

# Revisiting Transportation System Development Charges

Council Workshop

July 20, 2009

# Current Status

- Water: Revised 2005
- Sewer: Revised 2005
- Transportation: Revised 2006
- Transportation Signals: Revised 2006
- Storm: Limited to Sand Creek Basin 2004
- Park Land: Revised 2004
- Park Development: 2006

# What is the Transportation need?

- Transportation Master Plan adopted in 1998.
- 20 year plan (1998-2018)
  - Arterials
  - Collectors
  - Local Collectors
  - State Highway projects
- \$131,792,984 (1995 costs)

- New facilities: \$52.6 mil
  - Includes 4<sup>th</sup> Bridge
  - Anticipated that many projects built by new development
- Upgrades: \$79.2 mil
  - Alleviate existing problems
  - Both alleviate existing problems and add capacity

# What is not included in the Transportation Master Plan?

- Local roadways
  - Many will be built as development occurs
  - Others are marginally improved
- New projects
  - Signals other than the ones on Hwy 199
    - Redwood Avenue
    - Meridian / G.I. Lane and Hwy 238
  - Enhancements
    - Lighting / Brick work in Downtown area

# How are Transportation projects to be funded?

- Chapter 8 of Master Plan listed
  - County funds (State gas tax, US Forest Service receipts)
  - City funds (State gas tax)
  - Federal and State funds
  - City General funds
  - LID's
  - Redevelopment Agency
  - Developer improvements
  - SDC's
  - Local Street Utility
  - Local Option Gas Tax

- Infrastructure Task Force
- Broad community representation
- Reviewed these and other sources of revenues
- Recommended:
  - Transportation SDC
  - Transportation Utility
  - Local Gas Tax

# Funding Source status

- County funds – Minimal assistance (recent grant)
- City funds – Minimal, primarily maintenance
- Federal and State funds – Yes, Unpredictable
- City General funds – Yes, historically consistent
- LID's – Yes, Uncertain contribution
- Redevelopment Agency – No, current district expired 2008
- Developer improvements - Yes
- SDC's - Yes
- Local Street Utility – Yes, small amount for sidewalks
- Local Option Gas Tax – No, never adopted

# Current Financing Estimates

■ City funds	\$ 200,000**
■ Grants:	\$ 200,000**
■ L.I.D.'s:	\$ 500,000**
■ (Red. Agency	\$ 600,000**)
■ Developer	\$ 750,000
■ SDC's	\$1,200,000
■ Utility	<u>\$ 65,000</u>
	\$2,915,000/ year
Target: \$100 M	34 years

# System Development Charges

- 1989 State law enabled SDC's
- Two types
  - Reimbursement fee
  - Improvement fee
- Requirement for Improvement fee
  - Must be used to increase capacity
  - May not repair or replace facility

# Transportation SDC

- Adopted 1999
- Methodology based on:
  - Cost of projects needed
  - Traffic forecasts for 2015

# Cost of projects

- Total \$192.3 million (2006 costs)
  - Projects in adopted Transportation Master Plan
  - Costs updated based on ENR
- Reduced costs by \$51.6 million
  - Eliminated projects clearly funded by State
  - Eliminated portion of 4<sup>th</sup> bridge anticipated for State
- **\$140.7 eligible for SDC funding**

# Trips

- Forecast trips for 2020: 237,980
  - Estimated trips in 1999: 188,710
  - Forecast increase: 49,270

# Cost per trip

- Decisions:
  - No exemptions
  - Not consider issues of:
    - Drive by trips
    - Trip length
    - PM peak hour trips
    - Other adjustments
- Results: Costs (140.7 mil) / trips (237,980) = \$591 per trip

# 2006 update

- 1. Updated cost estimates for projects and increase to 2006 costs.
- 2. Expanded the SDC to include all projects as SDC eligible projects
- 3. Resulted in increase to \$541 for single family residence and equivalent increase for all development

## 2009 Transportation SDC Other Cities

Roseburg	\$2,542	Oregon City	\$1,885
Ashland	\$2,044	McMinnville	\$1,426
Woodburn	\$3,532	Keizer	\$1,236
West Linn	\$4,897	Lake Oswego	\$1,370
Tualatin	\$4,599	Albany	\$1,719
		Average	\$2,525
		Grants Pass	\$5,799

# Transportation SDC's (Region)

Ashland	\$2,044
Talent	\$2,548
Medford	\$2,764
Central Point	\$2,367
K Falls	\$2,290
Roseburg	\$253
Average	\$2,044

# SDC revenues

- 2004: \$1.2 million
- 2005: \$2.0 million
- 2006: \$1.6 million
- 2007: \$1.3 million
- 2008: \$1.0 million
- 2009: \$ .8 million (est.)

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# Issues:

- Should we redo the methodology?
- Should we use current methodology and change rate?
- If we reduce SDC, how do we address transportation needs?