

**CHAPTER 17.15 – TRANSPORTATION  
SYSTEM DEVELOPMENT CHARGE**

**Exhibit C**

(Chapter added by Ordinance No. 171301, effective  
July 18, 1997.)

**Sections:**

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- 17.15.020 Definitions.
- 17.15.030 Rules of Construction.
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**17.15.010 Scope and Purposes.**

(Amended by Ordinance Nos. 181322, 182652 and 184756, effective November 1, 2011.)

- A.** New development within the City of Portland contributes to the need for capacity increases for roads, multi-modal transportation and related transportation improvements, to enable new development to take advantage of transit systems and, therefore, new development should contribute to the funding for such capacity increasing improvements. This SDC will fund a portion of the needed capacity increases for arterial, boulevard and collector roads, multi-modal transportation improvements and associated bus and transit improvements, sidewalks, bicycle and pedestrian facilities, street lighting and stormwater drainage and treatment facilities, and other public facilities specified in the City of Portland Transportation System Plan.
- B.** ORS 223.297 through 223.314 grant the City authority to impose a SDC to equitably spread the costs of essential capacity increasing capital improvements to new development.
- C.** The SDC is incurred upon application to develop property for a specific use or at a specific density. The decision regarding uses, densities, and/or intensities causes direct and proportional changes in the amount of the incurred charge. This SDC is separate from other fees provided by law or imposed as a condition of development. It is a fee for service because it contemplates a development's receipt of transportation services based upon the nature of that development.

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- D. The SDC imposed by this Chapter is not a tax on property or on a property owner as a direct consequence of ownership of property within the meaning of Section 11b, Article XI of the Oregon Constitution or legislation implementing that section. This Chapter does not shift, transfer or convert a government product or service, wholly or partially paid for by ad valorem property taxes, to be paid for by a fee, assessment or other charge, within the meaning of Section 11g, Article XI of the Oregon Constitution.
- E. The funding provided by this Chapter constitutes a mandatory collection method based upon the guidelines set forth in ORS 223.297 through 223.314 to assure the construction of capacity increasing improvements to arterial, boulevard and collector roads as well as to bicycle, pedestrian and transit facilities as contemplated in the Transportation Element of the City Comprehensive Plan, City of Portland Transportation System Plan and the list of projects, referred to as the SDC-CIPTSDC Project List, to be funded with money collected under this Chapter and incorporated as Table 3-2 in the attached Update of Transportation System Development Charges rate study, (dated July 2007), as well as Table 3-2 in the attached North Macadam Transportation System Development Charge TSDC Overlay Rate Study, (dated January 2009) and Table 3-1 in the attached Innovation Quadrant Transportation System Development Charge Overlay Project Report (dated May 2011). The SDC-CIPTSDC Project List is not to be confused with the City of Portland Capital Improvement Program.
- F. This Chapter is intended only to be a financing mechanism for the capacity increases needed for major City traffic and collector streets, multi-modal improvements associated with new development and capacity increasing transportation improvements and does not represent a means to fund maintenance of existing roads or the elimination of existing deficiencies.
- G. The City hereby adopts the methodology report and rate study entitled Update of Transportation System Development Charges Update, (dated July 2007), hereinafter referred to as “City Rate Study,” as well as the attached North Macadam Transportation System Development Charge TSDC Overlay Rate Study, (dated January 2009), and the attached Innovation Quadrant Transportation System Development Charge Overlay Project Report (dated May 2011) and incorporates herein by this reference the assumptions, conclusions and findings in the report which refer to the determination of anticipated costs of capital improvements required to accommodate growth. ~~These reports are hereinafter referred to as “City Rate Study” and is attached to Ordinance No. 181322 as Exhibit A, “North Macadam Overlay Rate Study”, attached to Ordinance No. 182652 as Exhibit A, and “Innovation Quadrant Overlay Project Report”, attached to Ordinance No. 184756 as Exhibit A. The City Council may from time to time amend or adopt a new City Rate Study by Ordinance.~~
- H. The Transportation SDC provided for in this Chapter is designed to help finance the Transportation System facilities listed in Table 3-2 in the SDC-CIPTSDC Project List as a means of ensuring that adequate capacity is maintained in the

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City's Transportation System. However, the City specifically recognizes that the entire project list will likely not receive full funding from the proceeds of this SDC, and it is unlikely that every one of the projects listed will be constructed. The City recognizes that the projects ~~list in the SDC-CIP~~TSDC Project List ~~is are~~ not ~~complete~~ comprehensive, and ~~but~~ that construction of other projects, not included on the ~~SDC-CIP~~TSDC Project List may also advance the policy objective of maintaining capacity in the City's Transportation System.

- I. In conjunction with the Transportation System capacity objectives of this Chapter, the City ~~also seeks to encourage certain types of development by granting a partial or full credit for the Transportation SDC. In particular, the city places a high priority on the development of affordable low-income housing. The City has also recognized a higher public purpose in Transit Oriented Development (TOD) in creating a more dense, mixed-use urban design that promotes and integrates transit ridership with housing. Likewise, T~~the development of affordable housing promotes the public purpose of providing quality housing options for families and individuals earning 60 percent or less of the Area Median Income. Providing an exemption from a credit for the Transportation SDC will make it possible to develop more and better affordable low-income housing within the metropolitan area ~~where jobs and shopping are available by transit and non-motorized modes. For both the low income housing and TOD credit, the City has made the policy decision that the entire SDC CIP project list may not be fully funded, but that other policy objectives, equally important as maintaining transportation system capacity, will be advanced.~~

**17.15.020 Definitions.**

(Amended by Ordinance Nos. 171698, 172677, 173121, 175717, 176782, 181322, 182389, 182652, 184756 and 185459, effective June 27, 2012.)

- A. **“Accessway”** means a walkway that provides pedestrian and/or bicycle passage either between streets or from a street to a building or other destination such as a school, park, or transit stop. Accessways generally include a walkway and additional land on either side of the walkway, often in the form of an easement or right-of-way, to provide clearance and separation between the walkway and adjacent uses. Accessways through parking lots are generally physically separated from adjacent vehicle parking or parallel vehicle traffic by curbs or similar devices and include landscaping, trees and lighting. Where Accessways cross driveways, they may be raised, paved or marked in a manner which provides convenient access for pedestrians.
- B. **“Administrator”** means that person as appointed by the Director of Transportation to manage and implement this SDC program.
- C. **“Alternative System Development Charge”** means any SDC established pursuant to Section 17.15.070 of this Chapter.
- D. **“Applicant”** means the person who applies for a Building Permit.

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- E.** “**Application**” means the written request by an Applicant for a Building Permit.
- F.** “**Building Official**” means that person, or ~~his~~their designee, certified by the State and designated as such to administer the State Building Codes for the City.
- G.** “**Building Permit**” means that permit, including development and zoning permits, issued by the City Building Official pursuant to the State of Oregon Structural Specialty Code or as amended, and the State of Oregon Residential Specialty Code or as amended. In addition, Building Permit shall mean the Manufactured Home Installation Permit issued by the City Building Official, relating to the placement of manufactured homes in the City.
- H.** “**City**” means City of Portland, Oregon.
- I.** “**City Rate Study**” means the ~~methodology~~ report entitled ~~Update of~~ Transportation System Development Charges Update, dated ~~July 2007~~ June 2017 and adopted as Exhibit A to Ordinance No. ~~481322~~ XXXXXX.
- J.** “**Comprehensive Plan**” means the current, adopted Comprehensive Plan of the City of Portland.
- K.** “**Condition of Development Approval**” is a Bureau of Transportation requirement imposed on an Applicant by a city land use or limited land use decision, site plan approval or building permit either by operation of law, including but not limited to the City Code or Rule or regulation adopted thereunder, or a condition of approval.
- L.** “**Construction Cost Index**” means the ~~20-City National Highway~~ Construction Cost Index published by the Engineering News Record ~~Federal Highway Administration~~.
- M.** “**Credit**” means the amount by which an Applicant may be able to reduce the SDC fee as provided in this Chapter.
- N.** “**Developer**” means the person constructing a Qualified Public Improvement or eligible capital improvement prior to the construction of the New Development.
- O.** “**Development**” means all improvements on a site, including buildings, other structures, parking and loading areas, landscaping, paved or graveled areas, and areas devoted to exterior display, storage or activities ~~which that has have~~ the effect of generating additional PM Peak Hour ~~weekday or weekend~~ Ttrips. Development includes improved open areas such as plazas and walkways, but does not include natural geologic forms or unimproved land.
- P.** “**Director of Transportation**” means that person or ~~her or his~~ their designee who is responsible for managing the Bureau of Transportation.

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- Q.** **“Finance Director”** means that person or ~~his or her~~their designee who is responsible for managing the Finance Department for the City of Portland.
- R.** **“Innovation Quadrant Overlay Project Report”** means the ~~methodology~~ report entitled Innovation Quadrant Transportation System Development Charge Overlay Project Report, dated May 2011 and adopted as Exhibit A to Ordinance. No. 184756.
- S.** **“Innovation Quadrant Transportation System Development Charge TSDC Overlay”** means a transportation system development charge (TSDC) zone over the Innovation Quadrant area, as it presently exists or may be amended in the future, in which additional SDCs are collected and expended on capacity-increasing projects to serve future users within the Innovation Quadrant.
- T.** **“Institutional Development”** means development associated with a medical or educational institution and associated uses, on a site of at least five acres in area. Medical institutional campuses include medical centers and hospitals. Educational institutional campuses include universities, colleges, high schools, and other similar institutions offering course of study leading to a high school diploma or a degree certified by a recognized accreditation body. Associated uses on institutional campuses may include some commercial or light industrial uses, residential and other uses.
- U.** **“ITE Manual”** means ~~that~~ the current edition of that manual entitled “An Institute of Transportation Engineers Informational Report - Trip Generation.” ~~Seventh Edition (2003) or as amended.~~ A copy of the ITE Manual shall be kept on file with the Bureau of Transportation.
- V.** **“Methodology”** means the narrative, formulas and charts that serve as the framework for determining the system development charges, as set forth in the City Rate Study.
- ~~VW.~~** **“Multi-Modal”** means vehicular, transit, bicycle, pedestrian and wheel chair transportation.
- ~~WX.~~** **“New Development”** means Development on any site which increases overall Trip generation from the site according to Table 4-~~93~~93 of The City Rate Study or pursuant to Section 17.15.070 of this Chapter. Except as provided under Section 17.15.050, New Development for purposes of this Chapter includes remodeling to the extent that it generates additional Trips.
- ~~X.~~** **“Non-Motorized”** ~~means transportation that is neither vehicular or transit. Non-motorized includes pedestrian and bicycle transportation. Pedestrian transportation includes wheelchair transportation regardless of whether the wheelchair is motorized or hand propelled.~~

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- Y.** “**North Macadam Overlay Rate Study**” means the ~~methodology~~ report entitled North Macadam Transportation System Development Charge ~~TSDC~~ Overlay Rate Study, dated January 2009 and adopted as Exhibit A to Ordinance 182652.
- Z.** “**North Macadam Transportation System Development Charge TSDC Overlay**” means a transportation system development charge (TSDC) zone over the entire North Macadam urban renewal area (URA), as it presently exists or may be amended in the future, in which additional SDCs are collected and expended on capacity-increasing projects to serve future users within North Macadam.
- AA.** “**Over-capacity**” means that portion of an improvement that is built larger or with greater capacity (~~over capacity~~) than is necessary to serve the Applicant’s New Development or mitigate for transportation system impacts attributable to the Applicant’s New Development. There is a rebuttable presumption that improvements built to the City’s minimum standards are required to serve the Applicant’s New Development and to mitigate for transportation system impacts attributable to the Applicant’s New Development.
- BB.** “**Pedestrian Connection**” means a continuous, unobstructed, reasonably direct route between two points that is intended and suitable for pedestrian use. Pedestrian connections include but are not limited to sidewalks, walkways, stairways and pedestrian bridges. On developed parcels, pedestrian connections are generally hard surfaced. In parks and natural areas, pedestrian connections may be soft-surfaced pathways. On undeveloped parcels and parcels intended for redevelopment, pedestrian connections may also include rights-of-way or easements for future pedestrian improvements.
- CC.** “**Permit**” means a Building Permit.
- DD.** “**Person Trip**” means a Trip made by a person or persons to and from a Development during the PM Peak Hour.
- EE.** “**PM Peak Hour**” means the 60-minute time period of highest Trip generation during the afternoon period between 4 p.m. and 6 p.m.
- DD.** ~~“Planned light rail station” means a station included in local and regional transportation plans for which a full funding agreement has been executed by the Federal Transit Administration or other U. S. governmental agency, which agreement contains the terms and conditions applicable to the approval of a light rail project and the grant of federal funds for that project which includes construction of planned stations and other light rail facilities.~~
- EEFF.** “**Port Development**” means a planned development owned or operated by a unit of government involving a facility used for cargo freight or passenger transportation by air, water, rail or public mass transit, including accessory uses.

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Uses that are accessory to Port Development are those which send or receive cargo freight or are related to passenger movement or service.

**FFGG.** “**Previous use**” means the most recent permitted use conducted at a particular property. Where the site was used simultaneously for several different uses (mixed use), then, for purposes of this Chapter, all of the specific use categories shall be considered. Where one use of the site accounted for 70 percent or more of the total area used, then that dominant use will be deemed to be the sole previous use of the site. Where the previous use is composed of a primary use with one or more ancillary uses that support the primary use and are owned and operated in common, that primary use shall be deemed to be the sole use of the property for purposes of this Chapter.

**GGHH.** “**Proposed use**” means the use proposed by the Applicant for a New Development. Where the Applicant proposes several different uses (mixed use) for the New Development then, for purposes of this Chapter, all of the specific use categories shall be considered. Where the proposed use is composed of a primary use with one or more ancillary uses that support the primary proposed use and are owned and operated in common, that primary use shall be deemed to be the sole proposed use of the property for purposes of this chapter.

**HHII.** “**Qualified Public Improvement**” means any transportation system capital improvement or conveyance of an interest in real property that increases the capacity of the City’s Transportation System and ~~is in one of the following categories:~~

1. Required by the Bureau of Transportation as a condition of the Development approval, and

2. ~~Is a capital improvement~~ Listed on the City’s SDC-CIPTSDC Project List, and

**a.** Not located on or contiguous to ~~regardless of the improvement’s proximity to the Applicant’s New Development site, or~~

**b.** Located on or contiguous to the Applicant’s New Development site, and in the opinion of the Administrator is an Over-Capacity improvement or conveyance.

~~2. — Pertains to an arterial or collector street and is required by the Bureau of Transportation as a condition of the development approval and in the opinion of the Administrator is built larger or with greater capacity (over-capacity) than is necessary to serve the Applicant’s New Development or mitigate for transportation system impacts attributable to the Applicant’s New Development. There is a rebuttable presumption that improvements built to the Bureau of Transportation’s minimum standards are required to serve the Applicant’s New Development and to mitigate for transportation system impacts attributable to the Applicant’s New Development. Potentially eligible improvements include, but are not limited to:~~

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- ~~a. vehicle travel, turning or refuge lanes and traffic signals and sidewalks~~
- ~~b. bicycle lanes, bicycle parking facilities or bicycle lockers, other than those required by the Bureau of Transportation to serve the Applicant's New Development, or~~
- ~~c. any improvement to traffic or transportation safety that corrects an identified safety problem or defect in the City's transportation system.~~

**HJJ. “Remodel” or “Remodeling”** means to alter, expand or replace an existing structure.

**JJK. “Right-of-Way”** means that portion of land that is dedicated for public use including use for pedestrians, bicycles, vehicles and transit, utility placement and signage.

**KKL. “Roads”** means streets, roads and highways.

~~LL~~**MM. “Temporary Use”** means a construction trailer or other non-permanent structure.

~~MM. “Transit Oriented Development”~~ means

- ~~1. All development located within the following subdistricts of the Central City Plan District as shown on Map 510-8 of PCC Chapter 33.510: DT 1 through DT 6-2; UD 1-1 and UD 1-2; RD 3,4,5-1 and 5-2; GH 1; CE 2 and 3; and LD 1-4.~~
- ~~2. Any development located in any other subdistrict of the Central City Plan District that either~~
  - ~~a. includes at least 40 units of housing per net acre, or~~
  - ~~b. achieves a floor area ratio of 2 to 1.~~
- ~~3. Any development, except an auto-related use as defined in City Code 33.910, located outside the Central City Plan District that is within 500 feet of a street with fixed-route frequent (every 15 minutes or better during the day) transit service or within 1,000 feet of a light rail station and that either:~~
  - ~~a. includes at least 30 units of housing per acre of site, and there are no drive-through facilities, or~~
  - ~~b. achieves a floor area ratio of 1 to 1, and there are no drive-through facilities, or~~

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~~c. — is located in a commercial zone where no parking is required by the Planning and Zoning code of the City of Portland and no on-site parking is provided and there are no drive through facilities.~~

~~For purposes of this definition, “site” shall include the building footprint and all associated land required for parking, landscaping and the like. For the purpose of this definition, “fixed route frequent transit service” shall include the I-205 light rail corridor and “light rail station” shall include the I-205 light rail stations.~~

**NN.** **“Transportation SDC Capital Improvement Plan,”** also called TSDC-CIP Project List, means the City program set forth in the City Rate Study that identifies all of the major transportation system and facilities capacity, safety, reconstruction, bicycle, pedestrian, transit and bridge improvements projected to be necessary to accommodate existing and anticipated transportation system demands within the next 10 years, ~~as described in the Update of Transportation System Development Charges, (dated July 2007),~~ and within the next 20 years as described in the North Macadam Transportation System Development Charge TSDC Overlay Rate Study and Innovation Quadrant Overlay Project Report, (dated January 2009).

**OO.** **“Transportation System Development Charge,”** or **“SDC,”** refers to the fee to be paid under this Chapter.

**PP.** **“Transportation SDC Rate Schedule”** refers to the listing of fees for development types, as adopted in Ordinance No. XXXXXX and, if applicable, Ordinance Nos. 182652 and 184756 for the North Macadam and Innovation Quadrant TSDC Overlay areas, respectively.

**PPQQ.** **“Transportation System Plan,”** or **“TSP,”** means the current, adopted 20-year plan for transportation improvements in the City of Portland.

**RR.** **“Trip”** means Person Trip.

**QQSS.** **“Vehicle”** means a motorcycles, automobiles, trucks, boats ~~and~~ or recreational vehicles, but does not include transit, bicycles and motorized wheelchairs for the disabled.

**RRTT.** **“Vehicular”** means a reference to a vehicle.

**SSUU.** **“Walkway”** means an area intended and suitable for use by pedestrians; that meets standards of the American with Disabilities Act, located in public right-of-way.

**17.15.030 Rules of Construction.**

For the purposes of administration and enforcement of this Chapter, unless otherwise stated in this Chapter, the following rules of construction shall apply:

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- A. In case of any difference of meaning or implication between the text of this Chapter and any caption, illustration, summary table, or illustrative table, the text shall control.
- B. The word “shall” is always mandatory and not discretionary; the word “may” is permissive.
- C. Words used in the present tense shall include the future; and words used in the singular number shall include the plural and the plural the singular, unless the context clearly indicates the contrary.
- D. The phrase “used for” includes “arranged for,” “designed for,” “maintained for,” ~~or~~ and “occupied for.”
- E. Where a regulation involves two or more connected items, conditions, provisions, or events:
  - 1. “And” indicates that all the connected terms, conditions, provisions or events shall apply;
  - 2. “Or” indicates that the connected items, conditions, provisions or events may apply singly or in any combination.
- F. The words “include” and “includes” shall not limit a term to the specific example, but ~~is~~ are intended to extend ~~its~~ the term’s meaning to all other instances or circumstances of like kind or character.

#### 17.15.040 Application.

(Amended by Ordinance Nos. 181322, 182652, 184756, 185195, 185459 and 187210, effective June 24, 2015.) This Chapter applies to all New Development throughout the City of Portland ~~except for those areas where Washington County, Multnomah County or Clackamas County imposes a transportation SDC or Traffic Impact Fee.~~ The amount of the Transportation SDC shall be calculated according to this section. For any New Development within the North Macadam Overlay Rate Study boundaries, the transportation SDC shall be the sum of two calculations, the first based upon the City Rate Study and the second based upon the North Macadam Overlay Rate Study. For any New Development within the Innovation Quadrant area boundaries, the transportation SDC shall be the sum of two calculations, the first based upon the City Rate Study and the second based upon the Innovation Quadrant Overlay Project Report.

- A. New Development.
  - 1. Except as otherwise provided in this Chapter, a Transportation SDC shall be imposed upon all Applications for New Development ~~for which an Application is filed after October 18, 1997.~~

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2. The Applicant shall at the time of Application provide the Administrator with the information requested on an SDC application form regarding the previous and proposed use(s) of the property, including the following:
  - a. A description of each of the previous and proposed uses for the property for which the Permit is being sought--with sufficient detail to enable the City to calculate Trip generation for the entire property under the previous use and for the proposed use(s) of the New Development.
  - b. For residential uses--the number of residential dwellings, including type, e.g., single family or multi family.
  - c. For commercial uses--the square footage (or other unit of measure, as applicable) for each type of commercial use, e.g., office, retail, etc.
3. Except as otherwise provided in this Chapter, the amount of the SDC due shall be determined by estimating the Trip generation of the previous use(s) on the property and the Trip generation for all of the proposed use(s) and then calculating the total SDC for the previous use(s) and the proposed uses(s) as provided in the Transportation SDC Rate Schedule~~Table 4-9 of The City Rate Study, and if applicable, Table 4-9 of the North Macadam Overlay Rate Study or Table 4-8 of the Innovation Quadrant Overlay Project Report.~~
  - a. If the Person-vehicle Trips attributable to the proposed use of the New Development are within 15 percent  $\pm$  of the Person-vehicle Trips attributable to the total previous use of the property and does not increase or decrease Person-vehicle Trips by more than 25 Person-250-vehicle Trips, the Applicant is not required to pay any SDC and is not eligible for any SDC reimbursement or credit.
  - b. If the Person-vehicle Trips attributable to the proposed use of the New Development are more than 115 percent of the Person-vehicle Trips attributable to the total previous use, the Applicant shall pay the difference between the SDC attributable to the proposed use and the SDC attributable to the total previous use.
  - c. If the Person-vehicle Trips attributable to the proposed New Development are less than 85 percent of the Person-vehicle Trips attributable to the total previous use(s), and the Development had previously paid a Transportation SDC, then the Applicant shall be eligible for an SDC ~~R~~eimbursement under Section 17.15.060.
4. In the event an identified use does not have a basis for Trip determination stated in ~~T~~he City Rate Study, the Administrator shall identify the land use or uses that has/have a Trip generation rate most similar to the use(s)

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in question and apply the Trips generation rate most similar to the proposed use or uses.

5. Notwithstanding any other provision, the dollar amounts of the SDC set forth in ~~The City Rate Study~~ Transportation SDC Rate Schedule as well as the North Macadam Overlay Rate Study and the Innovation Quadrant Overlay Project Report shall on July 1st of each year be increased or decreased automatically by the difference of the ~~105~~-year moving average of the ~~20-City National Highway~~ Construction Cost Index published by the Engineering News Record~~Federal Highway Administration~~.

#### B. Institutional Development.

1. Institutional Development shall be subject to assessment under this Subsection or under Subsection A.4 above, at the election of the Applicant. If the Applicant elects assessment under this Subsection, this method of assessment shall be utilized on institutional properties designated in the election for a period of not less than three years from date of initial election.
2. Within 60 days of election of the alternate assessment under this Subsection, the Applicant Institution shall submit the proposed methodology for counting Trips to the Administrator. The Administrator shall determine whether the proposed methodology is acceptable within 20 days from the date of election and submission, and, if the methodology is rejected, the Administrator shall provide an explanation for the decision.
3. Within one year of the date of election of the alternative method of assessment under this Subsection, at the time(s) designated in the accepted methodology to count Trips, the ~~a~~Applicant Institution shall establish the average PM Peak Hour weekday Trip count. Such data and related analysis shall be based upon a methodology to calculate Trips accepted by the Administrator. ~~This average weekday trip count shall be calculated, unless otherwise specified in the accepted methodology, by dividing the total current average weekday trips that occur in each mode during an average week by the number of weekdays.~~
4. The amount of the SDC shall be determined at the end of each 12-month period by multiplying the applicable dollar amount, as provided in the ~~City Rate Study~~Transportation SDC Rate Schedule, by the change in average PM Peak Hour weekday Trip count ~~by mode type~~ during the intervening 12-month period ~~over the highest prior documented average weekday trip count since October 18, 1997~~. Such SDC, if any, shall be due and payable within 45 days from the close of the 12-month period. ~~A reduction in trips by an mode shall allow the Applicant Institution to reduce future annual assessment against the same mode by the number of such reduced trips.~~

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5. For uses ~~for which that calculate~~ the appropriate SDC calculation is using a unit of measure other than square feet, such as the number of students, movie screens, etc., the first Application submitted for such a use that is subject to this Chapter shall establish the baseline number of existing units of measure. No SDC shall be assessed against that baseline. A baseline Trip rate so established shall be valid, and need not be recalculated, for the next 12 months.

C. Port Development. At the ~~a~~Applicant's option, Port Development may be subject to assessment under Subsection A. of this Section; or under this Subsection.

1. If the Applicant elects assessment under this Subsection C., the Applicant and the City shall negotiate an agreement for the payment of a fee in lieu of the Transportation SDC that includes the following elements:

~~1a.~~ A methodology for estimating the amount of the SDC which would be imposed pursuant to Subsection A. ~~or B.~~ above, during a period of ~~not less than~~ ~~either 3 years or until the expiration of the SDC project list, whichever is less, nor~~ but in any event not more than 10 years, as specified by the Applicant. The methodology shall take into account the Port Development anticipated under the Applicant's master plan during the period specified in that plan, the Trips that the Port Development is expected to generate, Trip levels against which SDCs ~~charges~~ have historically been assessed, the anticipated increases or decreases in the dollar amounts of the SDC during the specified period, any applicable credits or exemptions and any other factors which the Administrator deems to be relevant. In no event shall the charge estimated under this Subsection be less than the SDC that would otherwise be due for the Port Development and the Applicant shall indicate its agreement to the methodology in writing; ~~and~~

~~2b.~~ A payment period shall be imposed ~~by~~ during which the Applicant shall pay in full the amount due within 12 months of the Applicant's agreement to the methodology.

~~3c.~~ In the event the Applicant and the City are unable to agree to a methodology under this Subsection, the normal method of calculating and assessing the SDC under Subsection A. above ~~or B.~~ shall apply.

**17.15.050 Partial and Full Exemptions and Discounts.**

(Amended by Ordinance Nos. 171698, 173437, 177198, 181322, 182389, 182652, 183679, 183448, 184756, 185195, 185987 and 187821, effective July 15, 2016.) The uses listed and described in this section shall be exempt, either partially or fully, from payment of the Transportation SDC. Any Applicant seeking an exemption or a discount under this Section shall specifically request that exemption within 180 days after building permit issuance for the New Development. Where New Development consists of only part of one or more of the uses described in this section, only that/those portion(s) of the development which qualify under this section are eligible for an exemption or discount.

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The balance of the New Development which does not qualify for any exemption or discount under this section shall be subject to the full SDC. Should the Applicant dispute any decision by the City regarding an exemption or discount request, the Applicant must apply for an Alternative Exemption calculation under Section 17.15.070. The Applicant has the burden of proving entitlement to any exemption so requested.

- A. Temporary ~~u~~Uses are fully exempt so long as the use or structure proposed in the New development will be used not more than 180 days in a single calendar year.
- B. New Development ~~which~~, that will not generate more than 15 percent more Person vehicle Trips than the present use of the property generates and that does will not increase Person vehicle Trips by more than 25 Person-250 vehicle Trips shall be fully exempt.
- C. Affordable housing is exempt ~~pursuant to the extent established by to~~ Section 30.01.095.
- ~~D. The City of Portland is phasing out the exemption for the Transit Oriented Development (TOD) as calculated per Section 17.15.050 D.1. and 3. below. From January 1, 2008 through December 31, 2008, eligible development shall receive 100 percent of the exemption; from January 1, 2009 through December 1, 2009, eligible development shall receive 67 percent of the total exemption; and from January 1, 2010 through December 31, 2010, eligible development shall receive 33 percent of the total exemption. No TOD exemption shall be provided after December 31, 2010, as calculated per Section 17.15.050 D.1. and 3.~~

~~Transit Oriented Development (TOD) as calculated per Section 17.15.050 D.2. shall be exempt from the SDC as described below from January 1, 2008 through December 31, 2012. No TOD exemption shall be provided after December 31, 2012.~~

~~No exemption for Transit Oriented Development (TOD) shall be provided for any SDC based upon the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report.~~

- ~~1. Within the Central City Plan District, New Development that meets Transit Oriented Development definition MM.1., MM.2.a. or MM.2.b. shall be liable for only 10 percent of the vehicle portion of the SDC and 90 percent of the transit and non-motorized portion of the SDC.~~
- ~~2. For all areas outside of the Central City Plan District, New Development that meets Transit Oriented Development definition MM.3.a., MM.3.b., or MM.3.c. shall be liable for only 50 percent of the vehicle portion of the SDC and 100 percent of the transit and non-motorized portion of the SDC.~~
- ~~3. For all areas outside of the Central City Plan District, New Development that meets the density requirements in Transit Oriented Development~~

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~~definition MM.2.a., or MM.2.b. shall be liable for only 10 percent of the vehicle portion of the SDC and 90 percent of the transit and non-motorized portion of the SDC.~~

**D.** Discount of the Transportation SDC may be available for qualified land use types described in this Subsection and located within designated areas of the City. The Applicant has the burden of proving entitlement to any discount so requested.

**1.** To qualify for a discount, the Applicant must demonstrate the following:

**a.** The New Development will be located within the Central City or other centers as designated by the Bureau of Planning and Sustainability. Other centers include the Gateway Plan District, areas within Town Centers and Neighborhood Centers as mapped in the new 2035 Comprehensive Plan, and parcels within 1,000 feet of light rail stations (excluding single-family, OS, and IG and IH zones).

**b.** The New Development will meet the eligibility criteria listed in the following table:

<b><u>Residential</u></b>	
<u>Single Family (1,200 square feet or more)</u>	<u>Ineligible</u>
<u>Single Family (1,199 square feet or less)</u>	<u>Ineligible</u>
<u>Multiple Family</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Senior Housing/Congregate Care/Nursing Home</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<b><u>Commercial – Services</u></b>	
<u>Bank</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Day Care</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Hotel/Motel</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Service Station / Gasoline Sales</u>	<u>Ineligible</u>
<u>Movie Theater/Event Hall</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Carwash</u>	<u>Ineligible</u>
<u>Health Club / Racquet Club</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<b><u>Commercial – Institutional</u></b>	
<u>School, K-12</u>	<u>Eligible</u>
<u>University / College / Jr. College</u>	<u>Eligible</u>
<u>Church</u>	<u>Eligible</u>
<u>Hospital</u>	<u>Eligible</u>
<u>Park</u>	<u>Eligible</u>
<b><u>Commercial - Restaurant</u></b>	

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<b>Commercial - Retail</b>	
<u>Restaurant (Standalone)</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Quick Service Restaurant (Drive-Through)</u>	<u>Ineligible</u>
<b>Commercial - Office</b>	
<u>Shopping/Retail</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Convenience Market</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Free Standing Retail Store/ Supermarket</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Car Sales - New / Used</u>	<u>Ineligible</u>
<b>Industrial</b>	
<u>Administrative Office</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Medical Office / Clinic</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Light Industry / Manufacturing</u>	<u>Eligible if in mixed use site that is built to at least 75% of max FAR</u>
<u>Warehousing / Storage</u>	<u>Ineligible</u>
<u>Self-Storage</u>	<u>Ineligible</u>

**2.** The following Transportation SDC discounts apply to eligible land uses:

**a.** Central City – 33 percent reduction

**b.** Other Centers– 8 percent reduction

- E.** Graded Scale: A change in ~~use~~occupancy of an existing building where the gross enclosed floor area does not exceed 3,000 square feet is fully exempt. A change in ~~use~~occupancy of an existing building where the gross floor area is between 3,000 square feet and 5,000 square feet shall be assessed on a graded scale. The percentage of the rate to be assessed on the entire existing building shall be calculated by the following equation:

$$(\text{size of existing building} - 3,000 \text{ square feet}) / 2,000 \text{ square feet}$$

Examples of Graded Scale Assessment Calculations

$(4,000 - 3,000) / 2,000 = 0.50$  Existing 4,000 square foot building assessed at 50% of the rate

$(3,200 - 3,000) / 2,000 = 0.10$  Existing 3,200 square foot building assessed at 10% of the rate

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$(4,900 - 3,000) / 2,000 = 0.95$  Existing 4,900 square foot building assessed at 95% of the rate

- F. Alteration permits for tenant improvements, new construction or remodeling are fully exempt where:
1. no additional dwelling unit(s) or structure(s) are created;
  2. the use or structure which is ~~will not reasonably be expected to result in a significant increase in additional trips according to table 4-9 of the City Rate Study, and, if applicable, the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report;~~
  3. the use or structure is of a temporary nature and is used less than 180 days in a calendar year;
- G. The construction of accessory buildings or structures which will not create additional dwelling units or which do not create additional demands on the City's capital improvements are fully exempt.
- H. Any newly permitted and constructed accessory dwelling unit (ADU) conforming to the Title 33 definition of an ADU will qualify for ~~receive~~ a waiver of SDC fees if a complete building permit application is submitted for the ADU from April 15, 2010 through July 31, 2018, provided that the ~~new ADU~~ Applicant receiving a waiver obtains an occupancy permit no later than June 30, 2019. If an occupancy permit is not obtained by June 30, 2019, an occupancy permit will not be issued until the SDC ~~are~~ is paid at the rates in effect at the time the occupancy permit is issued.
- I. For New Development which includes a mix of exempt and non-exempt forms of development, the applicable exemption(s) shall apply only to that portion of the New Development to which the exemption applies.

**17.15.060 SDC Credits, SDC Credit Transfers and SDC Reimbursements.**

(Amended by Ordinance Nos. 172677, 173121, 173437, 174936, 181322, 182652, 184756 and 185195, effective March 14, 2012.)

- A. SDC Credits:
1. The City ~~shall~~ may grant a credit against the Transportation SDC, which is otherwise assessed for a New Development, for eligible capital improvements ~~any Qualified Public Improvement(s)~~ constructed or dedicated as part of ~~the~~ that New Development. The Applicant bears the burden of evidence and persuasion in establishing entitlement to an SDC Credit and to a particular value of SDC Credit.

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- a. To obtain an SDC Credit, the Applicant must specifically request a credit within 180 days after building permit issuance for the New Development. In the request, the Applicant must identify the improvement(s) for which credit is sought and explain how the improvement(s) meet the requirements for a Qualified Public Improvement or other eligible improvement pursuant to Subsection 17.15.060 A.1.c. The Applicant shall also document, with credible evidence, the value of the improvement(s) for which credit is sought. ~~If, in the Administrator's opinion, the improvement(s) are Qualified Public Improvement, and the Administrator concurs with the proposed value of the improvement(s), an SDC Credit shall be granted. The value of SDC Credits under Section 17.15.060 A.1. shall be determined by the Administrator based on the cost of the Qualified Public Improvement, or the value of land dedicated, as follows:~~

- (1) For dedicated lands, value shall be based upon a written appraisal of fair market value by a qualified, professional appraiser based upon comparable sales of similar property between unrelated parties in an arms-length transaction;.
- (2) For improvements yet to be constructed, value shall be based upon the anticipated cost of construction. Any such cost estimates shall be certified by a professional architect or engineer or based on a fixed price bid from a contractor ready and able to construct the improvement(s) for which SDC Credit is sought;.
- (3) For improvements already constructed, value shall be based on the actual cost of construction as verified by receipts submitted by the Applicant;.

- b. If, in the Administrator's opinion, the improvement(s) are Qualified Public Improvements, and the Administrator concurs with the proposed value of the improvement(s), an SDC Credit shall be determined by the Administrator as follows:

- ~~(1)-(4)~~ For all improvements for which credit is sought on or contiguous to the New Development site, only the fraction of costs for the Over-Capacity portion of the improvement as described in the definition of Qualified Public Improvement ~~is~~ are eligible for SDC Credit. There is a rebuttable presumption that improvements built to the City's minimum standards are required to serve the Applicant's New Development and to mitigate for transportation system impacts attributable to the

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Applicant's New Development;

- (2)** For Qualified Public Improvements not located on or contiguous to the New Development site, the full cost of the improvement may be eligible for SDC Credit.
- c.** The Administrator may grant credit for all or a portion of the costs of capital improvements constructed or dedicated as part of the New Development that do not meet the requirements of Qualified Public Improvements, provided that the improvements are listed on the City's TSDC Project List. In such case, the Administrator may determine what portion of the costs are eligible for SDC Credit.
- d. (5)** ~~For all improvements for which eCredit is sought within the North Macadam Transportation System Development Charge Overlay, the Administrator shall apportion the eCredit based upon the percent of the total SDC charge attributable to the City Rate Study and the Overlay Rate Study.~~
- e. (6)** ~~For all improvements for which eCredit is sought within the Innovation Quadrant Transportation System Development Charge Overlay, the Administrator shall apportion the eCredit based upon the percent of the total SDC charge attributable to the City Rate Study and the Innovation Quadrant Overlay Project Report.~~
- f. b.** ~~The Administrator will provide respond to the Applicant's a written notice of the City's decision on the SDC Credit request, including an explanation thereof, in writing within 21 calendar days of when the request is being submitted. The Administrator shall provide a written explanation of the decision on the SDC Credit request.~~
- g. c.** ~~If an Applicant disputes the Administrator's decision with regard to an SDC Credit request, including the amount of the credit, tThe Applicant may seek an alternative SDC Credit calculation under Section 17.15.070. Any request for an Alternative SDC Credit calculation must be filed with the Administrator in writing within 10 calendar days of the written decision on the initial eCredit request.~~
- 2.** Granting SDC Credits to New Development Prior to Commencing Construction of New Development. When an eligible improvement ~~Qualified Public Improvement~~ is built by a Developer prior to an Applicant applying for Building Permits for the New Development, the City ~~shall~~may grant a credit for any ~~Qualified Public Improvement(s)~~ eligible improvement(s) ~~to be constructed or dedicated as a Condition of Development Approval of that New Development.~~ Credits issued pursuant to ~~Section 17.15.060 A.3. are in lieu of any other SDC Credits that could~~

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~~otherwise be claimed in connection with the Qualified Public Improvement, and are issued pursuant to the following requirements and conditions:~~

- a. The Developer must specifically request a credit prior to the first Application for a Building Permit, but after the issuance of the Public Works Permit for the ~~Qualified Public Improvement~~eligible improvement;
  - b. For improvements yet to be constructed, the Developer shall provide the City with an enforceable mechanism to guarantee completion of the ~~Qualified Public Improvement~~eligible improvement, either in the form of a performance bond or other financial guarantee acceptable to the Administrator; and
  - c. The Developer shall submit written confirmation to the Administrator on the form provided acknowledging:
    - (1) That SDC credits issued pursuant to this Section are in lieu of any other credits that could be claimed by the Developer or other Applicants on account of the ~~Qualified Public Improvement~~eligible improvement; and
    - (2) That it is the Developer's obligation to advise subsequent Applicants of the New Development that SDC credits associated with the ~~Qualified Public Improvement~~eligible improvement have already been issued and that no further credits are available.
3. Where the amount of an SDC Credit approved by the Administrator under this Section exceeds the amount of the Transportation SDC assessed by the City upon a New Development, the SDC Credit may not be transferred to a different development site. An SDC Credit ~~Transfers shall be issued by the City for a particular dollar value to the Applicant or Developer. The Applicant or Developer may convey by any means and for any value an SDC Credit Transfer to any other party to be used on the initial development site. The Applicant or any other party to whom the credits are transferred may use the SDC Credit Transfers to satisfy Transportation SDC requirements for any other New Development within the City, with the following exceptions:~~
- a. ~~SDC Credit Transfers approved in connection with New Development outside the North Macadam Urban Renewal District, if applied to SDCs payable on New Development inside the North Macadam Urban Renewal District, may only be applied to the portion of that New Development's SDC charges payable under the City Rate Study. Such SDC Credit Transfers may not be~~

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~~applied to SDCs payable under the North Macadam Overlay Rate Study.~~

~~b. SDC Credit Transfers approved in connection with New Development outside the Innovation Quadrant, if applied to SDCs payable on New Development inside the Innovation Quadrant, may only be applied to the portion of that New Development's SDC charges payable under the City Rate Study. Such SDC Credit Transfers may not be applied to SDCs payable under the Innovation Quadrant Overlay Project Report.~~

4. The City previously allowed SDC Credits to be transferred to other parties without restriction as to location. The City will continue to honor those SDC Credits issued prior to January 1, 2018.

45. The City shall accept at face value any SDC Credit ~~Transfer~~ presented as full or partial payment for the Transportation SDC due on New Development, except that SDC credits approved in connection with New Development outside the North Macadam Renewal District and applied to New Development inside the North Macadam Urban Renewal District may only be applied to the portion of that New Development's SDCs ~~charges~~ payable under the City Rate Study, and SDC credits approved in connection with New Development outside the Innovation Quadrant and applied to New Development inside the Innovation Quadrant may only be applied to the portion of that New Development's SDCs ~~charges~~ payable under the City Rate Study. Neither the City nor any of its employees or officers shall be liable to any party for accepting an SDC Credit ~~Transfer~~, approved and issued by the City under this Section, as payment for a Transportation SDC.

56. SDC Credits ~~Transfers~~ are void and of no value if not redeemed with the City for payment of a Transportation SDC within 10 years of the date of issuance.

67. It shall be a violation of this title for any person to counterfeit or forge an SDC Credit ~~Transfer~~ or knowingly attempt to negotiate or redeem any counterfeit or forged SDC Credit ~~Transfer~~.

7. ~~Notwithstanding Subsections 3. and 4. above, transportation SDC credits approved in connection with New Development subject to the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report may be applied against transportation SDCs that accrue in subsequent phases of the original New Development.~~

**B. SDC Reimbursement.**

1. If an Applicant proposes New Development on property on which there is already a use ~~which~~that generates at least 15 percent more Person ~~vehicle~~

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~~T~~rips than the proposed use generates, or that generates more than at least 25 250 more Person vehicle Trips beyond what ~~than~~ the proposed use generates, and if the Development had previously paid a Transportation SDC, then the Applicant shall be entitled to an SDC ~~R~~ reimbursement. The SDC ~~R~~ reimbursement shall be in the form of a credit equal to the difference between the SDC Rate of the previous use and that for the proposed use. The Applicant bears the burden of evidence and persuasion in establishing entitlement to an SDC ~~R~~ reimbursement and to a particular amount of such a reimbursement.

2. To obtain an SDC ~~R~~ reimbursement, the Applicant must request the ~~R~~ reimbursement within 180 days after building permit issuance for the New Development and must document the basis for the request with traffic reports prepared and certified to by a Professional Traffic Engineer.
3. ~~If, in the Administrator's opinion, the Applicant has sufficiently demonstrated that the new use will generate fewer trips than did the previous use, the Administrator shall refund to the Applicant the difference between the Transportation SDC that was paid on the previous use and the Transportation SDC amount that would be assessed for the proposed use. The Administrator shall notify the Applicant in writing of its decision on the SDC Reimbursement request and shall provide a written explanation of the decision. For all improvements for which Reimbursement is sought within the North Macadam Transportation System Development Charge Overlay, the Administrator shall apportion the Reimbursement based upon the percent of the total SDC charge attributable to the SDC calculated from the City Rate Study and from the North Macadam Overlay Rate Study. For all improvements for which Reimbursement is sought within the Innovation Quadrant Overlay, the Administrator shall apportion the Reimbursement based upon the percent of the total SDC charge attributable to the SDC calculated from the City Rate Study and from the Innovation Quadrant Overlay Project Report.~~
4. ~~If an Applicant disputes the Administrator's decision with regard to an SDC Reimbursement decision, including the amount of the Reimbursement, t~~The Applicant may seek an Alternative SDC ~~R~~ reimbursement calculation under Section 17.15.070 in the same manner as for an Alternative SDC Rate request. Any request for an Alternative SDC ~~R~~ reimbursement calculation must be filed with the administrator in writing within 10 calendar days of the written decision on the initial reimbursement request.

#### **17.15.070     Alternative Calculation for SDC Rate, Credit, or Exemption, or Discount.** (Amended by Ordinance Nos. 181322, 182652 and 184756, effective November 1, 2011.)

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- A. Pursuant to this section, an applicant may request an alternative SDC calculation, alternative SDC credit determination or alternative SDC exemption, but only under the following circumstances:
1. The Applicant believes the number of ~~Person vehicle~~ Ttrips resulting from the New Development is, or will be, less than the number of Ttrips established in The City Rate Study and if applicable, the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report, and for that reason the Applicant's SDC should be lower than that calculated by the City.
  2. The Applicant believes the City improperly excluded from consideration a Qualified Public Improvement that would qualify for credit under Section 17.15.060, or the City accepted for credit a Qualified Public Improvement, but undervalued that improvement and therefore undervalued the credit.
  3. The Applicant believes the City improperly rejected a request for an exemption or discount under Section 17.15.050 for which the Applicant believes it is eligible.

B. Alternative SDC Rate Request:

1. If an Applicant believes the number of Ttrips resulting from the New Development is less than the number of Ttrips established in The City Rate Study; and, if applicable, the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report, the Applicant must request an alternative SDC rate calculation, under this section, within 180 days after building permit issuance for the New Development. The City shall not entertain such a request filed more than after 180 days after building permit issuance for the New Development. Upon the timely request for an alternative SDC rate calculation, the Administrator shall review the Applicant's calculations and supporting evidence and make a determination within 21 calendar days of submittal as to whether the Applicant's request satisfies the requirements of this Section.
2. In support of the Alternative SDC rate request, the Applicant must provide complete and detailed documentation, including verifiable Ttrips generation data, analyzed and certified ~~to~~ by a Professional ~~Traffic~~ Engineer. The Applicant's supporting documentation must rely upon generally accepted sampling methods, sources of information, cost analysis, ~~traffic and growth~~ projections and techniques of analysis ~~as a means of supporting the proposed alternative SDC rate~~. The proposed Alternative SDC Rate calculation shall include an explanation by a registered engineer explaining with particularity why the rate established in ~~Tthe~~ City Rate Study; and, if applicable, the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report; does not accurately reflect the New Development's impact on the City's ~~capital improvements-transportation system~~.

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3. The Administrator shall apply the Alternative SDC Rate if, in the Administrator's opinion, all of the following are found true:
  - a. The evidence and assumptions underlying the Alternative SDC Rate are reasonable, correct and credible and were gathered and analyzed by a suitable, competent professional in compliance with generally accepted engineering principles and methodologies and consistent with this Section; and
  - b. ~~The calculation of the~~ proposed Alternative SDC rate was calculated according to ~~by~~ a generally accepted methodology; and
  - c. The proposed alternative SDC rate ~~better or more~~ realistically reflects the Person Trips generated by actual traffic impact of the New Development compared to ~~than~~ the rate set forth in ~~The City Rate Study~~, and, if applicable, the North Macadam Overlay Rate Study or the Innovation Quadrant Overlay Project Report.
4. If, in the Administrator's opinion, not all of the above criteria are ~~not~~ met, the Administrator shall provide to the Applicant by certified mail, return receipt requested, a written decision explaining the basis for rejecting the proposed alternative SDC rate.

#### C. Alternative SDC Credit Request:

1. If an Applicant has requested an SDC Credit pursuant to Section 17.15.060, and that request has either been denied by the City or approved but at a lower value than desired, the Applicant may request an Alternative SDC Credit calculation; under this section. Any request for an Alternative SDC Credit calculation must be filed with the Administrator in writing within 10 calendar days of the written decision on the initial credit request.

~~The City shall not entertain such a request filed after 10 calendar days of the written decision on the initial credit request. Upon the timely request for an Alternative SDC Credit calculation, the Administrator shall review the Applicant's calculations and supporting evidence and make a determination within 21 calendar days of submittal as to whether the Applicant's request satisfies the requirements of this Section.~~
2. In support of the Alternative SDC credit request, the Applicant must provide complete and detailed documentation, including appraisals, cost analysis or other estimates of value, analyzed and certified ~~to~~ by an appropriate professional, for the improvements for which the Applicant is seeking credit. The Applicant's supporting documentation must rely upon generally accepted sources of information, cost analysis and techniques of analysis as a means of supporting the proposed Alternative SDC credit.



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3. The Administrator shall grant the Alternative SDC Credit if, in the Administrator's opinion, all of the following are found true:
  - a. The improvement(s) for which the SDC Credit is sought are Qualified Public Improvement(s); and
  - b. The evidence and assumptions underlying the Applicant's Alternative SDC Credit request are reasonable, correct and credible and were gathered and analyzed by an appropriate, competent professional in compliance with generally accepted principles and methodologies; and
  - c. The proposed alternative SDC Credit is based on a realistic, credible valuation or benefit analysis.
4. If, in the Administrator's opinion, ~~any one or more~~ not all of the above criteria ~~is~~ are ~~not~~ met, the Administrator shall deny the request and provide to the Applicant by certified mail, return receipt requested, a written decision explaining the basis for rejecting the Alternative SDC Credit proposal.

**D. Alternative SDC Exemption or Discount Request:**

1. If an Applicant has requested ~~an full or partial exemption or discount~~ under Section 17.15.050; and that request has been denied, the Applicant may request an Alternative SDC Exemption or discount under this section. Any request for an Alternative SDC Exemption or discount calculation must be filed with the Administrator in writing within 10 calendar days of the written decision on the initial credit request. ~~The City shall not entertain such a request filed after 10 calendar days of the written decision on the initial credit request.~~ Upon the timely request for an Alternative SDC Exemption or discount, the Administrator shall review the Applicant's request and supporting evidence and make a determination within 21 calendar days of submittal as to whether the Applicant's request satisfies the requirements of Section 17.15.050 for exemptions and discounts.
2. In support of the Alternative SDC Exemption or discount request, the Applicant must provide complete and detailed documentation demonstrating that the Applicant is entitled to one of the exemptions or discounts described in Section 17.15.050.
3. The Administrator shall grant the exemption or discount if, in the Administrator's opinion, the Applicant has demonstrated with credible, relevant evidence that it meets the pertinent criteria in Section 17.15.050.

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4. Within 21 calendar days of the Applicant's submission of the request, the Administrator shall provide a written decision explaining the basis for rejecting or accepting the request.

#### **17.15.080 Payment.**

(Amended by Ordinance Nos. 173437, 181322, 182389 and 183447, effective July 1, 2010.)

- A. The Transportation SDC required by this Chapter to be paid is due upon issuance of the Building Permit. However, in lieu of payment of the ~~f~~Full SDC, the applicant may elect to pay the SDC in installments as provided in ORS chapter 223 and Chapter 17.14 of this Code. If the Applicant elects to pay the SDC in installments, a lien will be placed against the property that is subject to the SDC, and that lien will be given first priority as provided by statute. The Applicant's election to pay the SDC by installments shall be memorialized in an SDC Deferral or Installment Agreement entered into by the Applicant and the City on a form provided by the City, and which may provide for the deferral of payments as set forth in Chapter 17.14 of this Code. In any event, the Applicant shall either pay the SDC in full or enter into an SDC Deferral or Installment Agreement as provided in this section; before the City will issue any building permits.
- B. Upon written request of the Bureau of Transportation, the City Auditor is authorized to cancel assessments of SDCs; without further Council action; where the New Development approved by the Building Permit is not constructed and the Building Permit is cancelled.
- C. For property that has been subject to a cancellation of assessment of SDCs, a new installment payment contract shall be subject to the ~~e~~Code provisions applicable to SDCs and installment payment contracts on file on the date the new contract is received by the City.
- D. The City of Portland shall not be responsible for, nor have any responsibility to honor or enforce agreements made by private parties regarding the payment or collection of SDC assessments.

#### **17.15.090 Refunds.**

(Amended by Ordinance No. 181322, effective January 1, 2008.) Refunds may be given by the Administrator upon finding that there was a clerical error in the calculation of the SDC. Refunds shall not be allowed for failure to timely claim credit or for failure to timely seek an Alternative SDC Rate calculation. The City shall refund ~~to the Applicant~~ any SDC revenues not expended within ten (10) years of receipt.

#### **17.15.100. Dedicated Account and Appropriate Use of Account.**

(Amended by Ordinance Nos. 181322, 182652 and 184756, effective November 1, 2011.)

- A. There is created a dedicated account entitled the "SDC Account." All monies derived from the SDC shall be placed in the SDC Account. Funds in the SDC

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Account shall be used solely to provide the ~~SDC-CIPT~~SDC Project List ~~listed~~ capacity increasing improvements according to the ~~SDC-CIPT~~SDC Project List as it currently exists or as hereinafter amended, and eligible administrative costs. All monies derived from the North Macadam Overlay Rate Study shall be placed in a sub-account. The monies in the Overlay sub-account shall only be spent on projects serving the North Macadam urban renewal area. All monies derived from the Innovation Quadrant Overlay Project Report shall be placed in a sub-account. The monies in the Overlay sub-account shall only be spent on projects serving the Innovation Quadrant. In this regard, SDC revenues may be used for purposes which include:

1. project development, design and construction plan preparation;
2. permitting;
3. right-of-way acquisition, including any costs of acquisition or condemnation;
4. construction of new through lanes for vehicular, transit, or bicycle use;
5. construction of turn lanes;
6. construction of bridges;
7. construction of drainage and stormwater management and treatment facilities in conjunction with new roadway construction;
8. purchase and installation of traffic signs and signals;
9. construction of curbs, medians and shoulders;
10. relocating utilities to accommodate new roadway construction;
11. construction management and inspection;
12. surveying and soils and material testing;
13. construction of Accessways, bicycle facilities, Pedestrian Connections and Walkways;
14. landscaping;
15. bus pullouts, ~~and~~—transit shelters, fixed rail transit systems and appurtenances;
16. costs associated with acquisition of rolling stock;
1617. demolition that is part of the construction of any of the improvements on this list;

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~~1718.~~ payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the City to provide money to construct or acquire transportation facilities; and

~~1819.~~ direct costs of complying with the provisions of ORS 223.297 to 223.314, including the costs of developing system development charges methodologies and providing an annual accounting of system development charges expenditures.

**B.** Money on deposit in the SDC Accounts shall not be used for:

1. any expenditure that would be classified as a maintenance or repair expense; or
2. costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements; or
3. costs associated with ~~acquisition or~~ maintenance of rolling stock.

**17.15.110 Challenges and Appeals.**

(Amended by Ordinance Nos. 173121 and 181322, effective January 1, 2008.)

- A.** Any resident of Portland or any person with interest may challenge the expenditure of SDC revenues by filing a challenge to the expenditure with the Administrator within two years after the date of the disputed SDC revenue expenditure. The fee for filing such a challenge shall be \$250.
- B.** Except where a different time for an Administrator's determination is provided in this Chapter, all determinations of the Administrator shall be in writing and shall be delivered to the Applicant within 21 calendar days of an Application or other Applicant request for an Administrator determination. Delivery of such determination shall be deemed complete upon the earlier of actual delivery to the Applicant or upon deposit by the Administrator in the mail, first class postage prepaid, addressed to the address for notice Applicant has designated in the Application. Such determination shall be accompanied by a notice of the Applicant's right to appeal and an outline of the procedures therefore.
- C.** Any Applicant not content with ~~aggrieved by~~ an Administrator's determination may appeal that determination to the Code Hearings Officer as provided in Chapter 22.10 of this Code. Notwithstanding any other provisions of this Code, there shall be a non-refundable fee of \$250 for any appeal pursuant to this subsection. Such fee must accompany any such appeal and no such appeal shall be considered filed or received until such fee is paid in full.
- D.** The City shall withhold all permits and other approvals applicable to the Applicant's property of the New Development pending resolution of all appeals under this Chapter unless the SDC is paid in full or the Applicant provides, for the

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pendency of the appeal, a financial guarantee or security for the charge in a form acceptable to the City Attorney.

**17.15.120 City Review of SDC.**

(Amended by Ordinance Nos. 181322, 182652 and 184756, effective November 1, 2011.)

- A. No later than every two (2) years as measured from initial enactment, the City shall undertake a review to determine the total SDC's assessed and collected by transportation district and the total SDC's expended and programmed by transportation district and project; to determine that sufficient money will be available to help fund the ~~SDC-CIPT~~SDC Project List identified capacity increasing facilities; to determine whether the adopted SDC ~~R~~ate keeps pace with inflation; ~~to determine~~ whether the ~~SDC-CIPT~~SDC Project List should be modified; and to ensure that such facilities will not be overfunded by the SDC receipts.
- B. In the event that, during the review referred to above, it is determined an adjustment to the SDC is necessary for sufficient funding of the ~~SDC-CIPT~~SDC Project List improvements listed in the City Rate Study, North Macadam Overlay Rate Study, or the Innovation Quadrant Overlay Project Report or to ensure that such ~~SDC-CIPT~~SDC Project List improvements are not overfunded by the SDC, the City Council may propose and adopt appropriately adjusted SDCs.
- C. The City Council may from time to time amend or adopt a new City Rate Study by resolution.
- ~~D. Beginning January 1, 2009 through December 31, 2012, the City shall undertake an annual review to determine the amount of Transit Oriented Development (TOD) exemptions provided by district.~~

**17.15.130 Time Limit on Expenditure of SDCs.**

The City shall expend SDC revenues within ten (10) years of receipt, based on the priorities in the ~~SDC-CIPT~~SDC Project list.

**17.15.140 Implementing Regulations; Amendments.**

(Amended by Ordinance Nos. 171698 and 181322, effective January 1, 2008.) The City Council delegates authority to the Director of Transportation to adopt administrative rules and procedures necessary to implement provisions of this Chapter including the appointment of an SDC program Administrator. All rules pursuant to this delegated authority shall be filed with the ~~Office of the~~ City Auditor and be available for public inspection.

**17.15.150 Amendment of ~~SDC-CIPT~~SDC Project List.**

(Amended by Ordinance No. 182652, effective April 8, 2009.) The City may, by resolution, amend its ~~SDC-CIPT~~SDC Project List as set forth in the City Rate Study ~~and, North Macadam Overlay Rate Study, or the Innovation Quadrant Overlay Project Report~~ from time to time to add projects the City deems appropriate.

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**17.15.160 Severability.**

(Amended by Ordinance No. 181322, effective January 1, 2008.) The provisions of this Chapter are severable, and it is the intention to confer the whole or any part of the powers herein provided for. If any word, definition, clause, section or provision of this Chapter ~~shall be~~ is declared unconstitutional or invalid for any reason or cause, the remaining portion of this Chapter shall be in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein. In the event a definition is held to be invalid or is severed, the defined word or term shall be deemed to have the meaning given to that word or term under Oregon law if Oregon law contains such a definition. If there is no established definition of the word or term under Oregon law, the word or term shall have its ordinary dictionary meaning. It is hereby declared to be the Council's express legislative intent that this Chapter would have been adopted had such an unconstitutional or otherwise invalid provision not been included herein.