

North Macadam Transportation System Development Charge Overlay

Portland City Council April 8, 2009

Transportation System Development Charge (TSDC)

- One-time fee assessed to new developments and changes-in-use expected to generate new trips on transportation system
- TSDC fees may be spent on capacity increasing improvements to serve the need of future users
- Citywide TSDC began in 1997 with 10-year project list
- Council adopted new project list in 2007 and reformed program

North Macadam TSDC Overlay

- **Origin:** Discussion began on Overlay during the 2007 update to the Citywide TSDC
- **Definition:** Overlay would be additional TSDC fee, collected and spent within the North Macadam Urban Renewal Area
- **Purpose:** Provide local match to leverage other local, state and federal funding sources to construct transportation improvements

Public Involvement with North Macadam Transportation Development Strategy

- Stakeholder Advisory Committee (November 2007)
 - Property Owners
 - Residents
 - Businesses
- One-on-one stakeholder interviews
- Small group meetings with property owners
- Two public Open Houses (March and October 2008)
- North Macadam Urban Renewal Area Advisory Committee and Budget Subcommittee

Results

- Greater support for a shorter project list and a mid-range Overlay rate
- Reduced potential project list from 11 to 6 projects
- Proposed rates comparable to existing Citywide rates

TSDC Overlay Project Priorities

- SW Harbor Drive and River Parkway Intersection Improvements
- North Portal: SW Corbett and Sheridan Street Improvements
- South Light Rail
- Moody/Bond Street Improvement: Gibbs to Sheridan (East leg of couplet)
- SW Kelly Way/Hood Avenue Ramp Improvement (South Portland Circulation)
- South Portal Phase I



Proposed North Macadam TSDC Overlay

- Estimated Cost for entire North Macadam Transportation Strategy: \$194 M
- TSDC Overlay Eligible Cost: \$33 M
- Estimated TSDC: \$18M
- Over 20 Years
- Low Confidence Level Estimates

TSDC Rate Examples

	Administrative Office	Medical Office	Condominium Unit
Citywide TSDC (08/09)	\$2.80	\$7.38	\$1,375
Proposed Overlay	\$2.52	\$6.76	\$1,341
Total	\$5.32 / sq.ft.	\$14.14 / sq.ft.	\$2,716 / unit

Economic Analysis for 2007 Citywide TSDC Update

- Ranked development fees from 21 Metro areas
- Portland ranked 9th – 16th (where 1 is the highest)
- Office Building development, for example, would move from 16th to 3rd ranking with Overlay

Portland-Milwaukie Light Rail (SLRT)

- November 2008 proposal to commit \$10M portion of local match
- North Macadam URA property owners would **not** be asked to also support a Local Improvement District (LID) for Light Rail

TSDC: Funding Tool

- Leverage other monies to fund projects
- Local match for partnership opportunities with other local, state and federal sources
- Adds predictability to district development

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