

Agenda Item 339

TESTIMONY

2:00 PM TIME CERTAIN

LOCAL TRANSPORTATION INFRASTRUCTURE CHARGE FOR UNIMPROVED STREETS

TESTIMONY WILL BE TAKEN ON AMENDMENTS

IF YOU WISH TO SPEAK TO CITY COUNCIL, **PRINT** YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)

ADDRESS AND ZIP CODE

Email

NAME (print)	ADDRESS AND ZIP CODE	Email
✓ Martha Johnston	9509 NE 13 th Av. Portland, OR 97211	ediplumbegmail.com
✓ Tom Karwaki	7139 N. Macrum PDX 97203	Karwaki@xshoo.com

6

LOCAL TRANSPORTATION INFRASTRUCTURE CHARGE

FOR IMPROVEMENTS TO UNIMPROVED STREETS & ECONORTHWEST CONTRACT

IF YOU WISH TO SPEAK TO CITY COUNCIL, **PRINT** YOUR NAME, ADDRESS, AND EMAIL.

NAME (PRINT)

ADDRESS AND ZIP CODE (Optional)

Email (Optional)

✓ Joe Walker		
DAVID KIF DAVIS		
✓ Claire Cordeiro	6156 SW Nevada Ct.	
✓ Tom Karwaki	7139 N. Macrum Ave 97203	Karwaki@ycho.com
✓ GARY CLIFFORD	1150 NE FALOMA ROAD 97211	
✓ Marianne Fitzgerald	10537 SW 64 th Drive 97219	fitzgerald.marianne@gmail.com
✓ Justin Wood	6401 NE 33 rd Ave 97211	
✓ Paul Grove	15555 SW Bonny, h.o.	
✓ Martha Johnson	9502 NE 13 th Ave Port 97211	ediplumb@gmail.com

203 + 4

187681

March, 30, 2016

Re: Personal response to the proposed LTIC listed on today's agenda:

To the Honorable Mayor Charlie Hales and members of the Portland City Council,

Please Hear my Plea,

I am writing this to extend my personal grievance on our lack of understanding on the Future impacts of the LTIC going before City Council today.

I am very disappointed that the neighborhood Task force member, who was, as far as I can tell, acting as our representative for our neighborhood interests did not have an appear to have an agenda presence with our North Portland Neighborhood Assoc. groups or was not elected by or appointed by consensus by the North Portland Land Use Group of its Chairs. The working group did not pursue a city-wide mailing to the affected parties or a public discussion on this most cronyist proposal... A done deal, as I am being told. Please realize for any of the purported 17 percent of lots without sidewalks and/or even streets this Local transportation infrastructure charge is proposed at \$600. Per linear ft. So a person with an R-5 corner lot with 150ft of frontage would have to pay \$90,000 (not the \$5,000. to \$50,000. purported) into this PBOT slush fund for future improvements that will not likely be used and are in fact disqualified from being used on the street on which it originated.

For the East Columbia neighborhood for which the smallest lots in our post-Vanport area would be R-10, R-20 or RF this could be up to several hundred thousand dollars...payable on permitting before you can build your home. Many of our citizens don't want sidewalks due to the horses, recreationalists and abundant wildlife that prefer wide soft shoulders. Also, our storm water drainage issues complicate the build out of such structures.

The other option would be to build without the benefit of economies of scale that a whole street improvement can provide it's owners and the benefits of an LID construction financing at favorable rates over a 20 year period. Without these appropriate public benefits this required building indeed would be an onerous burdened as well. That's why 12-16,000 Home owners have appealed to the city and been awarded "waiver of remonstrance's" which provide for a "yes" on participation in future financed development costs through the LID. This is a rationale approach which should be looked at first for any needed improvements if it is not providing the streets and sidewalks.

This ordinance would quit possibly remove substantially all of the economic value from the private properties targeted. How can it be said, that by adding say \$100,000. of development costs to a single residence lot, that it will not affect the affordability. If purchasing a home from a developer, does one really think that a developer will not pass every dollar of costs and then some onto the cost of building? It's obvious it will...

If safety alone is the factor driving this horrendous confiscation of funds, then let's get busy with elected or consensus appointed representatives from N/NE Portland to develop a full bodied discussion and perhaps consensus that might have a chance at a fair say.

Page 2 of 2

Just to let you know, I have a corner R-10 lot for sale and am greatly affected by this LTIC... I only found out by chance...no mail out to the 7,000 or so affected owners, about to lose this important tool for street by street development if desired by the citizens on that street.

Oh did I mention the issue of "If your house burned down", would your insurance cover the rebuild costs of this charge? It's not a permit fee, right?

Please don't throw the baby out with the bathwater. Vote No, on this ordinance and send it back to where it came from for further review if not Forget about it...

Thank You,



Martha Johnston, a private citizen of Portland, OR, USA

9509 NE 13th Ave.

Portland, OR 97211

PH: 503-720-5035 cell

ediplumb@gmail.com

Gary Kunz

1611 NE Marine Dr • Portland, OR 97211 • Phone: (503)799-1803 • Fax: [Your Fax]
E-Mail: garymkunz@comcast.net Web: [Web Address]

30 March 2016

RE: Local Transportation Infrastructure Charge

Dear Commissioners:

Today I'm writing to represent concerns of the East Columbia Neighborhood Association about the Local Transportation Infrastructure Charge (LTIC) coming to City Council this morning. As too often happens a 'wide brush' or 'one size fits all' approach seems to be on the table. This approach is often a poor fit for many situations that are as varied as our Portland neighborhoods.

Specifically, the East Columbia Neighborhood sits within a managed flood plain. As such the addition of impermeable surfaces, think paved sidewalks and parking lots, works directly against the mission of the Multnomah County Drainage District (MCDD) to manage our storm water. Therefore, we are proposing an amendment to the proposed LTIC ordinance. I'll paste it here:

Proposed amendment to the Local Transportation Improvement Charge ordinance

In that some Portland neighborhoods exist within a managed flood plain whose characteristics require immediate removal of storm water to prevent local flooding, the LTIC shall be amended to exclude collection of the transportation improvement charge (TIC) where it is deemed by the local Drainage District to create adverse conditions on the existing drainage systems.

Rationale

The rationale for this amendment is the requirement that storm water be immediately dealt with to prevent local flood damage. Methods of removal include absorption by permeable ground, mechanical pumping, and local containment or ponding. Adding impermeable surfaces that collect and concentrate storm water works against the safe and efficient management of a managed flood plain. Thus, the standard suite of impermeable street improvements is unlikely to ever be made so money to pay for them should not be collected in advance.

I strongly urge you to work with the MCDD technical staff to develop policy that represents an engineered solution, or set of design standards applicable to our unique situation. It doesn't take any stretch of my imagination to believe there are unique situations throughout Portland that will be exasperated by a 'one size fits all' approach, so I urge you to take time for further investigation and careful consideration of areas where this measure is not applicable, before they create more, and more costly, problems than the measure was intended to solve.

Sincerely,

Gary M. Kunz

Chairman of the East Columbia Neighborhood Association

QUESTIONS REGARDING LOCAL TRANSPORTATION INFRASTRUCTURE CHARGE

THE PROCESS

What citizen input was there; and in what form or opportunities? What concerns were brought up?

Why did the development interests on the committee want the LTIC?

WHO IS SUBJECT TO THE LTIC?

Why is it being limited to single-family residential properties?

What related requirements are multiple-family, commercial, and industrial properties subject to?

Does the proposed ordinance require half-street improvements or the LTIC when building an accessory dwelling unit (ADU) on a property with an existing single-family house?

There is a difference in not being feasible right now and never being feasible. Will properties that can never have sidewalks because of managed flood plain requirements (i.e., danger of increase in impervious surface, open drainage ditches), steep sloping away from street, or large trees, have to pay into fund with no possibility of ever getting the improvements?

The code wording specifies only "an applicant for a building permit for a single-family home". This wording does not specify if it is referring to major remodels, a replacement single-family home, or building a new house on a vacant parcel. What if it is a replacement dwelling for a home that was destroyed by fire or flood?

EQUITY and FAIRNESS

Why does the City need a fund for infrastructure improvements on single-family residential properties if they do not have a fund for multi-family, commercial, and industrial properties?

"Fee will be based on the average location-specific actual cost to the City to build those improvements at the time of application." What does "location-specific" mean?

How large would the "geographic areas of the City with different costs of street improvements" be for imposing different rates, i.e., by quadrant, neighborhood, or street?

Will property owners with easy to build improvement sites be subsidizing those whose lots are difficult to build improvements on?

What is the reason for not allowing appeals of the calculation of the LTIC?

The proposed ordinance does not specify where the money can or will be used. What checks will there be to insure the moneys will be used for under-developed street improvements and not other transportation projects?

What control will property owners who have paid into the fund have on when their street will be improved? Will the money be available to them as soon as circumstances have changed and they are ready to have the improvements put in?

What will keep the City from running out of funds for improvements that have not been made yet? Where will the money come from to pay for later projects if they do spend it all on the most urgent streets first?

How is this different from a Ponzi scheme?

When the funds are distributed, will moneys be spent on improvements for property owned by people who have never paid into the LTIC fund because they have existing houses?

Once the City builds the improvements, their streets will no longer be on the City's network of unimproved streets. Does that mean that if they redevelop they will not have to pay for the improvements that were given them at no cost?

Has this loophole for developers been addressed?

SAFETY

What exemptions will be made for areas where sidewalks are not an improvement and not safe?

It has been shown that when sidewalks are built in areas that previously had none, traffic may go faster than what it had been with no sidewalks.

Hard surfaces are not good for horses and large, migratory animals such as deer.

Some areas have topographic issues such as right-of-ways sloping steeply away from street.

Managed flood plains: danger of increase in impervious surface and need for open drainage ditches. Drainage districts need to have access for maintenance and reconstruction of ditches.

Are earthquake issues being considered when determining if a sidewalk can be safely required?

HEALTH and SUSTAINABILITY

The Comprehensive Plan and the Zoning code recognize the need for large (e.g. R20 half-acre lot) parcels in circumstances such as near an airport and near industrial areas. When such lots are in farm use with a single, regular size home, there is no rational justification to put in sidewalks. What exemptions from the requirements of sidewalks, etc. are being made to insure that lots to be farmed are kept affordable to maintain our local, sustainable food supply?

Will the City be changing the requirement of concrete for sidewalks to other materials that

- 1) are healthy for walkers, joggers, and animals, and
- 2) do not have the high-carbon impact, high use of clean water, and consumption of non-renewable resources, e.g. limestone, of the production and use of concrete?

Is the City addressing the fact that water runoff from hard surfaces can cause erosion, water pollution, and flooding?

Is the City addressing that concrete and asphalt contribute to the urban heat island effect?

ALTERNATIVE SOLUTIONS

Do all streets need to be paved and have sidewalks? Some cities have been taking out their pavement and replacing with gravel as it provides traffic calming and lower maintenance costs in residential areas plus pervious surface to decrease surface runoff that can cause soil erosion, water pollution, and flooding.

Has the City determined alternate materials for sidewalks that provide accessibility for pedestrians and wheelchairs while also providing the same benefits as mentioned above for non-hard surface pavement?

What are the barriers to increasing the enforcement of the current ordinance for properties who have received waivers of remonstrance?

Why does everyone have to have sidewalks and paved streets? It is more neighborly to have slower moving traffic allowing more interaction between neighbors.

What is the problem with having discontinuous sidewalks?

If the whole street must be engineered, can't that be just put on file for later street improvements?

Why not keep the current system, which determines what improvements are needed in specific areas rather than a one-size-fits-all, and create alternative methods of providing adequate street and sidewalks in difficult sites?

Claire Carder
6156 SW Nevada Ct.
Portland OR 97219

I am here as a neighborhood representative of the Development Review Advisory Committee to testify in support of the proposed Local Transportation Improvement Charge initiative.

I live in Maplewood Neighborhood, the neighborhood on the west side of the city that has the lowest miles of streets with sidewalks on the west side, and ranks in the top neighborhoods citywide lacking sidewalks. Maplewood is a mostly residential neighborhood with many older homes located on large or double lots and has been a prime target for infill housing development in the past five years. Of the 35 or so houses constructed in the past five years, only 2, built in the past year, have had sidewalks constructed on the street frontage.

As a neighborhood, we aren't totally committed to sidewalks on every street. We would like sidewalks on the higher traffic and "Safe Routes to School" streets, but we have other transportation priorities as well, including trail improvements. In the past 3 years, 2 houses were built across the street from Maplewood Elementary School – waivers were granted - no sidewalks. Paved shoulders were constructed by the developer – better than nothing – but the homeowners now park on the paved areas in front of their houses, not providing a safe walking area for children on their way to the school that is almost directly across the street. Full-standard sidewalks are an issue in some residential areas and especially southwest. Curbs and gutters would trigger possible stormwater management requirements that are outside the scope of residential development. In the Maplewood location, full standard sidewalk construction in front of these new houses might have affected the large canopy, old trees that line the west side of SW 52nd and give Maplewood Neighborhood its name. We wanted a safe pedestrian strip for this Safe Routes to School location, but didn't want to have trees removed. This is not an uncommon issue for residential neighborhoods in the west, the north and the far east areas of the City.

Rather than exempting developers from their requirements for providing street/sidewalk improvements for residential development by granting waivers, the Local Transportation Improvement Charge (LTIC) proposes a program for capturing the money that developers would spend on mandated sidewalk and street improvements, if they chose to not build the improvements. In the Maplewood Neighborhood, the 35 houses constructed in the past five years could have contributed \$840,000 (at proposed LTIC rates) to a fund that could be used for improvements. Instead, we have 35 new houses with no new sidewalks or other pedestrian/street improvements.

Phase I of the LTIC proposal studied the feasibility of such an infrastructure charge. Development of the LTIC program included a broad stakeholder group. The first proposed ordinance before you is the result of a year-long work effort by the stakeholder group and PBOT staff and is the Phase II LTIC program. This ordinance would amend the current Public Works Permitting Code, Chapter 17.88 to replace waivers with the LTIC and will allow the LTIC to be collected by the Bureau of Transportation. This proposal has a recommended \$600 per linear foot charge for residential development proposals. This rate has been developed based on both public and private sidewalk and street improvement costs, and has been reviewed by ECO-Northwest for possible effects on housing affordability, a significant issue in the city. EcoNorthwest found that this fee reflects an expected cost of doing business, i.e., constructing sidewalks and street improvements, and will not be passed onto home buyers as extra costs. We have heard from the development community that paying the fee is more acceptable than going through the waiver of remonstrance process which is lengthy with an uncertain outcome.

The second ordinance before you is Phase III of the program. Phase III would amend an existing contract with ECONorthwest to address issues associated with allocation and use of the LTIC fees after they are collected and includes a significant outreach program.

I strongly, passionately support the LTIC program and urge your ongoing support. The residential neighborhoods in the city desperately need a vehicle to provide funds for transportation improvements. The LTIC funds can be used to leverage funds at the federal level for many types of transportation improvements. The LTIC fees from the 35 houses just in Maplewood could leverage a significant amount of funding for critically needed transportation improvements. How can we not put this program in place and continue the work?

The Phase III work is absolutely essential for the success of this program. I urge support for the Phase 3 Scope of Work, but with several amendments:

- 1) The LTIC program is not just a "Neighborhood Street Program". This reference needs to be changed in all places in the SOW to be "Neighborhood Transportation Program. The money collected from the LTIC should not be primarily for street improvements since the main loss through the granting of waivers is to the active transportation network – sidewalks, trails, bike lanes, paved pedestrian shoulders, "Safe Routes to Schools" and updated ADA facilities. Circumstances when streets can be improved can be detailed in Phase III, but I see the most need and the best use of these fund is when used to improve safety for walkers, bike riders, children and all others in the neighborhoods.
- 2) The fees need to be indexed to the costs of inflation and construction;
- 3) Costs for constructing transportation improvements are not geographically equitable. Due to topography, lack of stormwater infrastructure and many streams and drainages, cost for developing sidewalk and street improvements in the Southwest areas of the city are generally higher than in other parts of the city and the fees in SW should reflect this circumstance;
- 4) Achieving economic parity in use/dispersal of the collected fees needs to be considered. Some neighborhoods are experiencing more development than other neighborhoods, and some neighborhoods require more transportation improvements due to long-time underservice. An equitable method for ensuring economic parity must be developed and implemented, something similar in intent to the Portland Public Schools Foundation funding framework that ensures underserved schools get parity with schools in more affluent neighborhoods.

I appreciate PBOT and the City's forward-thinking approach to funding transportation improvements in residential areas that will allow flexibility in making necessary improvements.

This program must go forward. The LTIC will benefit all neighborhoods in all parts of the city and will help provide essential improvements in residential areas that currently have limited options for expensive transportation improvements.

Thank you so much for your time and support.



UNIVERSITY PARK NEIGHBORHOOD ASSOCIATION

March 29, 2016 -- Comments on Local Transportation Infrastructure Charge Ordinance

Mayor and Commissioners:

The University Park Neighborhood Association Land Use and Transportation Committee supports the proposed Local Transportation Infrastructure Charge Ordinance # that amends Chapter 17.88. As the North Portland Neighborhood Services representative on the Portland Bureau of Transportation Bureau Advisory Committee, I also support this ordinance and the associated consulting contract. I have spoken to the NPNS Chairs and to four neighborhood associations or their boards on this proposal as well as other TBAC neighborhood coalition members.

The proposed ordinance will help fix the current situation which is inequitable for developers, property owners, residents, drivers, bikers and pedestrians. We particularly support Ordinance Finding #17 that allows funds to be used on "adjacent or related transportation facilities" and not just on local streets.

However, the proposed ordinance is not perfect and there are four problems that can be improved by the following minor amendments.

Problem: Drainage districts adjacent to the Columbia River in North Portland restrict or prohibit pavement, sidewalks and curbs, meaning that property owners or developers would pay the fee but few if any improvements could ever be made in the neighborhood. Exempting this small set of residential properties from the LTIC could be done as follows:

Solutions:

- 1) Amend 17.88.010 Definitions (d)(f)(g) after the final period.
 “that is not in a managed drainage district adjoining the Columbia River”.
- 2) Amend 17.88.090 B -- add at the end: “This fee will not be collected for projects within a managed drainage district adjacent to the Columbia River until January 1, 2018.”
- 3) Council and PBOT may modify the Consultant Scope of Work to address this issue.

Problem: Insufficient Cost Recovery

Basing the rate on historical average costs when the construction will be done several years in the future creates an inherent deficit due to inflation. The solution is to add a Construction Cost Inflation Index multiplier to the base LTIC. Otherwise the City will recover funds insufficient to make improvements equal to those for which the charge is imposed.

Solutions: A) Modify the Consultant Scope of Work to address this issue.

B) Add to 17.88.090 B "which may also consider inflation" after actual cost....

C) Amend draft City Code Chapter 17.88, section 020B, last sentence, to read, "The payment of a Local Transportation Infrastructure Charge and issuance of a Waiver of Remonstrance will satisfy the requirements of this subsection."

Problem: Use of Funds

The neighborhood associations and the chairs I have spoken to are concerned that PBOT will collect the funds, but that the projects for which they were collected will not be done in the neighborhood or even coalition or in a reasonable time. It is a matter of trust.

Otherwise all the funds collected City wide could be used for projects in a historically under-served area or on very expensive projects. It could also create a barrier to creating new Local Improvement Districts where the future property owner who paid the LTIC could decide against a new LID.

Solution: Amendment to 17.88.090 D add at the end --

"LTIC funds must be spent within the geographic area in which they have been collected. PBOT must reach out to local residents, neighborhood associations and community organizations and consider local transportation priorities before determining how funds will be spent in the geographic area."

Problem: Storm-water Cost Recovery

The proposed LTIC fee does not include the cost of storm-water improvements so within MS4 areas, the Bureau of Environmental Services must fund the storm-water management components of street improvements that also require storm-water improvements. This will create an incentive for developers to "make a run on the bank" and pay the fee now and let ratepayers and taxpayers cover the costs.

Solution: Modify the Consultant Project Scope of Work to address this issue and develop policy and process options for PBOT, BES and Council.

Thank you for considering these comments and proposals.

Thomas Karwaki

UPNA Vice Chair and Chair of the Land Use & Transportation Committee

NPNS Representative on the PBOT Bureau Advisory Committee

7139 N. Macrum Ave, Portland OR 97203

karwaki@yahoo.com

Moore-Love, Karla

From: Mh Kincaid <jamasu88@msn.com>
Sent: Tuesday, March 29, 2016 4:48 PM
To: Moore-Love, Karla; Parsons, Susan
Cc: Shriver, Katie; Nebel, Erika; Hoffman, Bill; Krueger, Kurt; Commissioner Fish; Commissioner Saltzman; Fritz, Amanda; Hales, Charlie
Subject: Testimony for LTIC
Attachments: LTIC Testimony for March 30.pdf

I have attached my testimony for PBOT's Local Transportation Infrastructure Charge proposal, to be heard by City Council this Wednesday, March 30, 2016 at 10:30 a.m.

Thank you,

Maryhelen
50-286-3354

Testimony for March 30, 2016
Local Transportation Charge Agenda items #293 and #294
Maryhelen Kincaid
2030 NE Blue Heron Dr, Portland

Mayor Hales and Commissioners Novick, Fritz, Fish and Saltzman:

I want to provide a different perspective on the value of the Local Transportation Infrastructure Charge (LTIC) than what has been submitted by current board members of the East Columbia neighborhood. Having been the chair of the neighborhood for nine years, my testimony is informed by my experiences and conversations with neighbors who have expressed concerns in regard to safe pedestrian walkways and stormwater management. I am also a member of the Public Works Appeal Panel where many of the public works appeals to build infrastructure were heard and in many cases waivers of remonstrance were granted.

I attended the East Columbia neighborhood land use meeting Tuesday March 22nd when Bill Hoffman, PBOT planner, presented LTIC to a group of 9 neighbors. 5 board members were present, 3 of which have land that could possibly be divided and developed, thus would be subject to the LTIC. The land use chair has property currently for sale which would be affected by the LTIC. There was agreement at the land use meeting that special considerations should be made in cases where sidewalk and street improvements could adversely affect environmental constraints. It was acknowledged that environmental concerns could exist in SW and East Portland as well.

Multnomah County Drainage District (MCDD) has always commented on, and been involved in, the permitting process for developments and the impacts any development would have on flood management in the neighborhood. Unfortunately this was not recognized in comments submitted by the ECNA board. Two large properties have recently been purchased by the City to provide natural habitat, maintain natural areas and provide stormwater management opportunities. These properties are adjacent (across NE 13th) from our land use chair's property that is for sale. These purchases took approximately 30 acres out of development possibility.

At the meeting I stated concern that ECNA should not ask for "exemption" from the LTIC for the neighborhood as there are areas of our neighborhood that would benefit from sidewalks and not have ill effects on the drainage capacity. Over the years many neighbors have expressed support for sidewalk improvements in areas that are deficient. Lack of funding was usually the reason no improvements have been made. Unfortunately this concept was not included in the testimony submitted. There was no formal vote on the testimony, and no opportunity to recognize minority opinions. I urge you to consider the other neighbors who for over 15 years have wanted to improve the pedestrian access and enhance regional trails in our neighborhood.

As a member of the Public Works Appeal Panel I have seen far too many opportunities where the LTIC would have applied and thus provided benefit to neighborhood street improvements. At one appeal hearing about 2 years ago an appellant said "Can't I just write a check to pay for the street improvements to use when you can get more people to pay into the fund?" PBOT staff had to explain there was no mechanism to collect his money. I said "You can give it to me and I will keep it in a shoebox until the City figures it out." No money was collected, but had "we" been collecting money we could potentially have over \$1 million dollars in my shoebox. Even if "we" never collected another dime we would have more than "we" have now.

I was a member of the committee that PBOT convened to work on a solution to building street improvements. We were a collaborative group of representatives from impacted stakeholder groups and met over a period of a year to advise PBOT and EcoNorthwest on the creation of this LTIC. I don't often support fee increases or added charges but this charge will bring benefit to the community and to the livability of our neighborhoods, and it is a reasonable charge for development.

I urge you to pass both ordinances before you today so the good work will continue. The LTIC collection will allow for a fund to be created and Phase III will allow for the resolution of a number of issues that were identified, and need to be addressed. It is of utmost importance that we create a clear framework for allocating revenue from the charge. These issues are important to various stakeholder groups and will require outreach and extensive public involvement.

Thank you for your efforts in helping solve difficult issues facing our City. I believe this is one way to make a difference.

Moore-Love, Karla

From: Sylvia Bogert <sylvia.bogert@gmail.com> on behalf of Sylvia <sylvia@swni.org>
Sent: Tuesday, March 29, 2016 2:39 PM
To: Council Clerk – Testimony; Commissioner Fritz; Commissioner Saltzman; Fish, Nick; Commissioner Novick; Hales, Mayor
Cc: sam pearson; Fitzgerald, Marianne; Averbek, Roger; Leon, Christine; Hoffman, Bill
Subject: SWNI Letter Re LTIC Council Agenda Items 293 and 294
Attachments: SWNI Letter LTIC.pdf

Importance: High

Mayor Charlie Hales and members of the Portland City Council

Re: Council Agenda Items 293 and 294
Local Transportation Infrastructure Charge

Southwest Neighborhoods, Inc. (SWNI) conditionally supports the proposed Local Transportation Infrastructure Charge (LTIC). At its March 23, 2016 meeting the SWNI Board of Directors unanimously supported the recommended changes outlined in the attached letter.

Thank you for your consideration of our concerns and recommendations.

Sincerely,

Sam Pearson
President
Southwest Neighborhoods, Inc. (SWNI)

Sylvia Bogert, Executive Director
Southwest Neighborhoods Inc. (SWNI)
7688 SW Capitol Hwy
Portland, OR 97219
503-823-4592



187681

Southwest Neighborhoods, Inc.

7688 SW Capitol Highway, Portland, OR 97219 (503) 823-4592

www.swni.org

March 29, 2016

Mayor Charlie Hales and members of the Portland City Council
City of Portland
1221 SW 4th Avenue
Portland, OR 97204

Re: Council Agenda Items 293 and 294
Local Transportation Infrastructure Charge

Southwest Neighborhoods, Inc. (SWNI) conditionally supports the proposed Local Transportation Infrastructure Charge (LTIC).

Southwest Portland within the SWNI boundaries has the least improved street network within the City of Portland. Only one-third of the busy streets within the SWNI boundaries have a sidewalk and 71% of the sidewalk network is missing on all streets. The LTIC Technical Memo #1 notes that although the west side makes up 28% of the city's land area, it contains 45% of all mileage for problem streets.

SWNI was one of three neighborhood stakeholders in the small LTIC stakeholder group. SWNI raised a number of concerns about the proposal. It is expensive to build local street improvements in SW Portland because these improvements also trigger the city's Stormwater Manual requirements, adding costs that may not be required in other parts of the city (as noted in Ordinance Finding #12 but ignored when setting the fee). Too often, the City issues waivers of remonstrance (in essence, requiring a "yes" vote on a future Local Improvement District to improve the infrastructure at some point in the future), leaving SW without sidewalks, bike lanes and paved roads that would help people walk, bike or take transit to meet their daily needs.

Over the years, the current waiver system has led to a huge influx of residents in our neighborhoods without the infrastructure needed to support alternative transportation and the stormwater management system. The City's current practice of issuing "waivers of remonstrance" has transferred responsibility for infrastructure development from the property developer to future homeowners and/or taxpayers.

Because of the failure of the current system to build needed infrastructure, we conditionally support the LTIC. We believe the program will not work unless the following changes are made:

1. Amend draft City Code Chapter 17.88, section 020B, last sentence, to read, "The payment of a Local Transportation Infrastructure Charge and issuance of a Waiver of Remonstrance will satisfy the requirements of this subsection." The intent is that future property owners will be obliged to support a Local Improvement District. The next

Mayor Charlie Hales and members of the Portland City Council
Local Transportation Infrastructure Charge proposal
March 29, 2016
Page 2

- phase could discuss whether the cost of the LTIC would be subtracted from future LID assessments.
2. Amend draft City Code Chapter 17.88, section 0090A, after the word "zone" to insert "or are issued a Waiver of Remonstrance for required street improvements." The intent is that developers along collectors or arterials that are issued a Waiver, like the recent waivers issued for infill homes on SW Capitol Highway, also pay the LTIC. Ordinance Finding #13 implies that these developers will build the required street improvements but reality tells us this may not happen.
 3. LTIC funds must be spent within the district coalition areas in which they have been collected. The intent is that the areas that are not getting the required local street improvements must benefit from the fees that are collected in their area, and the local residents have a say in where and how the fees are spent.
 4. PBOT must reach out to local residents, neighborhood associations and community organizations and consider local transportation priorities before determining how funds will be spent in the district coalition area. The proposed scope of work with ECONorthwest describes a process for determining how the LTIC funds are spent, but local decisions need local decision making.
 5. SWNI supports Ordinance Finding #17 that allows funds to be used on "adjacent or related transportation facilities" and not just on local streets. In SW Portland, only 33% of our busy streets have sidewalks. These LTIC funds might more effectively achieve City goals for walkable neighborhoods if there is flexibility in targeting street improvements on busy streets where they are most needed.
 6. Because the proposed initial LTIC fee does not include the cost of stormwater improvements (as noted in the Kittelson & Associates, Inc. Engineering Review of Historical LID construction costs), within the MS4 areas, the Bureau of Environmental Services must fund the stormwater management components of street improvements that also require stormwater improvements.

SWNI agrees that it would be beneficial to begin collecting fees from property developers that are not building required street improvements. SWNI has raised several concerns that are not addressed in this proposal, and recommends revisions to Code 17.88 and other changes that would result in more fair improvements citywide.

Sincerely,



Sam Pearson
President
Southwest Neighborhoods, Inc.

Cc: Christine Leon, PBOT Development Committee and Transit Group Manager
Bill Hoffman, PBOT Project Manager
Roger Averbeck, SWNI Transportation Chair
Marianne Fitzgerald, SWNI Transportation Vice Chair



City of

PORTLAND, OREGON

Development Review Advisory Committee

1900 SW 4th Avenue, Suite 5000
Portland, Oregon 97201
503-823-7308
FAX: 503-823-7250
TTY 503-823-6868
www.portlandonline.com/bds

March 28, 2016

AUDITOR 03/29/16 PM12:28

Dear Mayor Hales and City Commissioners,

At our March 17, 2016 meeting, the Development Review Advisory Committee (DRAC) unanimously voted to support the Portland Bureau of Transportation (PBOT) proposal for a Local Transportation Infrastructure Charge (LTIC) and to extend the contract for EcoNorthwest to complete Phase III of the project by creating standards for use of collected funds and the governance of those funds.

Of special interest to DRAC is that the LTIC addresses two issues that have long been identified:

- 1) Not charging any fee for infill developers on problem streets is unfair and not consistent, because some developers are required to build half streets along their frontages while others can pass those costs on to future homeowners via waivers of remonstrance;
- 2) The process that allows some developers to pass on obligations without providing anything beyond a waiver of remonstrance wastes an opportunity to start accumulating money to make future improvements.

Phase III will allow for the resolution of a number of issues that were identified, and need to be addressed, to create a clear framework for allocating revenue from the charge. These issues are important to various stakeholder groups and will require outreach and extensive public involvement.

Already identified are:

- How to determine project selection, design standards, and overall project financing.
- The importance of adjusting the LTIC annually to account for inflation and recognizing it should be adjusted periodically to reflect the City's actual cost of construction on recently completed local street improvement projects.
- The City must identify different geographic areas of the city with different costs of street improvements and impose different rates in those areas so that the LTIC can reflect the geographic discrepancies in the cost of providing transportation improvements.

PBOT convened a collaborative group of representatives from impacted stakeholder groups which met over a period of a year to advise PBOT and EcoNorthwest on the creation of this charge. Two DRAC members participated in this advisory committee, one representing neighborhood interests and one homebuilders' interests. Throughout the process the DRAC was kept informed of the progress of the committee, and the DRAC feels confident that the ongoing work will benefit all stakeholders involved.

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DRAC Letter re: LTIC
March 28, 2016

The DRAC encourages City Council to pass these emergency ordinances so that the fees can be collected and the continued efforts to form the framework for the allocation of those fees will continue.

Sincerely,

A handwritten signature in blue ink that reads "Maryhelen Kincaid". The signature is written in a cursive style.

Maryhelen Kincaid
DRAC Chair