

# **ADMINISTRATIVE PROCEDURES GUIDE**

FOR

## **SYSTEM DEVELOPMENT CHARGES**

FOR

## **TRANSPORTATION**

CITY OF PORTLAND, OREGON

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Company

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## INTRODUCTION TO PROCEDURES GUIDE

The purpose of this guide is to provide procedures for implementing transportation system development charges (SDCs) in the City of Portland. The guide follows SDCs from determination of their applicability to individual developments, through calculation, payment, and deposit of the SDCs, to uses (expenditure) of the money. The guide also addresses refunds, appeals, record keeping, and updates of the SDC Capital Improvement Program (which contains the list of projects that are authorized to be built using SDCs).

*ORS 223.297 through 223.314 and HB 3480 (1996 Special Session) grant the City authority to impose a SDC to equitably spread the costs of essential capacity increasing capital improvements to new development. (17.15.010 B.)*

This guide is based on, and implements Chapter 17.15 of the Code of The City of Portland (first adopted by Ordinance 171301 in 1997). The guide presents information from the Ordinance in the sequence that such information is needed to determine an SDC for an application for development. In addition, the guide provides forms, notifications, spreadsheets, and directions at a level of detail that is more specific than Chapter 17.15.

*In instances where a requirement or direction is quoted verbatim from the Transportation SDC Ordinance (Chapter 17.15), the text appears in italics.*



## APPLICABILITY OF SYSTEM DEVELOPMENT CHARGES

### TYPES OF DEVELOPMENT

*The SDC is incurred upon application to develop property for a specific use or at a specific density. ... (17.15.010 C.)*

System development charges (SDCs) apply to all “new development” (17.15.040) unless such development is explicitly exempted (see Section 3 of this guide for an explanation of exemptions). The SDC Ordinance defines “development” and “new development” as follows:

- (1) *“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 has the effect of generating additional weekday or weekend trips. Development includes improved open areas such as plazas and walkways, but does not include natural geologic forms or unimproved land. (17.15.020 O.).*
- (2) *“New Development” means Development on any site which increases overall trip generation from the site according to Table 4-9 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. (17.15.020 T.)*

In the case where the development is an expansion or change in use of an existing structure, the SDCs shall be calculated only on the net increase in the size of the development (see Section 4 of this guide for an explanation of how to calculate SDC amounts, including calculations of net increases in the size of expansions or other changes to an existing structure).

## **TYPES OF PERMITS**

SDCs are imposed on building permits. Specifically, the Ordinance imposes the SDC on "Applications" (which are specified in the SDC ordinance as applications for building permits).

- (1) *Except as otherwise provided in this Chapter, a Transportation SDC shall be imposed upon all New Development for which an Application is filed after October 18, 1997. (17.15.040 A.1.)*
- (2) *"Application" means the written request by an Applicant for a Building Permit. (17.15.020 E.)*
- (3) *"Building Permit" means that permit issued by the City Building Official pursuant to the State of Oregon Structural Specialty Code Section 301 or as amended, and the State of Oregon One and Two Family Dwelling Code Section R-109 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. (17.15.020 G.)*

No building permit can be issued by the City unless and until the appropriate SDCs are taken care of in one of three ways: (1) paid at the time the building permit is issued, (2) paid pursuant to a deferral agreement that is executed by the applicant at the time the building permit is issued, or (3) the application is exempt from the SDC.

## **INFORMATION NEEDED FOR DETERMINING SDC APPLICABILITY AND AMOUNT**

*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 (17.15.040 A.2.):*

- 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 for each type of commercial use, e.g., office, retail, etc.*







## EXEMPTIONS

System development charges are NOT applicable to specific applications described in SDC ordinance. The ordinance provides guidance regarding applications that contain both exempt and non-exempt uses:

- (1) *...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. The balance of the New Development which does not qualify for any exemption under this section shall be subject to the full SDC. ... (17.15.050)*
- (2) *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. (17.15.050 I.)*

In other words, the exemption only applies to the uses that are exempt, and the applicant must pay the SDC for the portion of the development that is not exempt.

## **DEVELOPMENT IN COUNTY AREAS THAT IMPOSE TRANSPORTATION SDCs**

SDCs do not apply to development in any area of the City that is also subject to a transportation SDC imposed by a County. This provision avoids double-charging development in such areas.

*This Chapter applies to all New Development throughout the City of Portland except for those areas where Washington County, Multnomah County or Clackamas County impose a transportation SDC. (17.15.040)*

## **TEMPORARY USES**

- (1) *Temporary 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. (17.15.050 A.)*
- (2) *New construction or remodeling where the use or structure is of a temporary nature and is used less than 180 days in a calendar year. (17.15.050 G.3.)*
3. There is a minor conflict between these two provisions. The first would allow 180 days of use, but the second would allow only 179 days of use in order to qualify as "temporary" use. The City will acknowledge the longer amount of time (180 days) as "temporary" use that qualifies the development for an exemption from the SDC.

4. This exemption is based on actual, not planned use of the facility. In other words, if a facility is used 181 or more days during any calendar year, the full SDC becomes due and payable. The City's waiver notice to an applicant who is exempt because of "temporary" use will give notice to the applicant that actual use in excess of 180 days will trigger liability for the full SDC.

### **REDEVELOPMENT CAUSING 15% (OR LESS) INCREASE IN TRIP GENERATION**

- (1) *New Development, which, in the Administrator's\* opinion, will not generate more than 15% more vehicle trips than the present use of the property shall be fully exempt. (17.15.050 B.)*
- (2) *If the SDC attributable to the proposed use of the New Development is within 15%± of the SDC attributable to the total previous use of the property, the Applicant is not required to pay any SDC and is not eligible for any SDC reimbursement or credit\*\*. (17.15.040 A.3.a.)*
3. As a practical matter, this exemption can only apply to redevelopment because the 15% threshold is the difference between present and prior uses of the property. There is no "prior" use of vacant land, therefore the base (prior) trip generation is zero. This exemption can only apply when the trips it generated by redevelopment do not exceed the trips generated by the previous development at the same site by more than 15%.
4. If a redevelopment generates trips that are more than 115% of the trips generated by the previous development, the redevelopment must pay the transportation SDC for all the trips it generates that exceed the trips generated by the previous development. In other words, a redevelopment that does not qualify for this exemption is NOT entitled to an exemption for the first 15% increase in trips: it must pay the SDC for all trips that exceed those generated by the previous development at the same site.

*\*\*"Administrator" means that person as appointed by the manager of the Bureau of Transportation Engineering and Development to manage and implement this SDC program. (17.15.020 B.)*

*\*\*\*"Credit" means the amount by which an Applicant may be able to reduce the SDC fee as provided in this Chapter. (17.15.020 M.)*

### **LOW-INCOME HOUSING**

- (1) *Affordable Housing which meets the following requirements shall be fully exempt from the Transportation SDC: (17.15.050 C.)*
  - (a) *If rental housing, the units receiving an exemption shall be affordable to households earning 60% or less at time of occupancy and shall be leased, rented or made available on a continuous basis to persons or households whose incomes are 60% or less of area median family income, as adjusted by unit size and as determined by the U.S. Department of Housing and Urban Development for the Portland*

*Metropolitan Area. Such units shall remain affordable for a period of 60 years. (17.15.050 C.1.)*

- (b) If owner occupied housing, the units receiving an exemption shall be affordable to households earning at or below 100% of area median income and shall be sold to persons or households whose incomes are at or below 100% of area median family income, as adjusted by family size and as determined by the U.S. Department of Housing and Urban Development for the Portland Metropolitan Area. (17.15.050 C.2.)*
  - (c) The Portland Development Commission (PDC) may require that real property covenants be recorded in the deed records for properties receiving exemptions under this section in order to restrict the sales prices and rents to be charged for exempted units, or to provide remedies for failure to restrict units, or both. (17.15.050 C.3.)*
  - (d) For purposes of this Section, "affordable" for rental housing means that the rent and expenses associated with occupancy such as utilities or fees, does not exceed 30% of the gross household income at the level of the rent restrictions. "Affordable" for ownership units means a purchase price for which the sum of debt service and housing expenses including an allowance for utilities and other required ownership fees, when compared to the annual gross income for a family at or below 100% of area median family income, adjusted for family size, does not preclude conventional mortgage financing. ((17.15.050 C.4.)*
  - (e) Per Section 30.01.040, the Bureau of Housing and Community Development and PDC are responsible for certifying exemptions to housing developments that meet the income requirements specified in 17.15.050 C.1. or 2. And for enforcing the 60 year affordability requirement for rental housing developments. In the even a qualifying rental housing development fails to maintain qualifying rents and/or occupancy requirements or a qualifying ownership project fails to comply with applicable recapture or retention covenants, the exemption shall terminate for that development and the Transportation SDC, calculated using the rates in effect at the time PDC finds the exemptions have been lost, shall be due and owing. (17.15.050 C.5.)*
2. The applicant will demonstrate its eligibility for low-income housing exemption by providing a "waiver letter" issued by the Portland Development Commission (see Appendix, Exhibit 2, for an example of the "waiver letter"). The waiver letter shall be based on the criteria set forth above (17.15.050 C.).

## **TRANSIT ORIENTED DEVELOPMENT**

Transit oriented development is given a partial "exemption" in the SDC Ordinance (17.15.050 D.). The exemption operates in the same manner as a discount, and it is taken into account during the calculation of the SDC (see Section 4 of this guide).

The amount of the partial exemption/discount depends on the location, zoning, density, and/or on-site parking provided by the new development. The SDC Ordinance describes the amount of the partial exemption by specifying the remaining liability after the partial exemption is granted:

- (1) *Within the Central City District, New Development that meets Transit Oriented Development definition GG.1, GG.2.a. or GG.2.b. shall be liable for only 10% of the vehicle portion of the SDC and 90% of the transit and non-motorized portion of the SDC. (17.15.050 D.1.)*
- (2) *For all areas outside of the Central City Plan District, New Development that meets the density requirements in Transit Oriented Development definition GG.2.a, or GG.2.b. shall be liable for only 10% of the vehicle portion of the SDC and 90% of the transit and non-motorized portion of the SDC. (17.15.050 D.3.)*

In other words, within the Central City Plan District and areas outside the District that meet the density requirements, the exemption/discount equals 90% of the vehicle portion of the SDC, and 10% of the transit and non-motorized portions of the SDC.

- (3) *For all areas outside of the Central City Plan District, New Development that meets Transit Oriented Development definition DD.3.a, GG.3.b., or GG.3.c. shall be liable for only 50% of the vehicle portion of the SDC and 90% of the transit and non-motorized portion of the SDC. (17.15.050 D.2.)*

In other words, outside the Central City Plan District, the exemption/discount equals 50% of the vehicle portion of the SDC, and 10% of the transit and non-motorized portions of the SDC.

Transit oriented development is defined in the SDC Ordinance (Section 17.15.020 GG), as follows:

- (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: DT1 through DT 6-2; UD 1-1 and UD 1-2; RD 3,4,5-1 and 5-2; GH1; 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 located outside the Central City Plan District that is within 500 feet of a street with fixed-route transit service or within 1,000 feet of a light rail station and that either:*

- a. includes a least 30 units of housing per acre of site, or
- b. achieves a floor area ratio of 1 to 1, or
- 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.*

The Appendix, Exhibit 3, contains a map of the Central City Plan District, and its subdistricts.

### **CHANGE IN OCCUPANCY OF SMALL AREAS**

*A change in occupancy of an existing building where the gross enclosed floor area does not exceed 3,000 square feet is fully exempt. A change in 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: (size of existing building – 3,000 square feet)/2,000 square feet (17.15.050 E.)*

### **ALTERATION PERMITS FOR TENANT IMPROVEMENTS**

*Alteration permits for tenant improvements are fully exempt. (17.15.050 F.)*

“Alteration” means to change (alter) existing tenant spaces that do not change the use or occupancy, and do not increase overall trip generation from the site according to Table 4-9 of The City Rate Study or pursuant to Section 17.15.070 of this Chapter.

### **NEW CONSTRUCTION OR REMODELING**

*New construction or remodeling where*

- (1) *no additional dwelling unit(s) or structure(s) are created (17.15.050 G.1.);*
- (2) *which is not reasonably expected to result in a significant increase in additional trips (17.15.050 G.2.);*

“Remodel” or “Remodeling” means to alter, expand or replace an existing structure. (17.15.020 DD.)

Examples of development that does not place additional demands on City’s transportation system include:

1. Replacement of a structure with a new structure of the same size and use at the same site or lot when such replacement occurs within twelve (12) months of the demolition or destruction of the prior structure.
2. Alteration, expansion or enlargement, remodeling, rehabilitation or conversion of an existing dwelling unit where no additional units are created and the use is not changed.
3. Alteration of an existing non-residential structure that does not expand the useable space.
4. Miscellaneous improvements, including but not limited to fences, walls, swimming pools, and signs.
5. Demolition or moving of a structure.

### **ACCESSORY BUILDINGS OR STRUCTURES WITH NO ADDITIONAL IMPACTS**

*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. (17.15.050 H.)*

### **ADDITIONAL DWELLING UNITS**

When the Transportation SDC was established, the requirements in the planning and zoning code for Additional Dwelling Units (ADU) were restrictive and few were constructed. These ADUs were exempt from the Transportation SDC. The requirements for the construction of ADUs have been broadened. ADUs that meet the original requirements continue to be exempt. ADUs that do not meet the original requirements are assessed at one half the rate of a single-family dwelling. This is consistent with the other SDCs in the City.

To be exempt, an ADU must meet the following requirements:

- 1) Be constructed in an existing single family residence, and
- 2) The existing single family residence must be at least 1,400 square feet (unfinished basement, garage and/or attic may not be counted), and
- 3) Be constructed within the existing living space or by converting an unfinished basement or attic (construction of an addition or conversion of a garage will not be exempt).

### **APPLYING FOR EXEMPTIONS**

*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 under this Section shall specifically request that exemption no later than the time of the City's issuance of the first occupancy permit on the New Development. Should the Applicant dispute any decision by the City regarding an*

exemption request, the Applicant must apply for an Alternative Exemption calculation under Section 17.17.070. The Applicant has the burden of proving entitlement to any exemption so requested. (17.15.050)

The City's Information Form (see Appendix, Form TSDC-1) includes a checklist of potential exemptions for which the Applicant may qualify.

## **APPEALING A DENIAL OF EXEMPTION**

*Pursuant to this section, an applicant may request an ... alternative SDC exemption, but only under the following circumstances:*

- (1) *The Applicant believes the City improperly rejected a request for an exemption under Section 17.15.050 for which the Applicant believes it is eligible. 17.15.070 A.3.)*
- (2) *If an Applicant has requested a full or partial exemption under Section 17.15.050, and that request has been denied, the Applicant may request an Alternative SDC Exemption under this section, no later than the time the City issues the first occupancy permit for the New Development. The City shall not entertain such a request filed after the City has issued the first occupancy permit for the New Development. Upon the timely request for an Alternative SDC Exemption, the Administrator shall review the Applicant's request and supporting evidence and make a determination within 21 days of submittal as to whether the Applicant's request satisfies the requirements of section 17.15.050 for exemptions. (17.15.070 D.1.)*
- (3) *In support of the Alternative SDC Exemption request, the Applicant must provide complete and detailed documentation demonstrating that the Applicant is entitled to one of the exemptions described in section 17.15.050. (17.15.070 D.2.)*
- (4) *The Administrator shall grant the exemption 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. (17.15.070 D.3.)*
- (5) *Within 21 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. (17.15.070 D.4.)*

Section 11 of this guide, Challenges and Appeals, contains additional information about procedures, fees and other particulars regarding appeals that apply to appeals of denials of exemptions.





## **CALCULATION OF SDC AMOUNT**

### **SDC CALCULATION SPREADSHEET**

The SDC Calculation Spreadsheet calculates the SDC for each mode (motorized, transit, and non-motorized) for 52 land uses. (See Appendix, Exhibit 1, for an example of the Spreadsheet.) The spreadsheet can calculate SDCs for developments of one type of land use, and it can calculate SDCs for developments that have multiple land uses. The user of the spreadsheet enters the number of units of development (i.e., dwelling units, or square feet of non-residential development) and the spreadsheet calculates the SDC.

Note: the spreadsheet also calculates the discounted SDC for Transit Oriented Development (TOD). Separate TOD discounts are calculated based on location, density, zoning and/or provided on-site parking. A detailed description of TOD, including complete excerpts from the SDC Ordinance, is presented in Section 3 of this guide: Exemptions.

Most SDCs will be calculated using the spreadsheet, but some developments will need special calculations. Subsections D. Institutional Development, and E. Land Uses Not Included in the Rate Study present two instances where the spreadsheet is not used. Also, Section 5. Consideration of Applicant's Studies and Data discusses another situation in which the spreadsheet is not used.

The Office of Transportation (PDOT) has developed software for calculating and tracking the SDC assessments and payments. It is based on the spreadsheet shown in Exhibit 1 and performs the same calculations described in this section.

The following steps indicate the use of the SDC Calculation Spreadsheet:

1. Determine whether or not the proposed application is exempt from the SDC (see Section 3 of this guide for description of exemptions). If the application is not exempt, proceed with steps 2 and 3.
2. In the upper left corner of the spreadsheet, enter the name of the applicant, the application number, and the application's eligibility for the TOD discount (none, City center, or other location).
3. Enter the number of units (i.e., dwellings, square feet, etc.) of each type of development.
4. Print out the spreadsheet, and use the appropriate total ("No Discount," or "With Central City TOD Discount," or "With TOD Discount Outside Central City") to calculate SDCs net of credits (see Subsection B, below), and to complete the Notification to the applicant, and entries in the City's building permit control software.

### **CALCULATING SDCs NET OF CREDITS**

The SDC Calculation Spreadsheet does not include calculation of credits (which are described in Section 6. Credits). Each credit is unique to a specific applicant, therefore the credit amount must be determined on a case-by-case basis.

1. Determine the value of any credits for donated or contributed land, improvements or other assets (see Section 6. Credits).
2. Subtract the credits from the Total SDC (with or without TOD discount, as appropriate). See Section 6, Credits and Reimbursements for a more detailed description of the procedures to follow in using SDC Credit Transfer Certificates.
3. Record the net SDC in the Notification to the applicant, and in the City's permit control software.

### **REDEVELOPMENT**

If the development is an expansion or change in use to an existing structure, the SDC shall be calculated only on the net increase in the trips generated by the

development, as determined by the size and use of the structure before and after redevelopment:

1. Use the SDC Calculation Spreadsheet to calculate the SDC on the proposed development as though the entire development was subject to the SDC.
2. Use the SDC Calculation Spreadsheet to calculate the SDC on the existing development, before improvements, as though the existing use was subject to the current SDC.
3. Compare the SDC amounts from Steps 1 and 2:
  - a. If the SDC from Step 1 is more than 115% of the SDC from Step 2, calculate the net amount of the SDC due by subtracting the SDC in step 2 from the SDC in step 1 (17.15.040 A.3.b.).
  - b. If the SDC from Step 1 is less than 85% of the SDC from Step 2, the applicant is eligible for an SDC Reimbursement (17.15.040 A.3.c.). The amount of the reimbursement is determined by subtracting the SDC in step 1 from the SDC in step 2 (i.e., the reverse of the preceding comparison). See Section 6, SDC Credits and Reimbursements, Subsection G, Reimbursements, for additional information about SDC Reimbursements.

Note: the specific language of 17.15.060 B.3.) limits SDC Reimbursements to those properties that have previously paid an SDC. Properties that have not paid an SDC are not eligible for an SDC Reimbursement. The SDC Information Form (TSDC-1, in the Appendix) asks the Applicant to document any previous payments of Transportation SDCs. [Note: previous payments of Transportation SDCs cannot have occurred prior to October 20, 1997, the effective date of the SDC Ordinance.]

- c. If the SDC from Step 1 is more than 85%, but less than 115% of the SDC from Step 2, the applicant is not required to pay the SDC, nor is the applicant eligible for any SDC reimbursement or credit (17.15.040 A.3.a.).

Note: in order to be consistent with the treatment of SDC Reimbursements (which only apply to redevelopment of properties that previously paid a Transportation SDC), exemptions from the SDC for properties generating between 100% and 115% of the previous SDC only apply to those properties that have previously paid an SDC.

Properties that have not paid an SDC are not eligible for an SDC Reimbursement.

The following are the complete citations in the SDC Ordinance that are the basis for the 5 steps described above:

- (1) *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 Table 4-9 of The City Rate Study. (17.15.040 A.3.)*
  - (a) *If the SDC attributable to the proposed use of the New Development is within 15%± of the SDC attributable to the total previous use of the property, the Applicant is not required to pay any SDC and is not eligible for any SDC reimbursement or credit. (17.15.040 A.3.a.)*
  - (b) *If the SDC attributable to the proposed use of the New Development is more than 115% of the SDC 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. (17.15.040 A.3.b.)*
  - (c) *If the SDC attributable to the proposed New Development is less than 85% of the SDC attributable to the total previous use(s), the Applicant shall be eligible for an SDC Reimbursement under Section 17.15.060. (17.15.040 A.3.c.)*
- (2) *"Previous use" means the most recent 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% 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. (17.15.020 AA.)*
- (3) *"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. (17.15.020 BB.)*

## **INSTITUTIONAL DEVELOPMENT**

"Institutional development" is certain medical and educational campus developments of at least five acres, as defined in the SDC Ordinance:

*“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. ( 17.15.020 Q.)*

Institutional development has the option to use the regular SDC rate schedule, or to have SDCs calculated on the basis of changes in the total number of trips generated by the entire site:

- (1) *Institutional Development shall be subject to assessment under this Subsection or under Subsection 1 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. (17.15.040 B.1.)*
- (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 twenty (20) days from the date of election and submission, and, if the methodology is rejected, the Administrator shall provide an explanation for the decision. (17.15.040 B.2.)*
- (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 applicant Institution shall establish the average 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. (17.15.040 B.3.)*
- (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, by the change in average 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 any mode shall allow the Applicant Institution to reduce future annual assessment against the same mode by the number of such reduced trips. (17.15.040 B.4.)*
- (5) *For uses that calculate the SDC 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. (17.15.040 B.5.)*
6. Calculation of the SDC (or credit against future SDCs) must conform with the following steps derived from the SDC Ordinance:

- (a) The applicant and the City's SDC Administrator determine that the applicant is an "institutional development" as defined in the SDC Ordinance (17.15.020 Q).
- (b) The applicant institution elects to use the special assessment available to institutional development. (The election is binding for at least 3 years). The election must be in writing, dated and signed by a person authorized to represent the applicant.
- (c) The Applicant Institution submits to the Administrator the proposed methodology for counting trips. The proposed methodology must be submitted within 60 days of the election to use the alternate assessment.
- (d) The Administrator determines whether the proposed methodology is acceptable or not acceptable. The Administrator will provide a written acceptance, or a written explanation for rejecting the methodology. The Administrator's decision must be completed and postmarked to the applicant no later than 20 days after receipt of the proposed methodology.
- (e) The Applicant Institution establishes the baseline average weekday trip count. 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. The baseline trip count must be established within one year of the date that the applicant elected the alternative method of assessment.
- (f) Once each year, on the anniversary of the establishment of the baseline average weekday trip count, the Applicant Institution shall prepare and submit an update of the average weekday trip count.
- (g) The Administrator shall compare the updated average weekday trip count to the highest prior documented average weekday trip count since October 18, 1997.
- (h) If the updated trip count is greater than the highest prior average trip count, the Administrator will calculate the SDC by multiplying the applicable dollar amount, as provided in the City Rate Study, by the increase in average weekday trip count by mode type. The amount of the SDC shall be determined by the Administrator within 15 days after receipt of the annual update.
- (i) Any SDC due to the City shall be paid within 45 days from the calculation of the SDC by the Administrator.

- (j) If the updated trip count is lower than the highest prior average trip count, the Administrator will issue a SDC Credit Transfer Certificate to the Applicant that will allow the Applicant Institution to reduce future annual assessments against the same mode by the number of reduced trips.

**LAND USES NOT INCLUDED IN RATE STUDY AND SDC CALCULATION SPREADSHEET**

*In the event an identified use does not have a basis for trip determination stated in The 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) in question and apply the trip generation rate most similar to the proposed use or uses. (17.15.040 A.4.)*

The City will maintain a log, roster, file, or other centralized record of all instances in which a land use category in the SDC Rate Study was successfully used as applicable to a different land use proposed by an applicant. These records will provide consistency and serve as precedents for similar situations that may arise in the future.

**USING THE SDC CALCULATION SPREADSHEET TO ESTIMATE SDCs FOR PRE-APPLICATION PURPOSES**

The SDC Calculation Spreadsheet can be used to calculate estimated SDCs for use in the pre-application process. Any information given to the applicant needs to be marked (if written) or commented upon (if verbal) to indicate that the SDC estimates are subject to any changes that occur (1) in the applicant's proposed uses and/or size of development, and (2) any changes to the SDC rates that the City may adopt before the applicant submits a formal application for a building permit.





## CONSIDERATION OF APPLICANT'S STUDIES AND DATA

### APPLICANT'S RIGHT TO SUBMIT ALTERNATE TRIP GENERATION AND SDC CALCULATIONS

Applicants may request calculation of an SDC rate alternative to the rate contained in the City's Rate Study (17.15.070).

*Pursuant to this section, an applicant may request an alternative SDC calculation, ... but only under the following circumstances:*

*The Applicant believes the number of vehicle trips resulting from the New Development is, or will be, less than the number of trips established in The City Rate Study, and for that reason the Applicant's SDC should be lower than that calculated by the City. 17.15.070 A.1.)*

The SDC Ordinance does not authorize applicant's to submit alternative calculations of costs per trip, costs of capital projects, or any other aspect of the Rate Study. The Applicant's input is limited to the number of vehicle trips that will be generated by his/her development.

### SUBMISSION OF APPLICANT'S DATA

*If an Applicant believes the number of trips resulting from the New Development is less than the number of trips established in The City Rate Study, the Applicant must request an alternative SDC rate calculation, under this section, no later than the time the City issues the first occupancy permit for the New Development. The City shall not entertain such a request filed after the City has issued the first occupancy permit 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 days of submittal as to whether the Applicant's request satisfies the requirements of this Section. (17.15.070 B.1.)*

Form TSDC-1 (see Appendix) tells the Applicant of their right to make this "request." Form TSDC-3 (see Appendix) is the official "Request for Alternate Trip Generation Rate and SDC Calculation."

## **REQUIREMENTS FOR STUDY METHODS AND FORMAT**

*In support of the Alternative SDC rate request, the Applicant must provide complete and detailed documentation, including verifiable trip 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 The City Rate Study does not accurately reflect the New Development's impact on the City's capital improvements. (17.15.070 B.2.)*

Form TSDC-3 (see Appendix) is the official "Request for Alternate Trip Generation Rate and SDC Calculation." The Form includes a nearly verbatim recap of the requirements from Section 17.15.070 B.2.), quoted in the preceding paragraph.

The Form also asks the Applicant to provide information about the engineer who prepares the documentation of the Applicant's trip rate data. The Form requires the name, registration or license number, and state of registry or licensure of the professional engineer. This information (1) serves to remind the Applicant that the research has to be prepared by a professional traffic engineer, and (2) allows the City to verify that the work was performed by a person with the requisite qualifications.

## **REVIEW OF APPLICANT STUDIES AND DATA**

*The Administrator shall apply the Alternative SDC Rate if, in the Administrator's opinion, the following are found:*

- 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 by a generally accepted methodology, and*
- c. The proposed alternative SDC rate better or more realistically reflects the actual traffic impact of the New Development than the rate set forth in The City Rate Study. (17.15.070 B.3.)*

Note that all three of these requirements must be met in order for the Administrator to approve the Alternate trip generation rate and resulting SDC

calculation. Form TSDC-3 requires the Applicant to provide some basic data about the number of employees, deliveries and customers that will visit the proposed development each weekday. This information will allow the City to independently assess the trip generation estimates and assumptions of the Applicant's professional traffic engineer.

### **NOTICE OF ACCEPTANCE OR REJECTION**

*If, in the Administrator's opinion, 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. (17.15.070 B.4.)*

This guide does not include a standard form for rejecting the Applicant's data because the data, and its format, will be unique to each Applicant. Form TSDC-7, Notification of Transportation SDC (see Appendix) contains a place for the City to indicate if the Applicant's data was used to revise the trip generation rates and SDC for the proposed development.

Section 11 of this guide, Challenges and Appeals, contains additional information about procedures, fees and other particulars regarding appeals that apply to appeals of rejection of requests for alternate trip generation rate and SDC calculation.

### **DETERMINING WHEN A STUDY CREATES A PRECEDENT FOR SUBSEQUENT DEVELOPMENT**

The City will maintain a log, roster, file, or other centralized record of all instances in which an Applicant's trip generation study was accepted by the City as a substitute for the trip generation rates used in the SDC Rate Study. These records will provide consistency and serve as precedents for similar situations that may arise in the future.

In general, if the Applicant's data is from the Portland metropolitan area (and the methodology is sound), the data should be accepted. If the alternate data is from any other location, it should be returned with the suggestion that it be submitted to the Institute of Transportation Engineers for use in the next edition of ITE's Manual: "Trip Generation."

*"ITE Manual" means that manual entitled "An Institute of Transportation Engineers Informational Report - Trip Generation" Fifth Edition (1991) or as amended. A copy of the ITE Manual shall be kept on file with the City Office of Transportation. (17.15.020 R.)*





## CREDITS AND REIMBURSEMENTS

### CREDITS POLICY STATEMENT

*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 Transit Oriented Development (TOD) and the development of low income housing. The City recognizes a higher public purpose in TOD in creating a more dense, mixed use urban design that promotes and integrates transit ridership with housing. Likewise, the development of low income housing promotes the public purpose of providing quality housing options for families and individuals earning 50% or less of the Area Median Income. Providing a credit for the Transportation SDC will make it possible to develop more and better low income housing within the metropolitan area where jobs and shopping are available by transit and non-motorized modes. For both the TOD and low income housing 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. (17.15.010 I.)*

*\*“Transportation SDC Capital Improvement Plan,” also called SDC-CIP, 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. (17.15.020 HH.)*

### CREDITS FOR QUALIFIED PUBLIC IMPROVEMENTS

Developers may apply for credits against (reductions of) the amount of SDCs they owe. Credits may be given by the City for the value of donations or contributions of land, improvements or other assets that conform to the conditions listed below.

*The City shall grant a credit against the Transportation SDC, which is otherwise assessed for a New Development, for any Qualified Public Improvement(s) constructed or dedicated as part of 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. (17.15.060 A.1.)*

It is the intent of the ordinance to grant credits for donations of land or improvements on the SDC-CIP list contained in the SDC Rate Study or for qualified public improvements that reduce the future burden on the City's transportation system.

*The City recognizes that the project list in the SDC-CIP is not complete but that construction of other projects, not included on the SDC-CIP, may also advance the policy objective of maintaining capacity in the City's Transportation System. In recognition of this fact, this Chapter allows credit to be given to certain projects, which in the Administrator's opinion, achieve this policy objective yet are not on the project list in the SDC-CIP. (17.15.010 H.)*

Specifically, credits are given only for Qualified Public Improvements, which are defined in the SDC Ordinance:

*"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. *Is a capital improvement listed on the City's SDC-CIP regardless of the improvement's proximity to the Applicant's New Development site or*
2. *Pertains to an arterial or collector street and is required 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 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. Potentially eligible improvements include, but are not limited to:*
  - a. *vehicle travel, turning or refuge lanes and traffic signals and sidewalks*
  - b. *bicycle lanes, parking facilities or lockers, other than those required by the City 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. (17.15.020 CC.)*

*\*"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. (17.15.020 V.)*

The projects covered in category (1) above have been closely scrutinized through the process of establishing the SDC-CIP. They have been determined to advance the policy objective of maintaining capacity in the City's transportation system. It is the intent of the SDC ordinance that projects in the second category receive credit only if they are equally beneficial to the City's transportation system. It is recognized that the "minimum necessary" improvements may add more capacity than is needed by the development, such as situations where the improvement is the smallest facility that can be built to mitigate the impact on the transportation system from the new



development. For example, if the City requires the construction of an additional travel lane, even though the lane will accommodate trips in addition to those created by the new development, the full lane is the minimum improvement that can be built to mitigate the impact of the new development. A portion of a travel lane cannot be constructed to mitigate only those trips created by the new development.

Credit will be given for capacity that is added to alleviate an existing burden on the City's transportation system. Credit will not be given for improvements that are the minimum necessary to mitigate impacts caused by new development to the City's transportation system. This is demonstrated with the following example:

Example 1:

2,000 Trips -design capacity  
2,250 Trips - current usage  
350 Trips added by new development  
600 Trips over capacity  $[(2,250 + 350) - 2,000 = 600]$   
3,000 Trips - new design capacity (after construction of minimum  
improvement necessary to mitigate the impact of the new  
development)

Credit is given only for the 250 trips that exceed the original design capacity. No credit is given for the 350 trips generated by the new development nor for the 400 trip capacity yet to be used. While the improvement adds 1,000 trips over the original design, the improvement constructed is the minimum necessary to mitigate the trips generated by the new development. The 250 existing trips are not the responsibility of the new development and are therefore creditable. The credit will be calculated as the percentage of capacity added by the improvement. With this example it would be 25%  $[250/(3,000 - 2,000) = 0.25]$ .

Credit will also be given for the improvement built larger or with greater capacity than necessary to serve the new development provided the improvement is required by the City as a condition of the new development. For example, if a turn lane 60 feet in length is necessary to mitigate the traffic impact of the new development, but the City required a 100 foot long turn lane, the additional 40 feet would be eligible for a credit.

Credit will not be given for capacity added to accommodate trips generated by new development or for excess capacity which results from the construction of the minimum improvement needed to serve the new development. This is demonstrated in the following example:

Example 2:

2,000 Trips - design capacity  
1,700 Trips - current use  
500 Trips added by new development  
200 Trips over capacity  $[(1,700 + 500) - 2,000 = 200]$   
3,000 Trips - new design capacity (after construction of improvement)

No credit is given. While 300 of the 500 new trips can be accommodated in the original design capacity, the fact that they are generated by the new development makes them the responsibility of the new development and are not creditable. In this example the improvement constructed to accommodate the 200 trips is the minimum needed to mitigate the new development.

### **TRIP REDUCTIONS BY INSTITUTIONAL DEVELOPMENT**

Trip generation by Institutional development is discussed in Section 4 of this guide ("Calculation of SDC Amount"). If an institutional development *reduces* the number of trips, it is entitled to a credit that can be used to offset future SDC assessments:

*A reduction in trips by any mode shall allow the Applicant Institution to reduce future annual assessment against the same mode by the number of such reduced trips. (17.15.040 B.4.)*

### **TRANSIT ORIENTED DEVELOPMENT**

A reduction of SDCs for Transit Oriented Development (TOD) is not considered a credit or reimbursement. The SDC Ordinance considers reduced SDCs for TOD to be a "partial exemption," therefore the reduction of SDCs for TOD is described in Section 3, Exemptions.

### **APPLYING FOR SDC CREDITS AND REIMBURSEMENTS**

- a. *To obtain an SDC Credit, the Applicant must specifically request a credit prior to the City's issuance of the first occupancy permit 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. 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 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;*
- (4) For all improvements for which credit is sought, only the fraction of over-capacity in the improvement as described in the definition of Qualified Public Improvement is 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 Applicant's New Development. (17.15.060 A.a.).*

Subsection (2), above, poses a challenge concerning improvements not yet constructed. The City will give immediate credits based on estimates, but it will provide for a subsequent adjustment based on actual costs: a refund to the Applicant if actual costs are higher than estimated, and an additional SDC to be paid by the Applicant if actual costs are lower than estimated (see Form TSDC-5 in the Appendix). The actual costs of construction and inspection will follow the steps outlined in the following paragraph.

Subsection (3), above, needs several clarifications. First, the City shall inspect all completed Qualified Public Improvement projects before agreeing to honor any credits previously negotiated. This will insure that the improvements meet City standards. Second, the City shall limit credits to reasonable costs. This will protect the

City from Applicants who may accept unreasonable costs from contractors. Finally, credits shall be awarded only in conjunction with an application for development. The City will not issue credits merely because a Qualified Public Improvement has been completed.

*The City shall grant for Local Improvement District (LID) assessments for Qualified Public Improvements as defined by 17.15.020 CC.1. Property owners who participate in the LID shall receive credit for the portion of SDC revenue not expended by the City up to the maximum amount of SDC revenue programmed for the Qualified Public Improvement. Those property owners eligible for credits under this section shall receive credits whether or not assessed an SDC. (17.15.060 A.2)*

- a. For Local Improvement Districts assessments, value shall be based on the actual assessment. The aggregated total of credits for the Local Improvement District shall not exceed the SDC funded portion of the project value in the SDC-CIP. Credit amount shall be prorated amongst participants in the Local Improvement District to meet this condition.*
- b. SDC credits for Local Improvement District assessments shall not be issued until the time of award of a construction contract for the improvements. The credit shall be issued as follows:
  - (1) In the case of fixed assessment amount LIDs the credit shall be the full amount due the participant as determined by Section 17.15.060 A.2.a.*
  - (2) In the Case of all other LIDs the credit shall be 80% of the amount due the participant as determined by Section 1.15.060 A.2a. A credit for the remaining 20% shall be issued upon closure of the construction project when the final cost of the improvement is known. (17.15.060 A.2.(2))**

*Granting SDC Credits to New Development Prior to Commencing Construction of New Development. When a Qualified Public Improvement is built by a Developer prior to an Applicant applying for Building Permits for the New Development, the City shall grant a credit for any Qualified Public 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 otherwise be claimed in connection with the Qualified Public Improvement, and are issued pursuant to the following requirements and conditions: (17.15.060 A.4.)*

- 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 Improvements.*
- b. For improvements yet to be construction, the Developer shall provide the City with an enforceable mechanism to guarantee completion of the Qualified Public Improvement, either in the form of a performance bond or other financial guarantee acceptable to the Administrator.*
- 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 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 have already been issued and that no further credits are available. (17.15.060 A.4.(2))*

No credits shall be given for project improvements or right-of-way dedications for direct access improvements to and/or within the development in question.

- (2) *The Administrator will respond to the Applicant's request in writing within 21 days of when the request is submitted. The Administrator shall provide a written explanation of the decision on the SDC Credit request. (17.15.060 A.1.b.)*

The Administrator will forward the "Request for Credit for Qualified Public Improvement" (Form TSDC-5) and accompanying information to the Civil Design Section, who will review the request, and complete Form TSDC-9 "Credit Authorization Memo" and return it to the Administrator.

After reviewing the request, the Administrator will provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, where applicable, the legal description of the site donated, and the legal description or other adequate description of the project or development to which the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating his/her agreement to the terms of the letter or certificate, and return such signed document to the Administrator before the SDC credit will be awarded. Failure of the applicant to sign, date, and return such document within 60 days shall nullify the claim.

### **CREDITS IN EXCESS OF SDC OBLIGATION**

If the value of land, improvements or other assets donated or contributed by an Applicant exceeds the amount of the SDC the Applicant owes, the Applicant can receive a SDC Credit Transfer Certificate that can be used for future developments, or transferred to other developers as a credit against their SDC obligations:

- (1) *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 excess may be transferred. SDC Credit Transfers shall be issued by the City for a particular dollar value to the Applicant and may be used by the Applicant or any other party to satisfy Transportation SDC requirement for any other New Development within the City. The Applicant may convey by any means and for any value an SDC Credit Transfer to any other party. (17.15.060 A.5.)*
- (2) *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. Neither the City nor any of its employees or officers shall be liable to any party for accepting a SDC Credit Transfer, approved and issued by the City under this Section, as payment for a Transportation SDC. (17.15.060 A.6.)*
- (3) *SDC Credit 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. (17.15.060 A.7.)*

The Credit Transfer expires 10 years after its original issuance date. The dates marked on the Certificate indicating partial use of the credit are merely a record of the partial consumption of the credit, and do not constitute a new issuance date, nor an extension of the 10-year limit on the Certificate and its underlying credit.

- (4) *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. (17.15.060 A.8.)*

Form TSDC-8 in the Appendix shows an SDC Credit Transfer Certificate. The Certificates are modified manually by the City, and returned to the bearer. The City will make a copy of each revision (i.e., draw down) of the certificate. The City's copy will be used to authenticate each certificate that is presented, thus minimizing opportunities for counterfeiting or other fraudulent transactions.

## **REIMBURSEMENTS**

In Section 4 ("Calculation of SDC Amount") it is noted that an Applicant who redevelops property and *reduces* trip generation is entitled to a reimbursement if the trip reduction is greater than 15% of the trips generated by the previous use. The following are the provisions of the SDC Ordinance pertaining to reimbursements:

- (1) *If an Applicant proposes New Development on property on which there is already a use which generates at least 15% more vehicle trips than the proposed use, then the Applicant shall be entitled to an SDC Reimbursement. The SDC 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 Reimbursement and to a particular amount of such a reimbursement. (17.15.060 B.1.)*
- (2) *To obtain an SDC Reimbursement, the Applicant must request the Reimbursement prior to the City's issuance of the first occupancy permit for the New Development and document the basis for the request with traffic reports prepared and certified to by a Professional Traffic Engineer. (17.15.060 B.2.)*
- (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. At or prior to the time of issuance of the Permit, 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. (17.15.060 B.3.)*
- (4) *If an Applicant disputes the Administrator's decision with regard to an SDC Reimbursement decision, including the amount of the Reimbursement, the Applicant may seek an Alternative SDC Reimbursement calculation under Section 17.15.070 in the same manner as for an Alternative SDC Rate request. Any request for an Alternative SDC Reimbursement calculation must be filed with the Administrator in writing within 10 calendar days of the written decision on the initial reimbursement request. (17.15.060 B.4.)*

## **APPEALING A DENIAL OF PROPOSED CREDIT**

*If an Applicant disputes the Administrator's decision with regard to an SDC Credit request, including the amount of the credit, the 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 credit request. (17.15.060 A.1.c.)*

This is one of several subsections of the ordinance with inconsistencies regarding appeals. This subsection (17.15.060 A.1.c.) requires the appeal to be filed in "10 calendar days" but subsection 17.15.070 C.1.) (cited below) allows appeals "no later



than the time the City issues the first occupancy permit for the New Development."

Pending review and clarification of these and other conflicts, Applicants should be given the benefit of the most "generous" interpretation, and they should be permitted to follow any procedure that is clearly authorized in the SDC Ordinance, even if it appears to conflict with another provision of the Ordinance.

*Pursuant to this section, an applicant may request an ... alternative SDC credit determination ..., but only under the following circumstances:*

- (1) *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. 17.15.070 A.2.)*
- (2) *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, no later than the time the City issues the first occupancy permit for the New Development. The City shall not entertain such a request filed after the City has issued the first occupancy permit for the New Development. 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 days of submittal as to whether the Applicant's request satisfies the requirements of this Section. (17.15.070 C.1.)*
- (3) *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. (17.15.070 C.2.)*
- (4) *The Administrator shall grant the Alternative SDC Credit if, in the Administrator's opinion, the following are found:*
  - 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 realistic, credible valuation or benefit analysis. (17.15.070 C.3.)*
- (5) *If, in the Administrator's opinion, any one or more of the above criteria is 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. (17.15.070 C.4.)*

Section 11 of this guide, Challenges and Appeals, contains additional information about procedures, fees and other particulars regarding appeals that apply to appeals of denials of requests for credits for Qualified Public Improvements.

## **PAYMENTS**

### **WHEN PAYMENT IS DUE**

The obligation to pay an SDC occurs in two steps: the SDC is “incurred” upon application for a building permit (17.15.040 A.1.), and the SDC is paid upon issuance of the permit. The SDC Ordinance and ORS 223 provide for deferral of payment. No building permit shall be issued unless and until the appropriate SDCs are paid, or a deferral agreement has been executed by the applicant.

Form TSDC-7a (TSDC Payment Timing and Method Form) requires the Applicant to indicate whether or not they will elect to defer payment of the SDC, and directs those who want to defer payment to prepare and submit TSDC-11 (Loan Contract) or a TSDC-12 (Deferral Contract). All three forms are in the Appendix to this guide.

### **FORM OF PAYMENT**

Form TSDC-1 (SDC Information Form) informs the Applicant of the methods of payment authorized by the Ordinance:

1. Check (or other negotiable instrument)
2. Credit Transfer Certificate, which uses an authorized credit for making a Qualified Public Improvement to pay for as much of the SDC as is available in the balance of the Credit Transfer Certificate. (For more information about credits, see Section 6, Credits and Reimbursements, and Forms TSDC-5, 8, 9, and 10 in the Appendix.)

Upon being presented with a Credit Transfer Certificate, the City will compare it to the City's last copy of the same Certificate in order to insure that there has not been any alteration or other fraudulent use of the certificate. The City will also examine the Certificate to determine whether it is authentic or counterfeit. If the Certificate is acceptable to the City, it will

be used as described below. If it is not acceptable, it will be retained by the City, and referred to the Office of the City Attorney for appropriate action.

If the balance on a Credit Transfer Certificate is equal to, or less than the SDC, the City will apply the entire balance to the SDC, record an ending "zero balance" on the Certificate, and require the Applicant to pay by check any portion of the SDC that was not offset by the credit balance. The City will note in its records that the SDC was paid (in part or entirely) by use of a Credit Transfer Certificate.

If the balance on a Credit Transfer Certificate is greater than the SDC, the City will record the details of the permit number and SDC amount, and new balance on the face of the Certificate, make a copy for City files, and return the Certificate to the bearer. The City will note in its records that the SDC was paid by use of a Credit Transfer Certificate.

3. For Port Development only, payment of a "fee in lieu" of the Transportation SDC. This requires negotiation of an agreement between the City and the Port Development.

### **DEFERRAL OF PAYMENT**

*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 Full SDC, the applicant may elect to pay the SDC in installments as provided in ORS chapter 223. 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 Installment Agreement entered into by the Applicant and the City on a form provided by the City, and which may provide that no payments are due for 180 days after issuance of building permits. In any event, the Applicant shall either pay the SDC in full or enter into an SDC Installment Agreement as provided in this section, before the City will issue any building permits. (17.15.080 A.)*

Form TSDC-7a (SDC Payment Timing and Method) requires the Applicant to indicate whether they elect to pay the SDC with the Building Permit, defer payment, or pay the SDC over a 5 or 10 year period. Applicants who elect to defer or pay by installments are sent a TSDC-12 (Deferral Contract) or a TSDC-11 (Loan Contract) and directed to return the completed form. All three forms are in the Appendix to this guide.

The Auditor's Office has agreed to provide the following services upon receipt of the Loan Contracts and Deferral Contracts.

1. File a pending lien against the real property pending the City Council assessment process
2. Process the agreements through the City Council assessment process
3. File a priority lien against the real property subject to an SDC installment agreement
4. Track the payment status of the agreements and the status of all property liens
5. Collect the payments when due
6. Release property liens upon receipt of full payment
7. Manage a delinquent accounts program to enforce the agreements
8. Provide monthly reports to BTE&D regarding the status of all SDC installment agreements

### **RATE INCREASES AND DEFERRED PAYMENTS**

The SDC Ordinance does not "lock in" rates for Applicant's who chose to defer payment of their SDC, nor does the Ordinance prohibit the City from charging increased rates to such Applicants.

Form TSDC-12 (Deferred Payment Election) cautions Applicants that they are liable for increases in rates that occur after they elect to defer payment, but before payment is actually made by the Applicant.

### **SPECIAL PAYMENT ALTERNATIVE FOR PORT DEVELOPMENT**

*"Port Development" means a master 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. Uses that are accessory to Port Development are those which send or receive cargo freight or are related to passenger movement or service. (17.15.020 Z.)*

*Port Development. At the applicant's option, Port Development may be subject to assessment under Subsection A. of this section, or under this Subsection. 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: (17.15.040 C.)*

- (1) *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 3 years nor 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, 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 (17.15.040 C.1.)*

- (2) A payment period shall be imposed by which the Applicant shall pay in full the amount due within 12 months of the Applicant's agreement to the methodology (17.15.040 C.2.)*
- (3) 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. or B. shall apply. (17.15.040 C.3.)*

## RECEIVING AND DEPOSITING SDC PAYMENTS

### RECEIPTS

- when paid to cashier at permit center
- when paid as deferred payment
- when "paid" via Credit Transfer Certificate

### SEPARATE ACCOUNTS

*There is created a dedicated account entitled the "SDC Account." All monies derived from the SDC shall be placed in the SDC Account. ... (17.15.100 A.)*

The Transportation SDC account name is Transportation SDC, and its account number is 441000. The fee code is 0367.

### DEPOSIT PROCEDURES

All SDCs collected by the City shall be properly identified as to the name of the development for which the SDC was paid, the name of the applicant who paid the SDC, the amount paid, and the date the SDC was paid.

System development charges shall be deposited promptly to the appropriate SDC account of the City.

### INVESTMENT OF SDC REVENUE PENDING EXPENDITURE

Money collected from a specific SDC and deposited to the appropriate SDC account shall be invested by the City Treasurer until needed for a designated capital improvement project. Interest earned is credited to the SDC account at the end of each accounting period. Interest earned within the SDC account shall remain in that account and be used for the same purposes as the SDCs in that account.





## EXPENDITURE OF SDC REVENUES

### PERMITTED USES

SDC revenue can be used for the capital cost of public facilities. The cost of public facilities that can be paid for by SDCs include land acquisition, construction, major equipment, and related costs including, but not limited to engineering, permitting, and administrative expenses. System development charges can be used to pay principal and interest on bonds, notes, leases or other debt for public facilities.

The public facilities that can be paid for by SDCs are "system improvements" (which are typically outside the development), as opposed to "project improvements" (which are typically provided by the developer on-site within the development).

System development charges must be expended on capital improvements projects which are contained in the adopted SDC-Capital Improvement Program, or they can be used to reimburse the City for the unused capacity of public facilities that were originally on the SDC-CIP, are now completed, and have reserve capacity to serve new development.

*...Funds in the SDC Account shall be used solely to provide the SDC-CIP listed capacity increasing improvements according to the SDC-CIP as it currently exists or as hereinafter amended, and eligible administrative costs. In this regard, SDC revenues may be used for purposes which include (17.15.100 A.):*

- (1) *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 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;
- (16) demolition that is part of the construction of any of the improvements on this list;
- (17) 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;
- (18) 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.

*\*\*"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.  
(17.15.020 EE)*

## **PROHIBITED USES**

System development charges cannot be used for operating or maintenance expenses.

*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 (17.15.010 F).*

System development charges cannot be used for public facilities of any type other than the type for which the SDCs were paid.

*Money on deposit in the SDC Accounts shall not be used for (17.15.100 B.):*

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.

### **EXPENDITURE PROCEDURES**

1. Approval Requirements Prior to Bid or Encumbrance
2. Direct Disbursements and Interfund Transfers
3. Project Accounting

### **EXPENDITURE DEADLINES**

*The City shall expend SDC revenues within ten (10) years of receipt, based on the priorities in the SDC-CIP list. (17.15.130)*

For the purpose of determining compliance with the requirement to expend or encumber SDCs within 10 years of receipt, all SDC payments are treated on the basis of the first SDC in (received) is considered the first SDC out (expended).

### **CHALLENGES TO EXPENDITURES**

*Any person 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 \$100. (17.15.110 A.)*

Section 11 of this guide, Challenges and Appeals, contains additional information about procedures, fees and other particulars regarding appeals that apply to challenges to expenditures.



## REFUNDS

### **ELIGIBILITY**

1. *If the SDC attributable to the proposed New Development is less than 85% of the SDC attributable to the total previous use(s), the Applicant shall be eligible for an SDC Reimbursement under Section 17.15.060 (17.15.040 A.3.c.).*
2. *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 at the time of submission of an Application for a Building Permit. The City shall refund to the Applicant any SDC revenues not expended within ten (10) years of receipt. (17.15.090)*
3. Refunds may also be granted if an Applicant cancels a building permit and constructs nothing (since no impact has been created on the City's transportation system).

The right to obtain refunds runs with the land for the development that paid SDCs. If a development has been completed and occupied, the right to obtain refunds passes from the developer to the owner of the development.

### **PROCEDURES FOR PROCESSING**

The applicant shall submit a completed TSDC-6 (Refund Request). Applications for refunds shall be reviewed promptly by the City. Refunds shall be paid promptly by the City.



## CHALLENGES AND APPEALS

Developers may challenge or appeal the following:

1. Denial of request for exemption from SDC.
2. Calculation of SDCs (mathematical error).
3. Rejection of alternate data and or analysis submitted by the developer.
4. Rejection or under-valuation of offer of donation or contribution for credit against SDC.
5. Improper expenditure of SDC revenue.
6. Denial of application for refund of SDCs.

The following are general provisions of the SDC Ordinance that apply to all challenges and appeals:

1. *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 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. (17.15.110 B.)*
2. *Any Applicant 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 (17.15.110 C).*
3. *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 pendency of the appeal, a financial guarantee or security for the charge in a form acceptable to the City Attorney. (17.15.110 D.)*

### **DENIAL OF EXEMPTION**

Additional specific provisions regarding appeals of denials of exemption are described in Section 3, Exemptions.

### **RATE CALCULATION**

The first "appeal" or "challenge" of a rate calculation is for the applicant to submit studies or data justifying an alternate rate. Section 5, Consideration of Applicant's Studies and Data, describes this process.

### **REJECTION OF APPLICANT'S STUDY OR DATA**

Additional specific provisions regarding appeals of rejection of an applicant's study or data are described in Section 5, Consideration of Applicant's Studies and Data.

### **CREDIT DETERMINATION**

Additional specific provisions regarding appeals of denials of exemption are described in Section 6, Credits and Reimbursements.

### **EXPENDITURE OF SDC REVENUE**

Additional specific provisions regarding challenges of expenditures are described in Section 9, Expenditures.

### **REFUND APPLICATION**

Additional specific provisions regarding appeals of denials of refunds are described in Section 10, Refunds.



## **RECORD KEEPING**

### **RECORDS OF RECEIPTS**

All SDCs received shall be listed in chronological order within each SDC account. Each receipt shall indicate the date received, the amount received, the name of the development for which the SDC was paid, the name of the applicant who paid the SDC.

### **RECORDS OF INVESTMENTS**

All investment transactions shall include the date and a description of the transaction.

### **RECORDS OF EXPENDITURES**

Records of disbursements shall include the date and specific capital improvement project for which the funds are expended (or transferred for expenditure), or the date and name of the person receiving a refund.

### **TIMELINESS OF RECORDS**

Records of receipts and disbursements of SDCs shall be updated on each business day during which a transaction occurred.

### **REPORTS**

The City shall prepare an annual report of receipts and expenditures of the SDC account. The annual report shall indicate the source and amount of all moneys collected, earned, or received (by land use type), and the capital improvements that were financed in whole or in part by SDCs (by mode and location).



## UPDATING SDC RATES

### REVISING THE RATE STUDY

The SDC Rate Study is the basis for calculating the SDCs due from new development. The SDC Rate Study, including the “SDC Capital Improvement Program” contained therein can be amended or replaced at any time by resolution of the City Council.

*The City hereby adopts the methodology report entitled Transportation System Development Charges Rate Study, (dated June 11, 1997), 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, and the rates for the SDC to finance these capital improvements. This report is hereinafter referred to as “City Rate Study” and is attached to Ordinance No. 171301 as Exhibit A. The City Council may from time to time amend or adopt a new City Rate Study by resolution. (17.15.010 G.)*

*The City may, by resolution, amend its SDC-CIP as set forth in the City Rate Study, from time to time to add projects the City deems appropriate. (17.15.150)*

- (a) No later than every two (2) years as measured from initial enactment, the City shall undertake a review to determine that sufficient money will be available to help fund the SDC-CIP identified capacity increasing facilities; to determine whether the adopted SDC rate keeps pace with inflation, whether the SDC-CIP should be modified, and to ensure that such facilities will not be overfunded by the SDC receipts. (17.15.120 A.)*
- (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-CIP improvements listed in City Rate Study or to ensure that such SDC-CIP improvements are not overfunded by the SDC, the City Council may propose and adopt appropriately adjusted SDCs. (17.15.120 B.)*
- (c) The City Council may from time to time amend or adopt a new City Rate Study by resolution. (17.15.120 C.)*

Each fiscal year, the City will revise and adopt an updated SDC Capital Improvement Program (SDC-CIP) which shall include specific capital improvements projects for public facilities on which SDCs are designated to be expended for the next 10 fiscal years. Each SDC-CIP shall designate all sources of funds that will be used to finance each capital project in order to demonstrate the financial feasibility of the 10-year plan, and to show the portion of capital project costs that are paid by SDCs.

The updated CIP shall (1) delete the capital improvements projects that were completed during the preceding fiscal year (unless such projects contain reserve capacity that can be included as a reimbursement SDC), (2) revise the details of projects that are under construction or planned for construction, and (3) add additional projects, as needed, to provide an updated 10-year CIP.

### **REVISING SDC RATES WITHOUT REVISING THE RATE STUDY**

The SDC Ordinance contains a provision to annually adjust SDC rates for inflation.

*Notwithstanding any other provision, the dollar amounts of the SDC set forth in The City Rate Study shall on July 1st of each year be increased or decreased automatically based upon the 10-year moving average percentage fluctuation of the Oregon Composite Construction Cost Index published by the Oregon Highway Division. Provided, however, in no event shall the annual change to the dollar amounts of the SDC exceed six percent (6%). (17.15.040 A.5.)*

### **DELETING PROJECTS THAT WILL NOT BE BUILT**

The SDC Ordinance acknowledges that some projects may not be built within 10 years, due to the exemptions, credits and reimbursements associated with City policies in support of Transit Oriented Development, low-income housing, etc. As result, it is appropriate to carry forward into each updated SDC-CIP any projects that were not completed since the previous preparation of the SDC-CIP.

*The Transportation SDC provided for in this Chapter is designed to finance the majority of the Transportation System facilities listed in Table 3-1 in the SDC-CIP as the primary means of ensuring that adequate capacity is maintained in the 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. (17.15.010 H.)*





## APPENDIX: FORMS AND EXHIBITS

Form Number	Title of Form
TSDC-1	Information Form
TSDC-1a	Development Size
TSDC-2	Transit Oriented Development Information
TSDC-3	Request for Alternate Trip Generation Rate and SDC Calculation
TSDC-4	Election by Institutional Development of Special Trip Generation Rate and SDC Calculation
TSDC-5	Request for Credit for Qualified Public Improvement
TSDC-6	Refund Request
TSDC-7	Notification of Transportation SDC
TSDC-7a	Payment Timing and Method
TSDC-8	Credit Transfer Certificate
TSDC-9	Credit Authorization Memo
TSDC-10	Credit Request Notice of Results
TSDC-11	Loan Contract
TSDC-12	Deferral Contract

Please visit <http://www.portlandtransportation.org/sdc> to view current forms.

Exhibit Number	Title of Exhibit
1.	SDC Calculation Spreadsheet
2.	SDC-CIP
3.	Appeal Process Flowchart
4.	GFA (Gross Floor Area) and GLA (Gross Leaseable Area) Definitions



# City of Portland, Oregon

## Transportation System Development Charge

### INFORMATION FORM

The Bureau of Transportation Engineering and Development needs the information on this form in order to complete our review of your application for a building permit. City Code Section 17.15.040(a)(2) requires submission of this information in conjunction with your application for a building permit. Without this form, we cannot determine how your development impacts the City's transportation system. Your application for a building permit will be processed promptly after you complete this information form, and any attachments indicated below that are appropriate to your proposed development.

#### APPLICANT & PROJECT IDENTIFICATION

Applicant Name: \_\_\_\_\_

Applicant Address (street number and name): \_\_\_\_\_

Applicant Address (city, state, zip code): \_\_\_\_\_

Applicant Phone (area code, number): \_\_\_\_\_ Fax: \_\_\_\_\_

Development Address (street number and name): \_\_\_\_\_

Development Parcel #: \_\_\_\_\_

Please check correct county:      Multnomah (Inside Portland)      Multnomah (Outside Portland)  
    Clackamas    Washington

Building Permit Number: \_\_\_\_\_

#### EXEMPTIONS / REDUCTIONS

The SDC Ordinance Section 17.15.050 places the burden of proof for exemptions on the applicant. You must submit documentation to "prove" any exemption you claim. Check all items that apply to the proposed development:

- Change of occupancy of an existing building less than 3,000 square feet (gross floor area)
- Alteration permit for tenant improvements that do not generate additional trips
- Residential construction that does not create additional dwelling unit(s)
- Accessory buildings or structures that do not create additional dwelling units or generate additional trips
- Low-income housing (attach "Waiver Letter" from Portland Development Commission)
- Temporary Use or Temporary Structure (use cannot exceed 180 days per calendar year).
- Transit Oriented Development (complete and attach Transit Oriented Development Information Form TSDC-2 to this application) (Reduces assessment)

#### SIZE OF DEVELOPMENT

Check one, then complete and attach "Development Size" Form TSDC-1a to this application:

- Site is vacant: Complete "Development Size" Form for Proposed Use(s) only
- Site currently has structures: Complete "Development Size" Form for Proposed Use(s) and Existing or Most Recent Use(s)

Indicate if Existing Use Has Paid a Transportation SDC:

- NO     YES – if yes, specify date paid \_\_\_\_\_ amount paid \$ \_\_\_\_\_  
 and building permit # on which it was paid \_\_\_\_\_

*Form TSDC-1 (page 1 of 2)*



**OPTIONAL ALTERNATE TRIP GENERATION RATE AND FEE CALCULATION**

If you want us to use trip generation rates other than those used in the City’s SDC Ordinance and Rate Study, you need to submit data certified by a professional traffic engineer. Use “Request for Alternate Trip Generation Rate and SDC Calculation” Form TSDC-3 to submit such data, and attach it to this application. Institutional development (i.e., educational and medical campuses) may elect to base SDC on annual changes in trip generation. Use “Election by Institutional Development of Special Trip Generation Rate and SDC Calculation” Form TSDC-4 to make this election.

**OPTIONAL CREDIT FOR PROVIDING QUALIFIED PUBLIC IMPROVEMENTS**

If you want to reduce the amount of your Transportation SDC, you may make improvements to specific transportation facilities in the City of Portland. Use “Request for Credit for Qualified Public Improvement” Form TSDC-5 to submit such data, and attach it to this application.

**PAYMENT TIMING AND METHOD**

After we review this information form, we will send you a “Notification of Transportation SDC.” At that time you will need to tell us *when* and *how* you will pay the SDC:

Options you may select for the *timing* of your payment:

- a. At the time the building permit is issued
- b. Deferred 180 days after the building permit is issued
- c. Multi-year installment payments after the building permit is issued (“Bancroft Installment Payment”)

Options “b” and “c” both place a lien on the property until the assessment is paid in full. Options “b” and “c” both require a non-refundable processing fee. If you select option “b” or “c”, we will send you an “Installment Payment Election” Form TSDC-6 for you to complete and return to us.

Options you may select for the *method* of you payment:

- a. Check (or other negotiable instrument)
- b. Credit Transfer Certificate (you must complete and attach “Request for Credit for Qualified Public Improvement” Form TSDC-5 to this application)
- c. Port Development Only: Payment of “Fee In Lieu” of Transportation SDC

If you have any questions, call Rich Eisenhauer at 823-7080.

**SIGNATURE AND DATE**

I certify that the information presented above is current and accurate to the best of my knowledge:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name



City of Portland, Oregon  
Transportation System Development Charge

**DEVELOPMENT SIZE**

Building Permit #:

Please describe the scope of the project. If applicable, include detail on the existing use(s) of the structure. If a building has been demolished, provide the demolition permit number. (Attach additional sheets as needed.)

**Column 3** – Enter the size (number of units) of your proposed development.

**Column 4** – If the project site has existing buildings or structures, enter the size (number of units) of the existing or most recent use in.

(1) <u>Land Use Type</u>	(2) <u>Unit of Measure</u>	(3) <u>Units In Proposed Development</u>	(4) <u>Units In Existing or Most Recent Use</u>
<b>Residential</b>			
Single Family (1 to 3 Units/Building)	dwelling		
Multiple Family (4 or more Units/Building)	dwelling		
Retirement Community	dwelling		
Rowhouse	dwelling		
<b>Commercial - Services</b>			
Drive-in Bank	sq ft/GFA		
Walk-in Bank	sq ft/GFA		
Day Care	Student		
Library	sq ft/GFA		
Post Office	sq ft/GFA		
Hotel/Motel	room		
Service Station	Vehicle Fueling Position (VFP)		
Service Station/Minimart	VFP		
Service Station/Minimart/Car Wash	VFP		
Movie Theater	screen		
Carwash	site		
Health Club/Racquet Club	sq ft/GFA		
Marina	berth		

*(More Land Use Categories on Next Page)*

(1) <u>Land Use Type</u>	(2) <u>Unit of Measure</u>	(3) <u>Units In Proposed Development</u>	(4) <u>Units In Existing or Most Recent Use</u>
<b>Commercial - Institutional</b>			
Elementary School	student		
High School	student		
University/College	student		
Church	sq ft/GFA		
Hospital	sq ft/GFA		
Nursing Home	bed		
Congregate Care/Asst Living	dwelling		
<b>Commercial - Restaurant</b>			
Restaurant	sq ft/GFA		
Fast Food Restaurant	sq ft/GFA		
<b>Commercial - Retail</b>			
Retail Shopping Center			
up to 9,999 sq ft	sq ft/GLA		
10,000-49,999 sq ft	sq ft/GLA		
50,000-99,999 sq ft	sq ft/GLA		
100,000-199,999 sq ft	sq ft/GLA		
200,000-299,999 sq ft	sq ft/GLA		
300,000-399,999 sq ft	sq ft/GLA		
over 400,000 sq ft	sq ft/GLA		
Supermarket	sq ft/GFA		
Convenience Market	sq ft/GFA		
Convenience Market with Gas	sq ft/GFA		
Discount/Department Store	sq ft/GFA		
Miscellaneous Retail	sq ft/GFA		
Furniture Store	sq ft/GFA		
Car Sales - New/Used	sq ft/GFA		
<b>Commercial - Office</b>			
Administrative Office			
up to 9,999 sq ft	sq ft/GFA		
10,000-49,999 sq ft	sq ft/GFA		
50,000-99,999 sq ft	sq ft/GFA		
100,000-199,999 sq ft	sq ft/GFA		
200,000-299,999 sq ft	sq ft/GFA		
over 300,000 sq ft	sq ft/GFA		
Medical Office/Clinic	sq ft/GFA		
<b>Industrial</b>			
Light Industry/Manufacturing	sq ft/GFA		
Industrial Park	sq ft/GFA		
Warehousing/Storage	sq ft/GFA		
Truck Terminal	acre		



City of Portland, Oregon  
Transportation System Development Charge

**TRANSIT ORIENTED DEVELOPMENT**

Applicant Name: \_\_\_\_\_

Development Address (parcel # or tax lot #): \_\_\_\_\_

Building Permit #: \_\_\_\_\_

**ELIGIBILITY TO BE DESIGNATED “TRANSIT ORIENTED DEVELOPMENT”**

Check one item below that describes your proposed development:

1. My development is located within the following subdistricts of the Central City Plan District as shown on Map 510-8 of PCC Chapter 33.510: DT1 through DT 6-2; UD 1-1 and UD 1-2; RD 3,4,5-1 and 5-2; GH1; CE 2 and 3; and LD 1-4. (See map on reverse: shaded areas are the subdistricts listed above).
2. My development is located in another subdistrict of the Central City Plan District (unshaded area of the map) and it (check one):
- Includes at least 40 units of housing per net acre  
*OR*
- Achieves a floor area ratio of 2 to 1
3. My development is located outside the Central City Plan District, but it (check 3-A or 3-B, and then check 3-C, 3-D, 3-E, 3-F, or 3-G):
- (3-A) Is within 500 feet of a street with fixed-route transit service  
*OR*
- (3-B) Is within 1,000 feet of a light rail station  
*AND*
- (3-C) It includes at least 30 units of housing per net acre  
*OR*
- (3-D) Achieves a floor area ratio of 1 to 1  
*OR*
- (3-E) 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  
*OR*
- (3-F) Includes at least 40 units of housing per net acre  
*OR*
- (3-G) Achieves a floor area ratio of 2 to 1

For purposes of this definition, “site” shall include the building footprint and all associated land required for parking, landscaping and the like.

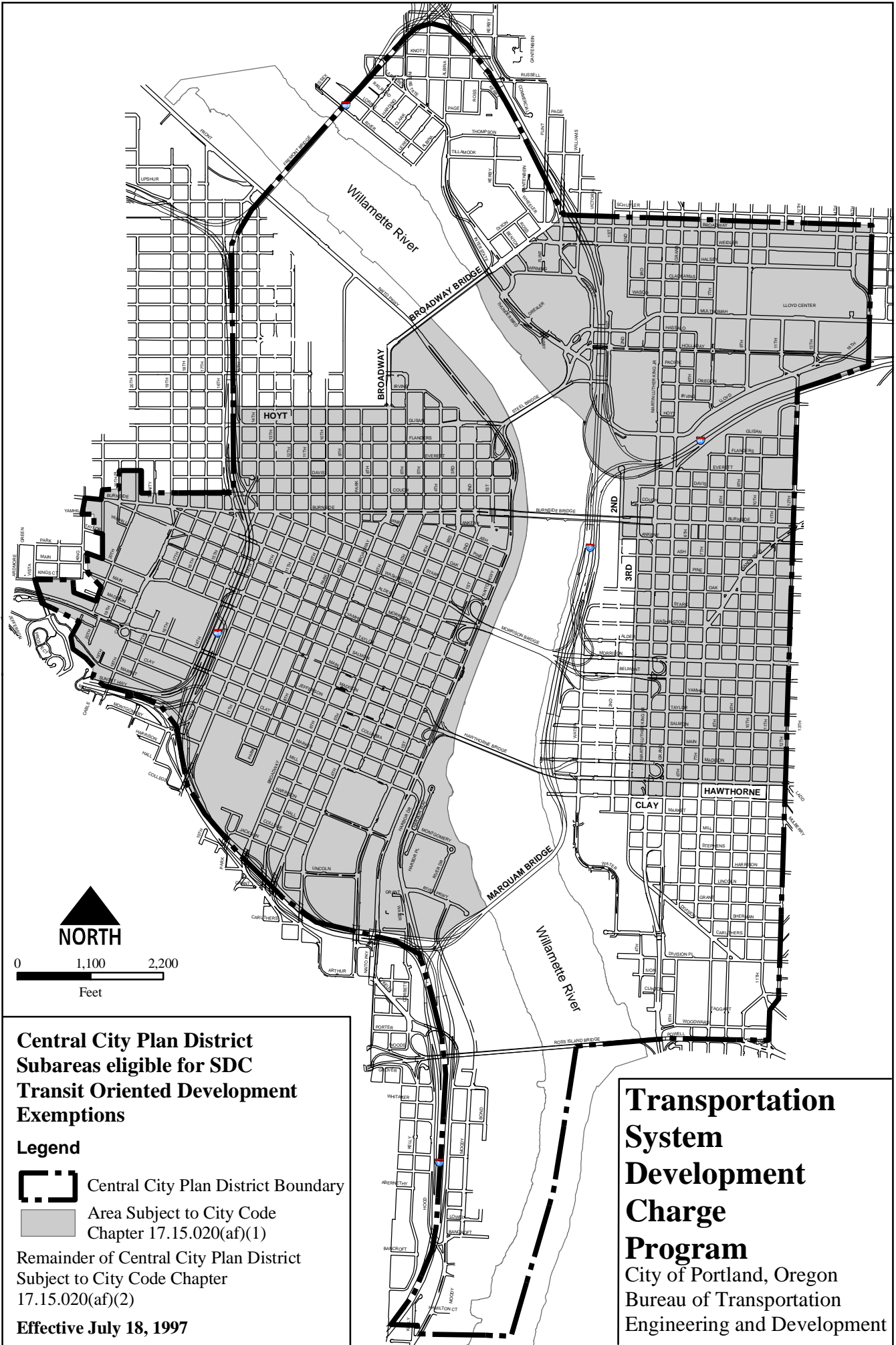
**SIGNATURE AND DATE**

I certify that the information presented above is current and accurate to the best of my knowledge:

\_\_\_\_\_  
Signature



\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name



**Central City Plan District  
Subareas eligible for SDC  
Transit Oriented Development  
Exemptions**

**Legend**

-  Central City Plan District Boundary
-  Area Subject to City Code Chapter 17.15.020(af)(1)

Remainder of Central City Plan District  
Subject to City Code Chapter  
17.15.020(af)(2)

**Effective July 18, 1997**

**Transportation  
System  
Development  
Charge  
Program**

City of Portland, Oregon  
Bureau of Transportation  
Engineering and Development



**City of Portland, Oregon  
Transportation System Development Charge**

**REQUEST FOR ALTERNATE TRIP GENERATION RATE  
AND SDC CALCULATION**

Applicant Name: \_\_\_\_\_

Development Address (parcel # or tax lot #): \_\_\_\_\_

Building Permit #: \_\_\_\_\_

I believe that my proposed development will generate fewer trips than would be forecast using the City's SDC Rate Study, and therefore my SDC should be lower than that which would be calculated by the City.

I acknowledge the following requirements of Section 17.15.070(b)(2) of the SDC Ordinance that pertain to this request for an Alternate SDC Calculation.

- A. I must provide complete and detailed documentation, including verifiable trip generation data, analyzed and certified to by a Professional Traffic Engineer.
- B. The 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.
- C. The proposed Alternative SDC Rate calculation shall include an explanation by a registered engineer explaining with particularity why the rate established in The City Rate Study does not accurately reflect the New Development's impact on the City's capital improvements.

Attached to this form is the documentation in support of this request. It was prepared by:

Name of firm: \_\_\_\_\_

Name of engineer: \_\_\_\_\_

Registration or license number: \_\_\_\_\_

State of registration or license: \_\_\_\_\_

**SUMMARY OF IMPACTS**

Types of Impacts:	Employees	Deliveries	Customers
Estimated Number Per Weekday =	_____	_____	_____

**SIGNATURE AND DATE**

Pursuant to Section (17.15.070(b)(1) of the SDC Ordinance, I hereby request an alternative SDC rate calculation. This request is made no later than the time the City issues the first occupancy permit for the proposed development. I certify that the information presented above is current and accurate to the best of my knowledge:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name



**City of Portland, Oregon**  
**Transportation System Development Charge**

**ELECTION BY INSTITUTIONAL DEVELOPMENT OF SPECIAL  
 TRIP GENERATION RATE AND SDC CALCULATION**

Applicant Name: \_\_\_\_\_

Development Address (parcel # or tax lot #): \_\_\_\_\_

Building Permit #: \_\_\_\_\_

**TYPE OF "INSTITUTIONAL DEVELOPMENT"**

Check one:

- Medical Institution
- Educational Institution (high school and above)
- Other. If you have checked this option, you are not eligible for "Institutional Development" trip generation and SDC calculations: do not complete or submit this form.

**SIZE OF SITE**

Check one:

- Five acres or more. Specify total acreage of site: \_\_\_\_\_
- Less than 5 acres. If you have checked this option, you are not eligible for "Institutional Development" trip generation and SDC calculations: do not complete or submit this form.

**SIGNATURE AND DATE**

Pursuant to Section (17.15.040(b) of the SDC Ordinance, we hereby elect to determine our Transportation SDC on the basis of annual changes in the total number of trips generated by the entire site. We understand and accept the requirements of Section 17.15.040(b) of the SDC Ordinance that pertain to this request for an Institutional Development SDC Calculation.

\_\_\_\_\_  
 Name of Institution

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Signature (Officer or Director)

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Printed Name



**City of Portland, Oregon  
Transportation System Development Charge**

**REQUEST FOR CREDIT FOR QUALIFIED PUBLIC IMPROVEMENT**

Applicant Name: \_\_\_\_\_

Development Address (parcel # or tax lot #): \_\_\_\_\_

Building Permit #: \_\_\_\_\_

Name of Transportation Facility You Improved or Plan to Improve: \_\_\_\_\_

**APPROVED LISTS OF “QUALIFIED PUBLIC IMPROVEMENTS”**

Check one of the following to indicate which list of “Qualified Public Improvements” includes the transportation facility that you improved:

- The Transportation Facility listed above is on the SDC-CIP list.
- The Transportation Facility listed above is on the two year funded list of the City of Portland’s Capital Improvement Program, and is classified a collector level street, or above.
- The Transportation Facility listed above is not on either of the 2 lists named above, but it is required as a condition of the development approval and it is built with “over-capacity” (as defined in the SDC Ordinance), and is classified a collector level street, or above.
- Other. If you checked this option, you are not eligible for a credit for Qualified Public Improvements: do not complete or submit this form.

**STATUS OF IMPROVEMENT**

Check one of the following to indicate the status of your improvement project:

- The improvement was completed on: \_\_\_\_\_ (date)  
(Completed improvements must be inspected by the City. Attach a copy of the final inspection approval issued by the City of Portland).
- The improvement is proposed to be completed by: \_\_\_\_\_ (date)  
(Future improvements must be guaranteed by the applicant. Attach a copy of the performance guarantee).

In the event that the actual cost of your improvement is greater than your estimate, you will receive an additional credit for the extra cost to the extent such costs are approved by the City. In the event that the actual cost of your improvement is less than your estimate, you will be responsible for paying the difference. If you have an outstanding Credit Transfer Certificate, its balance will be reduced by such difference. If you do not have an outstanding credit balance, you must pay the difference in cash. Your performance guarantee to the City will not be released until this obligation has been paid.

The total cost of my Qualified Public Improvement: \$\_\_\_\_\_. (You must attach copies of invoices, construction contracts, bids, or other cost data in order to enable us to verify your costs.)

**SIGNATURE AND DATE**

I certify that the information presented above is current and accurate to the best of my knowledge. I believe that the improvements performed by, or on behalf of, my proposed development meet all the applicable requirements in Portland’s SDC Ordinance that pertain to credits for Qualified Public Improvements.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name





**City of Portland, Oregon**  
**Transportation System Development Charge**

**REFUND REQUEST**

**APPLICANT & PROJECT IDENTIFICATION**

Applicant Name: \_\_\_\_\_

Applicant Address (street number and name): \_\_\_\_\_

Applicant Address (city, state, zip code): \_\_\_\_\_

Applicant Phone (area code, number): \_\_\_\_\_ Fax: \_\_\_\_\_

Applicant Tax ID number or Social Security number: \_\_\_\_\_  
 (needed to process refund check)

Development Address: (street number and name): \_\_\_\_\_

Development Address: (city, state, zip code): \_\_\_\_\_

Building Permit Number: \_\_\_\_\_

**REFUND**

Amount of requested refund: \$ \_\_\_\_\_

I am requesting a refund for the following reason:

- Mathematical error in calculating the SDC
- Building was not built and permit was cancelled (attach documentation from the Building Bureau)

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Printed Name

**FOR CITY USE ONLY**

Refund denied for the following reason: \_\_\_\_\_

Refund approved

Refund amount \$ \_\_\_\_\_

Interest calculation \$ \_\_\_\_\_

Total refund issued \$ \_\_\_\_\_

**APPROVALS:**

\_\_\_\_\_  
 SDC Technician

\_\_\_\_\_  
 SDC Administrator

TSDC-6



**City of Portland, Oregon**  
**Transportation System Development Charge**

**NOTIFICATION OF TRANSPORTATION SDC**

TO: Applicant Name: \_\_\_\_\_  
 Street # & Name: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_

RE: Results of Review of Transportation SDC for Building Permit Number \_\_\_\_\_

We have reviewed your Transportation SDC Information Form with the result indicated below:

- Your development is exempt from the Transportation SDC. The City's Permit Center has been advised, and your building permit—when approved—will be issued without any Transportation SDC.
- Your development is subject to payment of a Transportation SDC in the amount of \$\_\_\_\_\_. This total amount of the Transportation SDC includes any reductions your development qualified for as a result of any of the following factors:
  - Transit Oriented Development
  - Alternate Trip Generation Rate and Alternate Fee Calculation
  - Credit for Providing Qualified Public Improvement
  - Institutional Development Trip Generation Methodology

### APPEALS

You may appeal our decision. SDC Ordinance sections 17.15.060, 17.15.070 and 17.15.110 describe your rights of appeal, and the procedures, deadlines, and additional information that you must file in an appeal.

### ELECTION OF PAYMENT TIMING AND METHOD

You need to choose the timing and method of your payment of the Transportation SDC. Please complete the enclosed SDC Payment Timing and Method form TSDC-7a, and fax it to us at 823-7371. Your building permit cannot be issued until we receive the SDC Payment Timing and Method form.

Sincerely,

\_\_\_\_\_  
 SDC System Administrator, City of Portland

\_\_\_\_\_  
 Phone

\_\_\_\_\_  
 Date



City of Portland, Oregon  
Transportation System Development Charge

**SDC PAYMENT TIMING AND METHOD**

TO:

\_\_\_\_\_  
Bureau of Transportation Engineering and Development  
P.O. Box 8120  
Portland, OR 97207-8120

FAX:

(503) 823-4591

FROM:

Applicant Name: \_\_\_\_\_

Street # and Name: \_\_\_\_\_

City / State / Zip: \_\_\_\_\_

Building Permit Number: \_\_\_\_\_

The default payment option is payment at the time the building permit is issued. If this is the option you select, do not return this form. If you select Option A or B, complete this form and return to the address or fax shown above.

**PAYMENT TIMING**

Select One:

- A.** Monthly installments over 5 or 10 years. This payment option is known as the "Bancroft Installment Payment" available under ORS Chapter 223. The City finances this installment loan by selling improvement bonds at favorable interest rates. Prior to the bond sale, the City charges an interim interest rate which reflects bond market conditions. After the bond sale, the installment interest is fixed at a permanent rate equal to the true interest cost of the bonds plus a financing rate set by City Council. The City calculates separate interest rates for each of the 5 and 10 year loan terms. Each bill includes a billing fee which may be adjusted at any time without notice.
- B.** No payments for 180 days after issuance of the building permit. The SDC is due and payable in full on the 181<sup>st</sup> day. Interest shall accrue at the rate of 12% per annum. This interest shall be forgiven provided that full payment is made no later than the 181<sup>st</sup> day after issuance of the building permit.

If you selected one of these options, we will send you an Installment Agreement for you to sign and return to us.

**NOTICE**

If you elect to defer payment or make monthly installments over 5 or 10 years, the SDC Ordinance and Oregon Revised Statutes require that a lien will be placed on the proposed development property. That lien will be given first priority as provided by statute.

*Continued on next page*

**SIGNATURE AND DATE**

I agree to pay my Transportation SDC at the time indicated above. I understand and accept the terms and conditions of deferred payment as they are described above, and in the SDC Ordinance Section 17.15.080 and Oregon Revised Statutes Chapter 223. I agree to enter into a binding SDC Installment Agreement as a condition of this election to defer payment. If I fail to enter into the Installment Agreement, the full Transportation SDC is due and payable along with all other fees that are paid at the time the building permit is issued by the City.

Sincerely,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name





City of Portland, Oregon  
Transportation System Development Charge

**CREDIT AUTHORIZATION MEMO**

TO: SDC System Administrator

FROM: Arterial Engineering

DATE: \_\_\_\_\_

RE: SDC Credit Application

Name of Applicant: \_\_\_\_\_

Development Address (parcel # or tax lot #): \_\_\_\_\_

Building Permit #: \_\_\_\_\_

I have reviewed the Request for Credit for Qualified Public Improvement of the above named applicant who has requested this credit for the following improvements:

Name of Facility with Location

Type of Improvement

The following (or attached) table summarizes the specific improvements made by, or on behalf of, the Applicant, the Applicant's cost, and the amount of credit approved by our office:

Item or Component of Project	Applicant's Cost	Credit Approved
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**SIGNATURE AND DATE**

\_\_\_\_\_  
Signature (PDOT Engineer)

\_\_\_\_\_  
Date



**City of Portland, Oregon**  
**Transportation System Development Charge**

**CREDIT REQUEST NOTICE OF RESULTS**

TO: Applicant Name: \_\_\_\_\_  
 Street # & Name: \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_

RE: Results of Request for SDC Credit for Qualified Public Improvements

We have reviewed your Request for Credit for Qualified Public Improvement with the result indicated below:

- A credit has been approved. Enclosed is the Transportation SDC Credit Transfer Certificate showing the total amount of the credit.

In order to use your credit, simply present the certificate to Transportation Engineering and Development at the time all other fees are paid for issuance of a building permit.

The credit certificate is transferable to anyone you designate. It is a "bearer" certificate which will be accepted by the City from anyone who presents it. It is a valuable document which should be safeguarded. It's value to the City is equal to the amount of the remaining balance.

If you have any questions about the amount, or how to use and/or transfer the credits, please call me at the phone number listed below. If you wish to appeal the amount of the credit, see the section below that describes appeals.

- Your request for a credit has not been approved. If you wish to appeal this rejection, see the section below that describes appeals.

**APPEALS**

You may appeal our decision. SDC Ordinance sections 17.15.060(a)(4), 17.15.070(c)(1-5), and 17.15.110 describe your rights of appeal, and the procedures, deadlines, and additional information that you must file in a request for an "Alternative SDC Credit Calculation" (that is the formal name of your appeal).

Sincerely,

\_\_\_\_\_  
 SDC System Administrator, City of Portland

\_\_\_\_\_  
 Phone

\_\_\_\_\_  
 Date

Form TSDC-10



**City of Portland, Oregon  
Transportation System Development Charge**

**LOAN CONTRACT**

The undersigned agree to pay in installments the assessment, plus interest set by the City Council and any penalties, billing fees and collection charges as set forth in the Terms and Conditions of this contract. Further, the undersigned understands that the amount owing shall be a lien against the benefited property and the lien shall be recorded in the Docket of City Liens.

Property Address: \_\_\_\_\_ Legal: \_\_\_\_\_

Property Owner: \_\_\_\_\_ Legal Description: \_\_\_\_\_

Billing Address: \_\_\_\_\_ Building Permit Number: \_\_\_\_\_

Total Charges \_\_\_\_\_

Finance Fee \_\_\_\_\_

Total\* \_\_\_\_\_

\*Stated rates in effect through \_\_\_\_\_

I elect to pay in installments based on the following payment schedule:

- 1. Monthly installments over 5 years
- 2. Monthly installments over 10 years

This contract is submitted in accordance with provisions of ORS 223.205-314, the Charter of the City of Portland, and Chapter 17.14 of the Portland City Code. In consideration and pursuant to these legal provisions, I hereby expressly waive all irregularities and defects, jurisdictional or otherwise, in the proceedings to assess this system development charge on the property described herein. Further, I understand that I have a right to contest the amount, and means of calculating the amount, as provided by the bureau that administers this specific system development charge program; however, by signing this agreement, I waive those rights as provided by Section 17.14.030 of the Portland City Code. I have read and agree to abide by the provisions printed on the reverse side of this contract.

**PLEASE NOTE: ALL RECORDED OWNERS MUST SIGN. IF CONTRACT PURCHASER, PLEASE ATTACH CONTRACT OF SALE.**

Signed: \_\_\_\_\_ Signed: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Billing Address: \_\_\_\_\_



**INSTALLMENT PAYMENT CONTRACT OPTIONS, TERMS, AND PROVISIONS****PAYMENT OPTIONS AND SCHEDULES**

The Transportation System Development Charge Program offers two loan payment options: monthly installments over 5 years or monthly installments over 10 years. The City uses the following calculations when preparing installment bills.

The set monthly installments include increasing principal and decreasing interest amounts, plus a billing fee. Interest is charged through the bill due date. Installment billings begin 30 to 60 days after the loan contract is received by the City.

**SPECIAL CERTIFICATION FOR 5-YEAR LOANS**

The 5-year loan term option may be selected on a voluntary basis. In so doing, you consent to repay this contract in less than the 10-year minimum term required to be offered by State law. You acknowledge that this contract accurately describes the assessed property and the charges for which the assessment is made. Also, you acknowledge that the loan amount described in this contract is a lien which is recorded in the Docket of City liens.

**FINANCE FEE**

The City adds a non-refundable finance fee to the assessment to pay for processing your loan and selling bonds.

**INTEREST RATES AND BILLING FEES**

The City finances this installment loan by selling improvement bonds at favorable interest rates. Prior to the bond sale, the City charges an interim interest rate which reflects bond market conditions. After the bond sale, the installment interest is fixed at a permanent rate equal to the true interest cost of the bonds plus a financing rate set by City Council. The City calculates separate interest rates for each of the 5 and 10 year loan terms. Each bill includes a billing fee which may be adjusted at any time without notice.

**BILLING AND PAYMENT**

The City bills you directly for your loan installments. Your installments are not made a part of your property tax bill. Make your payments on or before the payment due date. Include your account number on your check and make the check payable to the City of Portland. You may shorten the payment period by paying more than the required amount. The entire unpaid balance plus accrued interest may be paid off at any time without prepayment penalty.

**PENALTIES FOR NON-PAYMENT**

The City charges late interest monthly on the past due principal balance, based on the loan interest rate. When payment is more than 30 days past due, penalties and collection charges will be added as provided by City Code. Beyond 60 days past due, the City may declare this contract in default and require a new loan contract subject to new interest rates and charges. The City may also require payment of the entire amount of delinquent installments, plus late interest, penalties, and collection charges. This loan is secured by a lien on the benefited property. The City lien may be assumed when the property is transferred, however, the City cannot subordinate the lien. Banks or financial institutions generally require full payment of this loan before closing a private mortgage or refinancing transaction. The City may enforce its property lien by foreclosing and selling the property to collect the outstanding loan balance and all related costs.

**BOND RESERVE FEE**

In addition, the City may charge a bond reserve fee if required to sell assessment bonds. Proceeds from the bond reserve fee will be dedicated to a reserve account and used as security for the assessment bonds.

**CHANGE OF ADDRESS**

You are responsible for notifying the City Auditor's Office, Assessments and Liens Division, of any change of ownership or billing address.



City of Portland, Oregon  
Transportation System Development Charge

**DEFERRAL CONTRACT**

The undersigned agree to pay in one installment the assessment plus any accrued interest, penalties, billing fees and collection charges as set forth in the Terms and Conditions of this contract. Further, the undersigned understands that the amount owing shall be a lien against the benefited property and the lien shall be recorded in the Docket of City Liens.

Property Address: \_\_\_\_\_ Legal: \_\_\_\_\_

Property Owner: \_\_\_\_\_ Legal Description: \_\_\_\_\_

Billing Address: \_\_\_\_\_ Building Permit Number: \_\_\_\_\_

Total Charges Deferred \_\_\_\_\_

Stated rate in effect through \_\_\_\_\_

I hereby elect to defer the payment of the Transportation System Development Charges that are due on my proposed development. I understand this deferral is for 180 days after issuance of the building permit and that the SDC is due and payable on the 181st day. I also understand that interest shall accrue at the rate of 12% per annum and that this interest shall be forgiven provided that full payment is made no later than the 181st day after issuance of the building permit.

This contract is submitted in accordance with provisions of ORS 223.205-314, the Charter of the City of Portland, and Chapter 17.14 of the Portland City Code. In consideration and pursuant to these legal provisions, I hereby expressly waive all irregularities and defects, jurisdictional or otherwise, in the proceedings to assess this system development charge on the property described herein. Further, I understand that I have a right to contest the amount, and means of calculating the amount, as provided by the bureau that administers this specific system development charge program; however, by signing this agreement, I waive those rights as provided by Section 17.14.030 of the Portland City Code. I have read and agree to abide by the provisions printed on the reverse side of this contract.

**PLEASE NOTE:** ALL RECORDED OWNERS MUST SIGN. IF CONTRACT PURCHASER, PLEASE ATTACH CONTRACT OF SALE.

Signed: \_\_\_\_\_ Signed: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

Social Security No.: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Billing Address: \_\_\_\_\_

## DEFERRAL PAYMENT CONTRACT TERMS AND PROVISIONS

### PAYMENT OPTION

The Transportation System Development Charge Program offers a 180 day deferred payment option. This is a zero interest loan provided it is paid in full by the end of the deferral period. The City will send an assessment notice 30 to 60 days after the building permit is issued. You are responsible for making sure full payment is received by the City Auditor's Office no later than the 181st day after issuance of the building permit. Include your account number on your check, make the check payable to the City of Portland, and mail to:

CITY AUDITOR  
ASSESSMENTS & LIENS DIVISION  
1220 SW 5TH AVE, ROOM 202  
PORTLAND OR 97204-1987

### SPECIAL CERTIFICATION FOR DEFERRED PAYMENT OPTION

The deferred payment option may be selected on a voluntary basis. In so doing, you consent to pay the charges in full no later than the 181st day after issuance of the building permit. You acknowledge that this contract accurately describes the assessed property and the charges for which the assessment is made. Also, you acknowledge that the loan amount described in this contract is a lien which is recorded in the Docket of City Liens.

### PROCESSING FEE

The City charges a non-refundable \$50.00 fee for processing your loan. This fee must be paid at the time this contract is submitted.

### INTEREST RATES AND BILLING FEES

Interest shall accrue at the rate of 12% per annum. This interest shall be forgiven provided that full payment is made no later than the 181st day after issuance of the building permit.

### BILLING FOR NON-PAYMENT

The City charges all accrued interest on deferrals not paid by the 181st day after issuance of the building permit. When payment is more than 30 days past due, penalties and collections charges will be added as provided by City Code. The City bills you directly; these charges are not made a part of your property tax bill. Beyond 60 days past due, the City may declare this contract in default. This deferral contract is secured by a lien on the benefited property. The City lien may be assumed when the property is transferred, however the City cannot subordinate the lien. Banks or financial institutions generally require full payment of this loan before closing a private mortgage or refinancing transaction. The City may enforce its property lien by foreclosing and selling the property to collect the outstanding balance and all related costs.

### CHANGE OF ADDRESS

You are responsible for notifying the City Auditor's Office, Assessments and Liens Division, of any change of ownership or billing address.

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

TSDC-12



**Capital Improvement Program for System Development Charges**

Project #	Location	Project/Street Name	From	To	Project Description	TOTAL COST	Motorized Cost	Transit Cost	Non-Motorized Cost
1	NW	S/N Light Rail Improvements	SW Harrison	Yamhill	Curb to Curb Improvements along 5th/6th Ave Transit Mall (no crossings)	\$5,000,000	\$0	\$5,000,000	\$0
2	NW	Central City Street Car	NW 23rd	SW Market	Street Car project (cost includes roadway and utilities only)	\$3,042,625	\$0	\$3,042,625	\$0
3	NW	Citywide ITS	-	-	Transit ITS Initiatives	\$1,000,000	\$0	\$1,000,000	\$0
4	SE	Hawthorne Fastlink	Grand	Powell	Fastlink	\$1,674,300	\$0	\$1,674,300	\$0
5	SE	SE Foster Fastlink	Powell	82nd	Fast Link	\$1,964,095	\$0	\$1,964,095	\$0
6	SE	Division Fastlink	CBD	122nd	Fastlink	\$4,378,903	\$0	\$4,378,903	\$0
7	SW	North Macadam St	-	-	Add capacity to all modes in the North Macadam area	\$8,210,850	\$2,189,991	\$2,903,012	\$3,117,847
8	N.	Lower Albina Rail Overcrossing	N. Interstate Ave	N Russell St	Build to 2 lanes	\$3,186,140	\$3,032,980	\$0	\$153,160
9	SE	SE Water Ave extension	SE Division	OMSI	Build to 2 lanes	\$3,005,690	\$1,687,919	\$88,838	\$1,228,933
10	SE	SE Tacoma St	SE 28th Ave	SE 32nd Ave	Complete design and construction	\$640,730	\$297,462	\$15,656	\$327,612
11	SE	SE Foster Rd Intersections	-	-	SE Foster Rd Intersections Improvements at Barbara Welch, 162nd Ave, and Jenne Rd	\$7,003,605	\$4,528,690	\$0	\$2,474,915
12	NE	Gateway Regional Center	-	-	Initial Investment for the regional center	\$3,149,982	\$926,860	\$926,860	\$1,296,263
13	NE	NE Marine Dr/122nd Ave	-	-	Widen roadway, new signal, provide left-turn lane	\$1,683,116	\$1,299,634	\$0	\$383,482
14	NE	East End Columbia-Lombard Connector (NE 82nd Ave)	NE Webster St	NE Holman St	Traffic signals, street lights, bike lanes, sidewalks, & retaining walls	\$16,850,000	\$11,148,022	\$1,967,298	\$3,734,680
15	NE	NE 57th/Cully Boulevard	Prescott	Killingsworth	Main Streets	\$1,653,038	\$711,136	\$177,784	\$764,117
16	NE	NE 47th	Columbia Blvd	Corrfoot Rd	Upgrade to 3 lanes with curb, gutter & sidewalks; Upgrade turn radii & signal at the NE 47th/Columbia Intersection	\$2,847,586	\$1,653,893	\$183,766	\$1,009,928
17	N.	N Lombard St Rail Overcrossing	N Columbia Blvd/ Burgard Rd	N Rivergate Blvd	Rail Overcrossing	\$12,406,816	\$8,562,004	\$951,334	\$2,893,478
18	N	N. Going St Rail Crossing	N Greeley Ave	N Baslin Ave	Widening railroad overcrossing structure, seismic retrofit, intersection improvements, and sidewalks	\$2,588,100	\$2,383,036	\$24,071	\$180,993

Capital Improvement Program for System Development Charges

Project #	Location	Project/Street Name	From	To	Project Description	TOTAL COST	Motorized Cost	Transit Cost	Non-Motorized Cost
19	SW	SW Palatine St	SW 27th Ave	SW Lancaster Rd	Roadway Improvements	\$672,228	\$421,211	\$32,387	\$218,630
20	N	Columbia/MLK Intersection Improvement	-	-	Add westbound right turn lane	\$681,100	\$553,563	\$0	\$127,537
21	SW	SW Multnomah Blvd/Garden Home Intersection	-	-	Intersection Improvements	\$908,215	\$425,624	\$106,406	\$376,185
22	NE	I-405/N. Kerby St Improvements	-	-	Pull on/off ramps south in order to connect to a new roundabout at Kerby	\$1,624,652	\$1,336,505	\$0	\$288,147
23	SE	SE Foster / Woodstock Improvements	-	-	Add sidewalks, curb extension, ramps and pedestrian signals to eight block faces	\$1,341,332	\$0	\$670,899	\$670,443
24	SW	SW Capitol Hwy	Sunset	Terrilliger	Sidewalk south side	\$200,850	\$0	\$0	\$200,850
25	SW	SW Capitol Hwy	Beaverton-Hillsdale Hwy	Bertha	Realign Capitol/Beav.-Hillsdale Hwy, Bertha/Beav.-Hillsdale Hwy, Eliminate Bertha Ct. Ped/bike connection from Bertha to Capitol, Transit queue bypass eastbound	\$870,350	\$380,299	\$95,072	\$394,988
26	SW	SW Capitol Hwy	31st	Hillsdale viaduct	Bike lane south/east side; Bike lane north/west side from Texas St; Sidewalk east side Miles to Capitol/Vernont/30th; Sidewalk south side Vermont to Hillsdale; Realign Capitol/Vernont/30th, Capitol/Vernont, Capitol/Nebraska; Storm drainage Imp both sides	\$803,400	\$178,151	\$44,538	\$580,711
27	SW	SW Capitol Hwy	35th	Miles	Sidewalks both sides; Parking Imp; Curb ext./Crossing Imp.; Realign & Signalize Capitol/Camb/31st	\$401,700	\$54,558	\$13,640	\$333,502
28	SW	SW Capitol Hwy	Multnomah Viaduct	Taylor's Ferry	Bike lanes both sides; Sidewalk east side to Bruggen; Storm drainage Imp both sides	\$772,500	\$0	\$0	\$772,500
29	SW	SW Capitol Hwy	SW Multnomah Blvd	SW Taylor's Ferry Rd	Sidewalks	\$1,019,700	\$0	\$0	\$1,019,700

Henderson,  
Young &  
Janey

City of Portland, Oregon  
June 11, 1997

Capital Improvement Program for System Development Charges

Project #	Location	Project/Street Name	From	To	Project Description	TOTAL COST	Motorized Cost	Transit Cost	Non-Motorized Cost
30	SW	SW Capitol Hwy	SW Bertha Blvd	SW Vermont St	Sidewalks	\$257,500	\$0	\$0	\$257,500
31	SW	SW Capitol Hwy	SW Cheltenham St	SW Terrilliger Blvd	Sidewalks	\$200,850	\$0	\$0	\$200,850
32	SW	SW Capitol Hwy/26th Ave Intersection	-	-	Intersection Improvements	\$123,600	\$0	\$0	\$123,600
33	SW	SW Capitol Hwy	SW 25th Ave	SW Multnomah Blvd	Roadway Improvements	\$484,100	\$142,003	\$35,501	\$306,597
34	SW	SW Capitol Hwy/Taylor's Ferry Rd Intersection	-	-	Intersection Improvements	\$154,500	\$58,667	\$14,667	\$81,166
35	SW	SW Vermont St	SW 20th Ave	SW Clason Rd	Roadway Improvements	\$3,638,766	\$1,893,524	\$99,659	\$1,645,583
36	NW	Steel Bridge Pedestrian Way	-	-	Build pedestrian bridge from east side of Willamette to west side via foot bridge suspended to bottom span of Steel Bridge	\$1,500,000	\$0	\$0	\$1,500,000
TOTAL >>						\$95,940,919	\$43,865,723	\$25,411,299	\$26,663,896

## TRANSPORTATION SYSTEM DEVELOPMENT CHARGE APPEAL PROCESS

DECISION	APPEAL PROCESS	APPEAL TIMELINE	FEE	APPEAL TO	ADMINISTRATOR RESPONSE TIME	APPEAL PROCESS	APPEAL TIMELINE	FEE	HEARING OFFICER RESPONSE TIME	APPEAL PROCESS***
Denial of partial or full exemption (17.15.050)	Apply for an alternative exemption calculation (17.15.070)	Apply prior to issuance of first occupancy permit for new development (17.15.070(b))	N/A	SDC Administrator	SDC Administrator makes determination within 21 days of receipt of appeal (17.15.070(b))	Written request to SDC Administrator requesting hearing with Code Hearing Officer (17.15.110(c) & 22.10.020)	Request hearing within 10 days of SDC Administrator written decision (17.15.110(c) & 22.10.030)	\$250	Hearing within 30 days of receipt of appeal (17.15.110(c) & 22.10.040)	Petition filed with Circuit Court within 60 days of Hearing Officer decision with \$100 fee
Denial of partial or full credit request (17.15.060(a)(4))	Apply for alternate SDC credit calculation (17.15.070(c))	Apply prior to issuance of first occupancy permit for new development (17.15.070(c)(1))	N/A	SDC Administrator	SDC Administrator makes determination within 21 days of receipt of appeal (17.15.070(c))	Written request to SDC Administrator requesting hearing with Code Hearing Officer (17.15.110(c) & 22.10.020)	Request hearing within 10 days of SDC Administrator written decision (17.15.110(c) & 22.10.030)	\$250	Hearing within 30 days of receipt of appeal (17.15.110(c) & 22.10.040)	Petition filed with Circuit Court within 60 days of Hearing Officer decision with \$100 fee
Denial of partial or full reimbursement request (17.15.060(b)(4))	Apply for an alternate SDC reimbursement calculation (17.15.070)	Within 10 calendar days of decision on initial reimbursement request (17.15.060(b)(4))	N/A	SDC Administrator	SDC Administrator makes determination within 21 days of receipt of appeal (17.15.070(d))	Written request to SDC Administrator requesting hearing with Code Hearing Officer (17.15.110(c) & 22.10.020)	Request hearing within 10 days of SDC Administrator written decision (17.15.110(c) & 22.10.030)	\$250	Hearing within 30 days of receipt of appeal (17.15.110(c) & 22.10.040)	Petition filed with Circuit Court within 60 days of Hearing Officer decision with \$100 fee
Applicant believes their development will generate fewer trips than City rate calculators	Apply for an alternate SDC rate calculation (17.15.070)	Apply prior to issuance of first occupancy permit for new development (17.15.070(b))	N/A	SDC Administrator	SDC Administrator makes determination within 21 days of receipt of appeal (17.15.070(b))	Written request to SDC Administrator requesting hearing with Code Hearing Officer (17.15.110(c) & 22.10.020)	Request hearing within 10 days of SDC Administrator written decision (17.15.110(c) & 22.10.030)	\$250	Hearing within 30 days of receipt of appeal (17.15.110(c) & 22.10.040)	Petition filed with Circuit Court within 60 days of Hearing Officer decision with \$100 fee
Expenditure of SDC revenue		Within 2 years of date of disputed expenditure (17.15.110(a))	\$100	SDC Administrator	SDC Administrator makes determination within 21 days of receipt of appeal (17.15.110(b))	Written request to SDC Administrator requesting hearing with Code Hearing Officer (17.15.110(c) & 22.10.020)	Request hearing within 10 days of SDC Administrator written decision (17.15.110(c) & 22.10.030)	\$250	Hearing within 30 days of receipt of appeal (17.15.110(c) & 22.10.040)	Petition filed with Circuit Court within 60 days of Hearing Officer decision with \$100 fee

\*\*\*Covered by ORS  
34.010-34.100  
(17.15.110(c) &  
22.10.060)

Notes: 1) The City shall withhold all permits and approvals pending resolution of appeal unless the SDC is paid in full or the applicant provides a financial guarantee or security for the charge (17.15.110(d)).  
2) All timelines are measured in calendar days.



### Gross Floor Area (GFA)<sup>1</sup>

The gross floor area of a building is the sum (in square feet) of the area at each floor level, including cellars, basements, mezzanines, penthouses, corridors, lobbies, stores, and offices, that are included within the principal outside faces of exterior walls, not including architectural setbacks or projections. Included are all stories or areas that have floor surfaces with clear standing head room (6 feet, 6 inches, minimum) regardless of their use. Where a ground level area, or part thereof, within the principal outside faces of the exterior walls is left unenclosed, the gross floor area of the unenclosed portion is said to be considered as a part of the overall square footage of the building. All unroofed areas and unenclosed roofed-over spaces, except as defined above, are to be excluded from the area calculations.

For purposes of the trip generation calculation, the gross floor area of any parking garages within the building shall not be included within the gross floor area of the entire building. A majority of the land uses in this report express trip generation in terms of gross floor area. The unit of measurement for office buildings is currently gross floor area; however, it is desirable to also obtain data related to gross rentable area and net rentable area.

### Gross Leasable Area (GLA)<sup>2</sup>

Gross leasable area is the total floor area designed for tenant occupancy and exclusive use, including any basements, mezzanines, or upper floors, expressed in square feet and measured from the centerline of joint partitions and from outside wall faces. For purposes of the trip generation calculation, the floor area of any parking garages within the building shall not be included within the GLA of the entire building. Gross leasable area is the area for which tenants pay rent; it is the area that produces income. GLA lends itself readily to measurement and comparison; thus, it has been adopted by the

<sup>1</sup> Institute of Real Estate Management of the National Association of Realtors. *Income/Expense Analysis, Office Buildings, Downtown and Suburban*, 1985, p. 236.

<sup>2</sup> Urban Land Institute. *Dollars and Cents of Shopping Centers*, 1984.

shopping center industry as its standard for statistical comparison. Accordingly, GLA is used in this report for shopping centers and other retailers of goods and apparel. For strip centers, discount stores, and freestanding retail facilities, it is usually assumed that GLA equals GFA.

### Gross Rentable Area (GRA)<sup>3</sup>

Gross rentable area shall be computed in square feet by measuring the inside finish of permanent outer building walls, or from the glass line where at least 50% of the outer building wall is glass. Gross rentable area shall include all area within outside walls less stairs, elevator shafts, flues, pipe shafts, vertical ducts, and balconies.

*Net rentable area* shall be computed in square feet by measuring inside the finish of permanent outer building walls or from glass line where at least 50% of the outer building wall is glass. Net rentable area shall include all area within outside walls excluding stairs, elevator shafts, flues, pipe shafts, vertical ducts, balconies, air conditioning rooms, janitorial closets, electrical closets, washrooms, public corridors, and such other rooms not actually available to the tenant for his furnishings and personnel and their enclosing walls. No deductions shall be made for columns and projections necessary to the building.

### Independent Variable

A physical, measurable, or predictable unit describing the study site or generator (e.g. gross floor area, employees, seats, dwelling units).

### Multi-Use Development / Capture Rate

A multi-use development is a single real estate project that consists of two or more land uses. Because the nature of the land uses, the trip-making characteristics are interrelated. For example, it can be assumed that some of the trips attracted to a shopping center are generated by "on-site" residences constructed as part of a single project. Likewise, some of the shoppers are attracted from an "on-site" office complex

<sup>3</sup> Institute of Real Estate Management of the National Association of Realtors. *Income/Expense Analysis, Office Buildings, Downtown and Suburban*, 1985, p. 236.