

# Transportation System Development Charge Overlay Changes:

- North Macadam area (2009)
- Innovation Quadrant area (2011)



Sam Beebe / Flickr:

<https://www.flickr.com/photos/sbeebe/5817452248/>



WE KEEP PORTLAND MOVING.

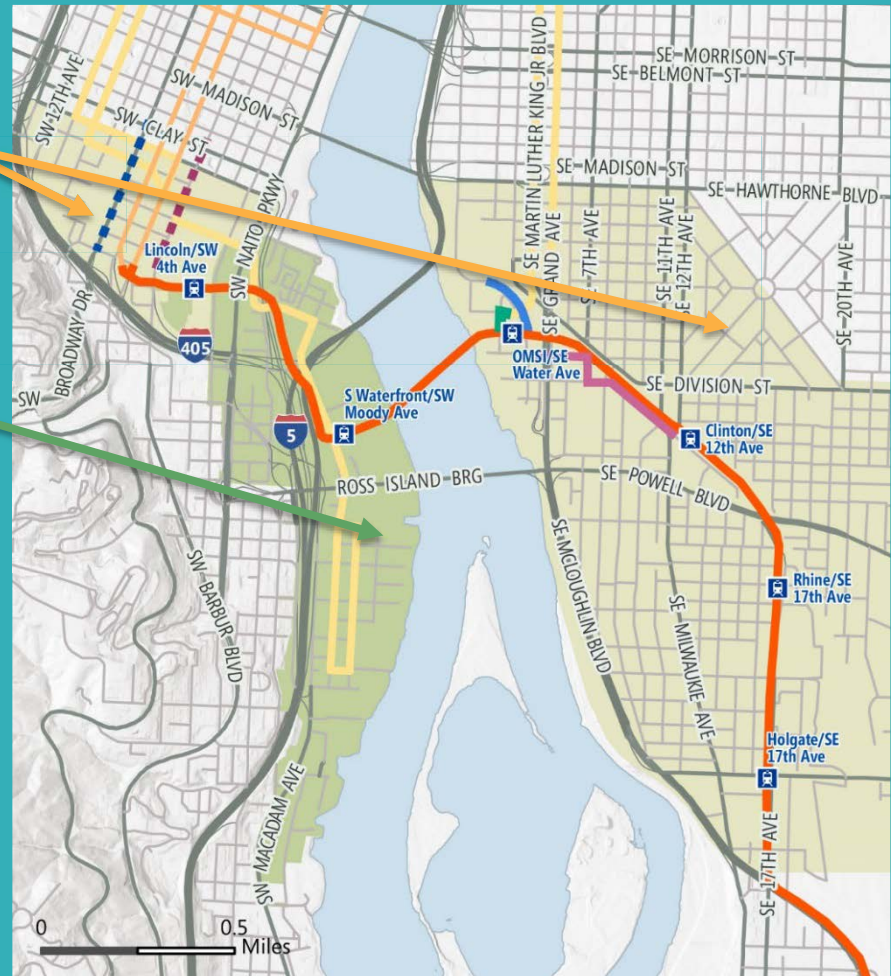


January 3, 2018

# 2017 TSDC Overlay Update

## Innovation Quadrant & North Macadam

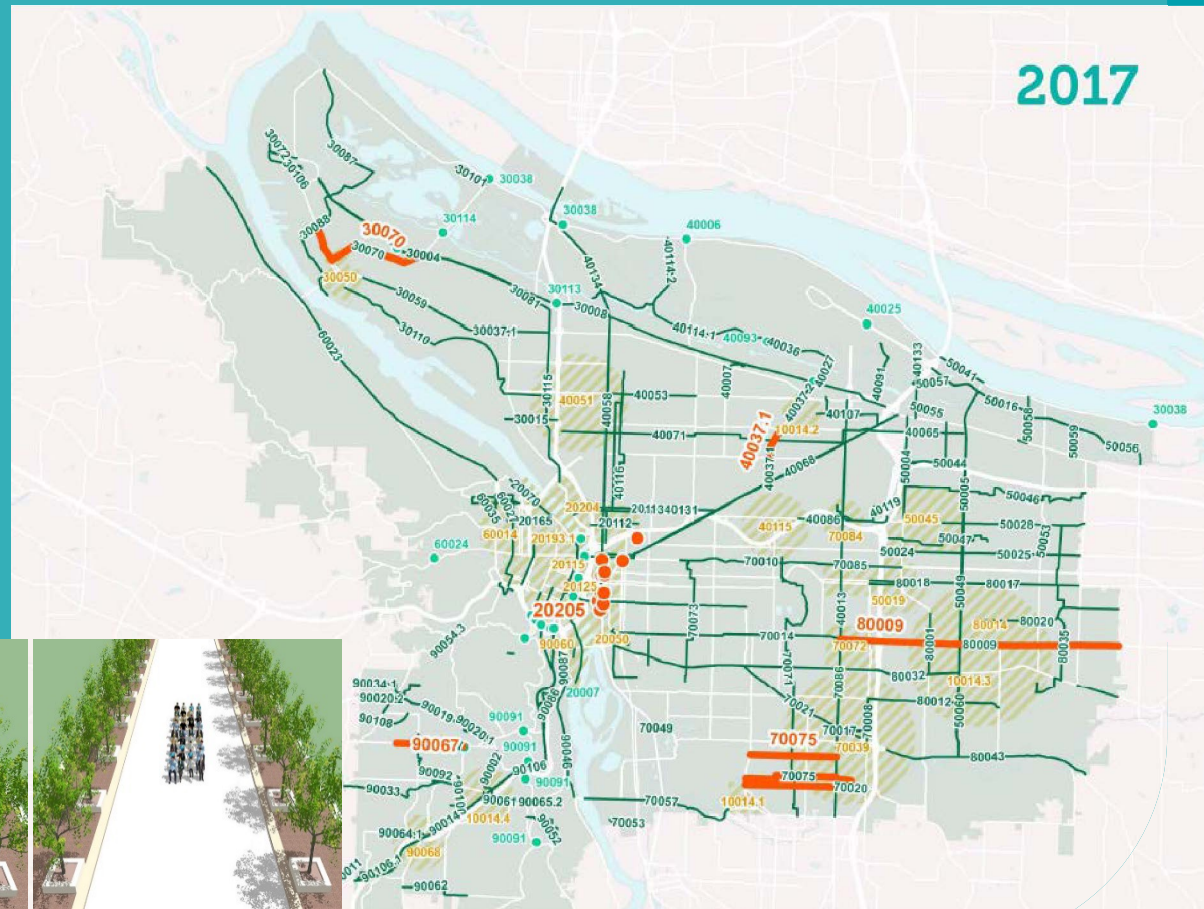
- Project List
- Rate Calculation Basis
- Rates
- Code Changes



# TSDC Recently Council Approved

Council adopted TSDC citywide Sept 2017 (effective 1/1/18)

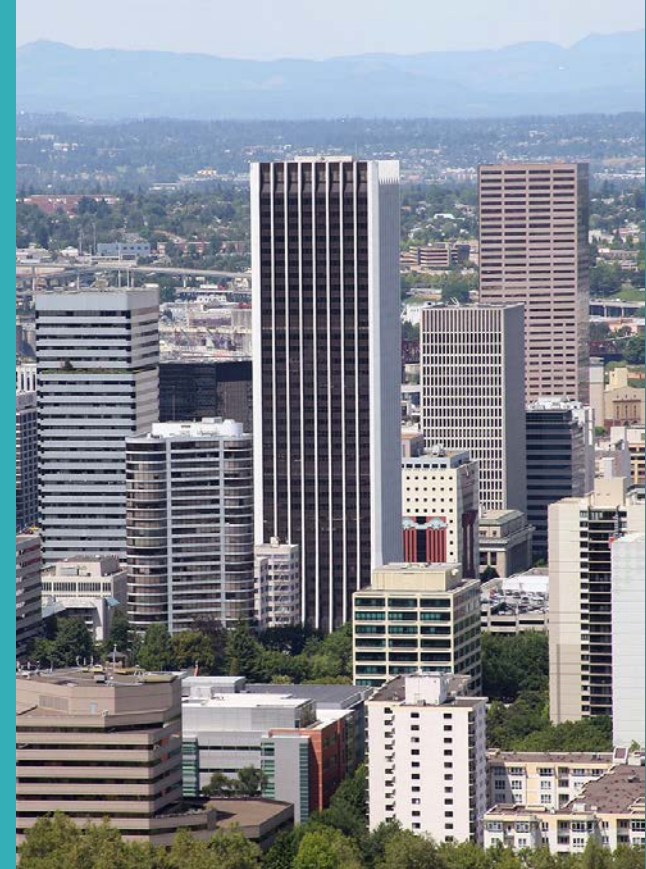
- New methodology, based on people-trips
- New rates, (50% of eligible maximum)
- New 10-year capital project list





# What is a TSDC?

- **One-time fees** paid by new development.
- **For** transportation system improvements from **development impacts**.
- Covers part of cost for **new transportation facilities** like roads, sidewalks, and bike lanes.
- Funding tool, designed to leverage other federal, state and local dollars to fully fund multi-modal transportation improvements.
- **Oregon Revised Statutes** provides guidance: CIP list, methodologies, and update schedule.





# 2017 TSDC Overlay Update Outreach

- Met with stakeholders to review the changes in each overlay area
- Hosted a workshop with the stakeholders from each overlay area to review proposed rates and provide feedback
- Presented changes to the Development Review Advisory Committee
- Published proposed changes online for a 60 day public review



# North Macadam Overlay





# North Macadam: Addendum to 2009 Overlay

- Amending the North Macadam Transportation System Development Charge (TSDC) Overlay Rate Study from January 2009
- 20 year program (11 years remain)
- Updated to align with the citywide TSDC program
  - Change fees based on total person trip generation
  - Project list and cost per trip remains unchanged

## North Macadam Transportation System Development Charges

North Macadam now has a Transportation System Development Charge (TSDC) "Overlay" that development in the North Macadam Urban Renewal Area will pay in addition to the Citywide TSDC. A TSDC Overlay is an additional TSDC that is charged only in and for a specific area, in this case the North Macadam Urban Renewal Area.

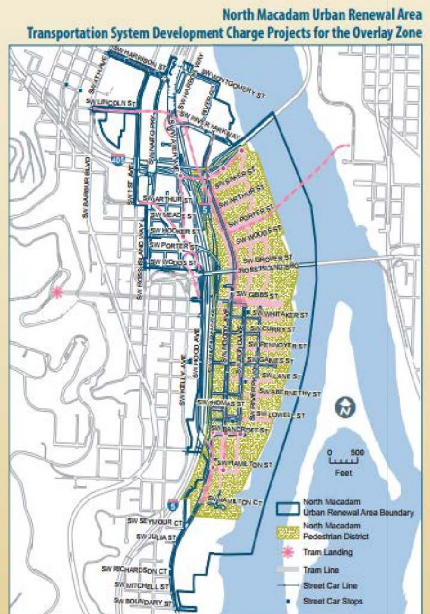
In 2009, the City adopted the TSDC Overlay for development in the North Macadam area. The TSDC Overlay is based on the cost of specific projects that benefit the Overlay zone. See the TSDC Overlay eligible projects list and map.

The TSDC Overlay fees will be collected and expended on capacity-increasing projects to serve future users within the boundaries of the Overlay zone. The TSDC Overlay is a funding tool, designed to collect local dollars to leverage other federal, state, and local dollars to fully fund these multi-modal transportation improvement projects.

If you must pay the Citywide TSDCs and your development is in the North Macadam urban renewal area you must pay both TSDCs: Citywide and the North Macadam Overlay TSDC. If your development is outside the North Macadam area you pay only the Citywide TSDCs and do not pay the North Macadam Overlay TSDC.

You can make a single payment for both TSDCs. The City will deposit the Citywide portion to the Citywide TSDC account, and the North Macadam portion to a separate account for the North Macadam Overlay.

Exemptions are the same as the Citywide TSDC.

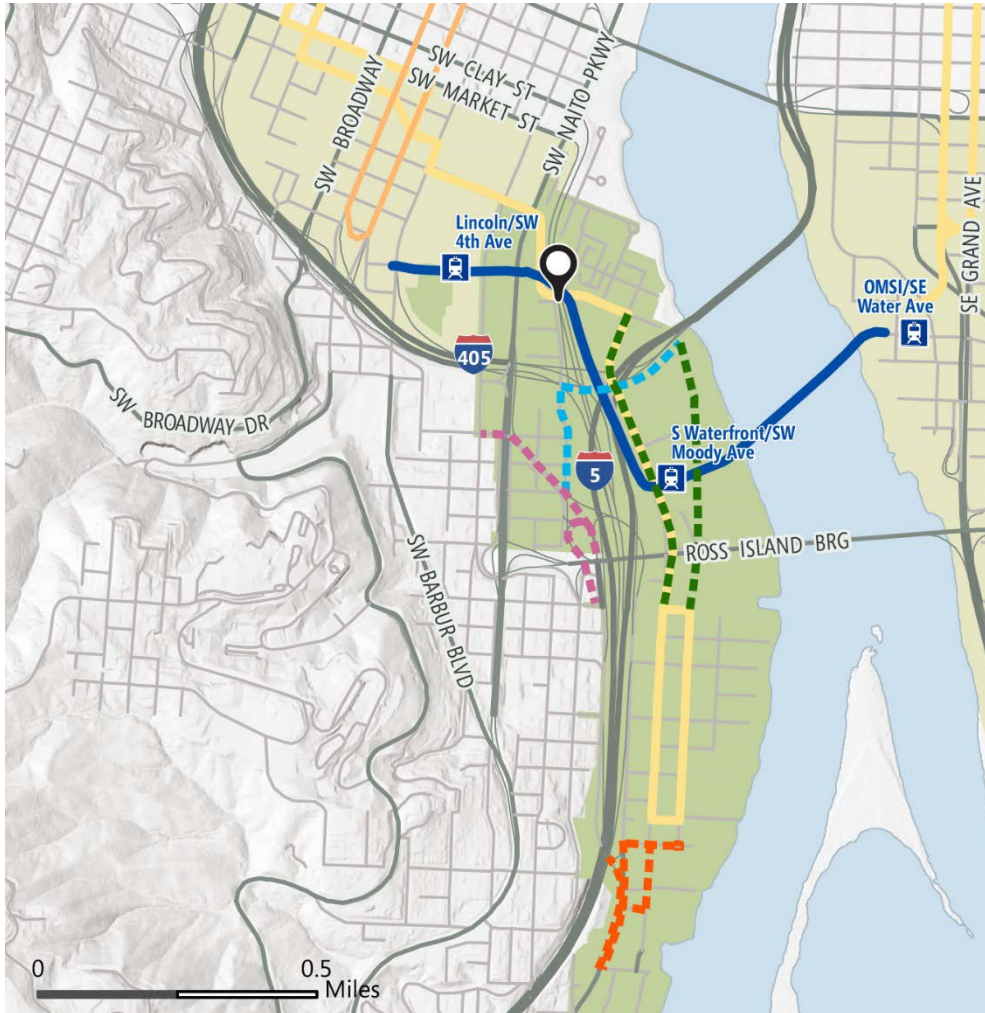


Eligible Projects for North Macadam TSDC Overlay Investment: 2008-2028


Project Name	Total Cost	Eligible TSDC Cost
SW Harbor Drive & River Parkway Intersection Improvements	\$5,662,258	\$1,693,629
South Portal, Phase I	\$28,053,358	\$7,177,421
Moody/Bond Street Improvement: East Leg Gibbs to Sheridan	\$11,759,693	\$4,586,427
South Light Rail	\$101,463,080	\$12,175,564
SW Kelly Way and Hood Avenue Ramp	\$38,272,128	\$7,617,492
North Portal: SW Corbett and Sheridan Street Improvements	\$9,256,116	\$2,729,431
<b>TOTAL</b>	<b>\$194,466,529</b>	<b>\$35,979,964</b>



# North Macadam Overlay Projects



## Map Key

- Existing MAX
- Existing Street Car
-  Street Car Station
- Innovation Quadrant TSDC Overlay
- North Macadam TSDC Overlay

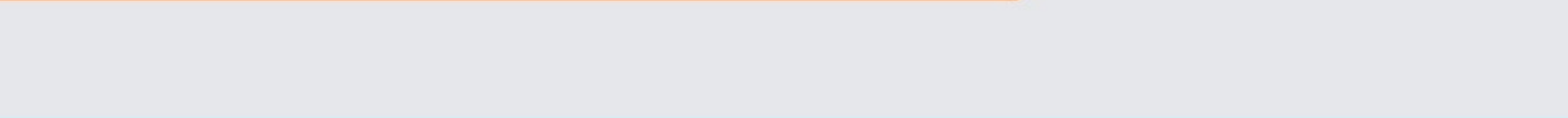
## Future Projects

- - - South Portal, Phase I
- - - Moody Bond St Improvement: Gibbs to Sheridan, Phase I & II
- - - SW Kelly Way and Hood Ave Ramp
- - - North Portal: SW Corbett & Sheridan St Improvements

## Completed Projects

- South Light Rail
-  SW Harbor Drive & River Parkway Intersection Improvements

# Innovation Quadrant Overlay



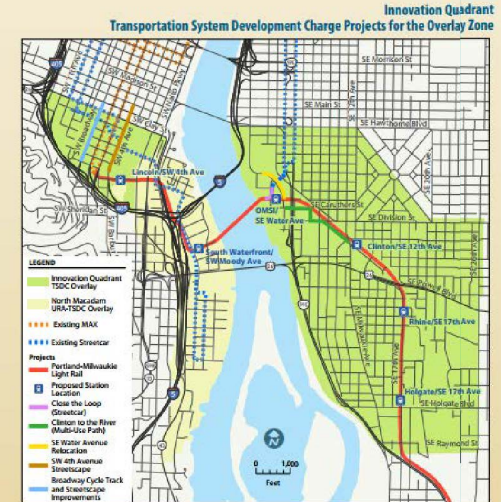
# Innovation Quad: Addendum to 2011 Overlay

- Amending the Innovation Quadrant Transportation System Development Charge (TSDC) Overlay Rate Study from May 2011
- 20 year program (13 years remain)
- Updated to align with the citywide TSDC program
  - Charge fees based on total person trip generation
  - Project list and cost per trip remains unchanged

## Innovation Quadrant Transportation System Development Charge Overlay

**I**nnovation Quadrant now has a Transportation System Development Charge (TSDC) "Overlay" that development in the Innovation Quadrant will pay in addition to the Citywide TSDC. A TSDC Overlay is an additional TSDC that is charged only in and for a specific area, in this case the Innovation Quadrant. The Innovation Quadrant's boundaries are shown on the map to the right.

In 2011, the City adopted the TSDC Overlay for development in the Innovation Quadrant. The TSDC is based on the cost of specific projects that benefit the Overlay zone. See the TSDC Overlay eligible projects list and map.



The TSDC Overlay fees will be collected and expended on capacity-increasing projects to serve future users within the boundaries of the Overlay zone. The TSDC Overlay is a funding tool, designed to collect local dollars to leverage other federal, state, and local dollars to fully fund these multi-modal transportation improvement projects.

If you must pay the Citywide TSDCs and your development is in the Innovation Quadrant you must pay both TSDCs: Citywide and the Innovation Quadrant Overlay TSDC. If your development is outside the Innovation Quadrant you pay only the Citywide TSDCs and do not pay the Innovation Quadrant Overlay TSDC.

You can make a single payment for both TSDCs. The City will deposit the Citywide portion to the Citywide TSDC account, and the Innovation Quadrant portion to a separate account for the Innovation Quadrant Overlay.

Exemptions are the same as the Citywide TSDC.

Eligible Projects for Innovation Quadrant TSDC Overlay Investment: 2011-2031

Project Name	Total Cost	Eligible TSDC Cost
Portland-Milwaukie Light Rail	\$55,000,000	\$5,000,000
Close the Loop	\$22,518,465	\$5,425,243
SE Water Avenue Relocation	\$4,633,839	\$1,565,478
SW 4th Avenue Streetscape	\$2,402,138	\$1,301,088
Broadway Cycle Track and Streetscape	\$1,244,573	\$674,107
Clinton to the River Multi-Use Path	\$4,625,597	\$600,000
<b>TOTAL</b>	<b>\$90,424,612</b>	<b>\$14,565,916</b>



# Innovation Quadrant Projects



## Map Key

- Existing MAX
- Existing Street Car
- Street Car Station
- Innovation Quadrant TSDC Overlay
- North Macadam TSDC Overlay

## Future Projects

- - - Broadway Cycle Track and Streetscape Improvements
- - - SW 4th Avenue Streetscape/SW Montgomery Green Street

## Completed Projects

- Portland-Milwaukie Light Rail Project
- Close the Loop (Street Car)
- Clinton to the River (Multi-Use Path)
- SE Water Avenue Relocation

# Rate Calculation & Rate Schedules



# Rate Schedules

- Changing to same structure as Citywide program (new land use categories and underlying data)
- Keeps existing base cost per person trip rates:
  - \$2,670 in North Macadam
  - \$2,150 in Innovation Quadrant
- Results in new rate schedule

**TSDC Rate Schedule Based on 50% of the Eligible Project List Cost**

Land Use Category	Land Use Code (4)	Unit of Measure	Peak Person Trip/Unit	Future ADO	Vehicle Mode Share	Peak Person Trips/ADU	New Trip %	Peak Person Trip/Unit	TSDC Rate
<b>Commercial - Office</b>									
Bank	911	sq ft/GFA	12.18	1.13	1.00	13.73	65%	8.93	\$47.39
Day Care	520	sq ft/GFA	1.21	1.13	0.95	1.44	100%	1.44	\$6.01
Hotel/Motel	310	room	0.6	1.31	0.95	0.62	100%	0.62	\$3.46
Service Station / Gasoline Sales	940	WSP	18.86	1.13	0.95	16.49	44%	7.25	\$30.78
Shoe (Retail) / Vent Hall	444	sq ft/GFA	3.04	1.13	0.95	3.62	85%	3.07	\$12.83
Carwash	947	wash stall	5.54	1.13	0.95	6.50	65%	4.28	\$17.27
Health Club / Recreational Club	492	sq ft/GFA	3.53	1.13	0.95	4.20	90%	3.78	\$15.77
<b>Commercial - Institutional</b>									
School, K-12	111	sq ft/GFA	1.09	1.13	0.95	1.30	80%	1.10	\$4.40
University / College / College	540	sq ft/GFA	1.27	1.13	0.95	1.51	90%	1.36	\$5.48
Church	560	sq ft/GFA	0.55	1.13	0.95	0.65	95%	0.62	\$2.60
Hospital	610	sq ft/GFA	0.93	1.13	0.95	1.11	80%	0.94	\$3.93
Park	411	acre	3.5	1.13	0.95	4.16	85%	3.54	\$14.70
<b>Commercial - Restaurant</b>									
Restaurant (Standalone)	931	sq ft/GFA	7.49	1.58	1.00	11.91	50%	6.67	\$27.84
Quick Service Restaurant (Drive-Thru)	934	sq ft/GFA	32.65	1.29	0.96	43.70	50%	21.85	\$91.20
<b>Commercial - Retail</b>									
Shopping/Retail	11	sq ft/GFA	3.21	1.20	0.97	3.97	58%	2.39	\$9.57
Convenience Market (3)	851	sq ft/GFA	*	*	*	43.90	49%	21.51	\$89.78
Free Standing Retail									
Store/Supermarket	815	sq ft/GFA	4.98	1.13	0.95	6.39	83%	5.74	\$23.07
Car Sales - New / Used	821	sq ft/GFA	2.62	1.20	0.95	3.31	80%	2.65	\$11.05
<b>Commercial - Office</b>									
Administrative Office	710	sq ft/GFA	*	*	*	1.40	90%	1.26	\$5.26
Medical Office / Clinic	720	sq ft/GFA	3.57	1.37	0.95	5.15	70%	3.86	\$16.12
<b>Industrial</b>									
Light Industry / Manufacturing	130	sq ft/GFA	0.85	1.37	0.95	1.23	90%	1.10	\$4.61
Warehousing / Storage	150	sq ft/GFA	0.32	1.30	0.95	0.44	90%	0.39	\$1.65
Self-Storage	151	sq ft/GFA	0.26	1.37	0.95	0.37	95%	0.36	\$1.49

\* Based on Observed Person Trip Data (Survey sites in Portland, California, and Washington, D.C.)  
 (1) School, K-12: Average of ITE categories 520 and 530, Shopping/Retail: Blend of ITE Categories R20 and R26  
 (2) With or Without Minimum (not to exceed 1,500 SF) and/or Carwash (Fuel is Primary Use)  
 (3) If gasoline sales included on-site, use Service Station/Gasoline Sales SDC rate.  
 (4) Land Use Code - Reference 'Trip Generation', 9th Edition, Institute of Transportation Engineers, 2012



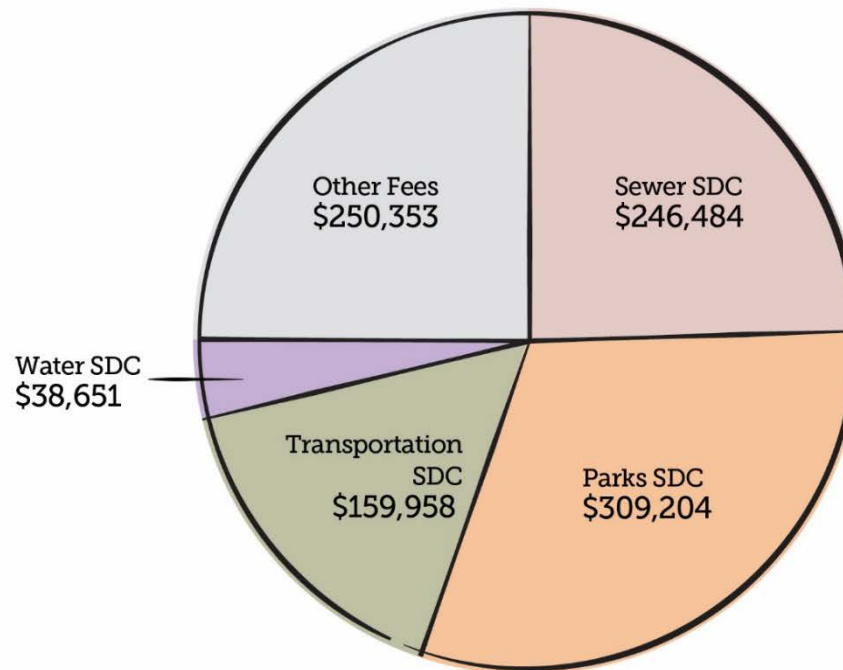
# TSDCs As a Part of Overall Fees

N  
Macadam  
Overlay  
impact

Currently the  
Overlay adds  
\$109,168  
\$1810/unit

This Proposed  
Update adds  
\$102,327  
\$1602/unit

New 6-Story Apartment, Valuation **\$6,300,00.00**  
Fees in Effect as of 7/1/17



This central  
city  
development  
receives a  
citywide  
TSDC  
reduction  
(33%).

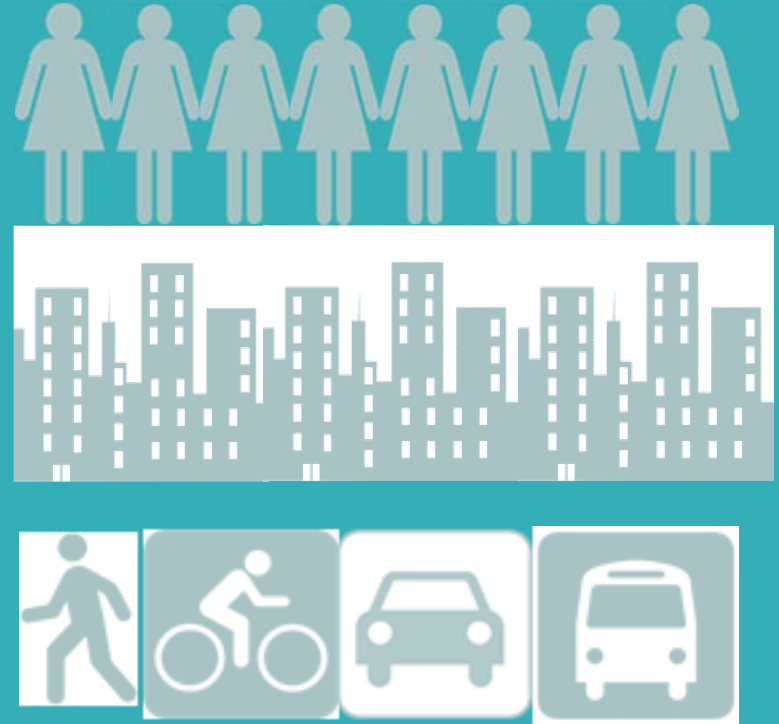
Source: Government Accountability Transparency Results (GATR); data excludes inclusionary housing fees.

# In Conclusion

Updated methodology and rate schedule for:

- North Macadam Overlay
- Innovation Quadrant Overlay

Code Amendments (no person trip development adjustments in overlays, similar to current program)



# Thank You

Contact Rich Eisenhauer at:  
**503-823-6108** or  
richard.eisenhauer@portlandoregon.gov

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# North Macadam Revenues / Expenditures

Total Collections  
(July 1, 2009 –  
June 30, 2017):



Total project  
expenditures:



# Innovation Quadrant Revenues / Expenditures

Total Collections  
(November 1, 2011 –  
June 30, 2017):



Total project  
expenditures:

