Proposed language regarding trip generation for specific land uses.

In Section 4, Applicability, insert into (B) the following underlined sentence:

- (B) The Transportation System Development Charges (SDCs) shall be determined as follows:
- (1) For those land-use categories which are specifically identified in the most recent edition of the Institute of Traffic Engineers Trip Generation Handbook and the methodology report adopted pursuant to this resolution, the SDC amount shall be determined as identified in the Methodology Report.

Another option would be to keep the reference to the most recent ITE edition and simply delete the table from the updated resolution. By choosing that option, the SDC resolution would not need to be updated every time a new edition of the ITE manual was published.

Staff presents all of the above recommendations to the SDC review comment for review and discussion. Once the SDC review committee has made its recommendations, staff will coordinate with Legal Counsel on a new resolution with updated language.