

RESOLUTION NO. 4983

A RESOLUTION REVISING TRANSPORTATION SYSTEM DEVELOPMENT CHARGES (SDC), REAFFIRMING AN SDC CREDIT POLICY, REAFFIRMING AN APPEAL FEE, AND REPEALING RESOLUTION 4837 (A RESOLUTION REVISING TRANSPORTATION SYSTEM DEVELOPMENT CHARGES, REAFFIRMING AN SDC CREDIT POLICY, REAFFIRMING AN APPEAL FEE AND REPEALING RESOLUTION 4695).

WHEREAS, through the historic adoption of ordinances establishing and amending Albany Municipal Code 15.16 regarding system development charges, the Council of the City of Albany has duly declared its intent to comply with the provisions of ORS 223.207 through 223.208 and 223.297 through 223.314; and

WHEREAS, a methodology for the calculation of an improvement fee system development charge for the transportation system in Albany has been developed as specifically described in Resolution 3825; and

WHEREAS, the adopted methodology resulted in a maximum allowable fee of \$2,340. However, in the interest of promoting economic development, the citizen and technical advisory committee members deemed it desirable to charge less than the legally allowable charges, to identify some future needs to be unfunded, and a methodology was developed at a lower rate. The \$2,340 allowable fee is based on April 1997 dollars, which if indexed to current rates, is equivalent to \$2,936 (using index ratio 7951/6337); and

WHEREAS, the methodology assigns additional reduction factors to maintain Albany's competitiveness with comparable communities and identifies some future needs to be paid by developers or unfunded; and

WHEREAS, Section 15.16.050(5) of Ordinance 5306 allows for the annual adjustment of the herein established fees in accordance with the change in the *Engineering News-Record* (ENR) Construction Cost Index; and

WHEREAS, the Albany City Council deems it desirable to increase the existing fees to reflect inflation relative to the increase in the ENR Index; and

WHEREAS, the *Engineering News-Record* (ENR) Construction Cost Index (Seattle) used in Resolution 4837 was 7642 and the April 2004 ENR Index is 7951 (Index Ratio = $7951/7642 = 1.0404$).

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that Resolution 4837 is hereby repealed effective as of the effective date of the revised fees; and

BE IT FURTHER RESOLVED that the improvement fee transportation system development charge hereby be amended as described herein, and becomes effective July 1, 2004; and

BE IT FURTHER RESOLVED that an appeal fee is hereby reaffirmed as described herein.

BASE FEE ESTABLISHED

The base unit for the transportation system development charge (SDC) improvement fee will be average weekday trip end as defined in the latest version of the Trip Generation manual by the Institute of Transportation Engineers (ITE). The base fee for a single trip end is ~~\$169.20~~ **176.04**. The entire base fee is an improvement fee as defined by the implementing methodology.

CALCULATING THE SYSTEM DEVELOPMENT CHARGE

Residential, institutional, business and commercial, office, and industrial development SDC improvement fees are computed by multiplying the base SDC fee by the associated basis for trip determination and by the associated weekday average trip end rate for the given land use. This calculated fee is further reduced by 8 percent for industrial and office land uses (ITE Categories 000-199 and 700-799), 20 percent for institutional land uses (ITE Categories 300-699), and 50 percent for business and commercial land uses (ITE Categories 800-999) to allow for a pass-by trip credit. This calculated fee is further reduced by 6 percent for residential land uses (ITE Categories 200-299) and 26 percent for all other land use categories to maintain Albany’s regional market competitiveness.

A sample SDC calculation for a single-family house (ITE category 210) is given in Table 1.

TABLE 1: SAMPLE SDC CALCULATIONS

ITE Category	(A) Basis For Trip End Determination	(B) Weekday Average Trip End Rate with Pass-By Credit	(C) Base Fee for Single Trip End	(D) Competitiveness Factor	(A*B*C*D) SDC Improvement Fee
210	1 Unit	9.57	\$169.20 176.04	.94	\$1,522 1,584

NOTES:

(A) and (B) are defined in the latest edition of the ITE manual.

(C) is ~~\$169.20~~ 176.04 per trip end.

(D) is a factor that reduces residential ITE categories 200-299 by 6 percent and all other ITE categories by 26 percent.

SDC CREDITS

Pursuant to Albany Municipal Code Section 15.16.090 (2), a credit against the transportation SDC improvement fee shall be given for the cost of a qualified public transportation improvement required as a condition of development approval and identified in the Transportation System Plan (August 1997) as a project to be wholly or partially funded with transportation SDC improvement fees. The credit shall not exceed the dollar amount (adjusted using ENR Seattle Construction Cost Index in July of each year from the original index of 6337) in the SDC column (Table 6.3-2) in the Transportation System Plan associated with the qualified transportation improvement. If the credit exceeds the amount of transportation SDC improvement fee to be paid by the development, then the excess credit may be applied against transportation improvement fees that accrue in subsequent phases of the original development project. In summary, credits are possible only for projects identified in the Transportation System Plan as having SDC funding and only to the extent that it is SDC funded.

On Site: To qualify for SDC credits, a transportation improvement must be listed in the Transportation System Plan as a project to be wholly or partially funded with SDC improvement fees and it must be located in whole or in part, on or contiguous to the property. In addition, the qualifying improvement must be required to be built with greater capacity than is necessary for the particular development needs and it must exceed the minimum standard facility size. The applicant shall have the burden of demonstrating that a particular qualified transportation improvement will have a reserve capacity. The Highway Capacity Manual (HCM), or other City-approved traffic engineering methodology, shall be the approved method for calculating reserve

capacity. The reserve capacity shall be expressed as a percent of the construction cost for said improvement. That portion of the construction cost that represents the reserve capacity, when multiplied by the percent of said project funded with the SDC improvement fee as identified in the Transportation System Plan will be the estimated credit. The actual credit will be the lower of the estimated credit and the dollar amount (adjusted using ENR Seattle Construction Cost Index in July of each year from the original index of 6337) in the SDC column (Table 6.3-2) of the Transportation System Plan associated with said project.

Off Site: A qualified transportation improvement required as a condition of development approval and identified in the Transportation System Plan as a project to be wholly or partially funded with SDC improvement fees that is not located on or contiguous to property (an off-site improvement) is qualified for a SDC improvement fee credit. The credit shall be the lower of the actual construction cost or the dollar amount (adjusted using ENR Seattle Construction Cost Index in July of each year from the original index of 6337) in the SDC column (Table 6.3-2) of the Transportation System Plan associated with said project.

Other: A credit may be possible if the development is in an established transit or pedestrian district or if a program to be instituted in connection with the development is determined by the City Engineer to materially reduce the number of trip ends the development will generate using automobiles and the extent of improvements necessary to serve the development, and that the reduction will continue for at least 10 years after the development is occupied. The reduced SDC will be calculated based upon the number of trip ends the development will generate with the trip end reduction program in effect. Before granting the credit, the City shall receive assurances that will bind the owner and the owner's successors to perform the program for the time required.

APPEAL PROCEDURE AND FEE:

Pursuant to Albany Municipal Code Section 15.16.100(5), an appeal fee of \$100 per appeal is hereby established.

Appeal submittal by parties appealing their calculated fee (AMC Section 15.16.100(3)) shall:

- (a) conform to AMC Section 15.16.100 procedure;
- (b) use standard study methodology and data collection forms and procedures for conducting a local trip generation study described in Albany's adopted "Traffic Impact Study Guidelines" and the ITE Trip Generation Manual; and
- (c) be prepared by or under the direct supervision of a Professional Civil or Transportation Engineer currently licensed to practice within the State of Oregon, and with special training and experience in transportation engineering and planning. The engineer shall certify the document by providing a signature and seal of approval.

DATED AND EFFECTIVE THIS 23RD DAY OF JUNE 2004.



Council President

ATTEST:



City Clerk