

City of Sherwood, Oregon

RESOLUTION NO. 92-518

MINOR COLLECTOR STREET SYSTEM DEVELOPMENT CHARGE

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Section 1. Authorization.

The Minor Collector Street System Development Charge (MCSDC) is adopted pursuant to City Ordinance No. 91-927.

Section 2. Purpose.

The MCSDC shall be reserved and used exclusively for the acquisition, expansion, extension, and capital development or redevelopment of City public minor collector streets and rights-of-way designed to provide extra system capacity, and as designated in the Transportation Plan Update and on the Transportation Plan Map, as listed in the Street section of the City's Long Range Capital Improvement Program, all attached hereto as Appendix "A", and as included in Chapter 6 of the Sherwood Community Development Plan, incorporated herein by reference. The Street section of the City's CIP is hereby amended to include the Willamette Street minor collector between Roy Street and Murdock Road. The MCSDC may also be utilized for expenditures relating to repayment of debt for such improvements. The MCSDC may not be used for street system preservation improvements or for routine street system maintenance and operations.

Section 3. Methodology.

Methodology used to establish the MCSDC is in conformity with ORS 223.304 and is included in an Appendix to the "City System Development Charge Study", prepared for the City by Ray Bartlett, as approved by the City Council as part of this Resolution on March 11, 1992, and incorporated herein and attached hereto as Appendix "B". The methodology described in the Study was used to establish unit charges for different kinds of development. No legal challenge to the methodology used in establishing the MCSDC may be filed after sixty (60) days following the adoption of this Resolution.

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#### Section 4. Schedule of Charges.

MCSDC'S shall be assessed against all new residential, commercial, industrial, institutional, and other development in the City to support extra capacity minor collector street system improvements.

The MCSDC shall be:

(a) Reimbursement: None

(b) Improvement Charge:

\$4.70 x Weekday Average Trips x Units

\* Weekday Average Trips and Units or Unit Equivalents as per Appendix "A" of Washington County Code Chapter 3.17.

#### Section 5. Credits.

Credits issued against the MCSDC for qualified public improvements shall be governed by City Ordinance No. 91-927, Section 10, with the following exceptions and additions:

- (a) The qualified public improvement must be listed in the System Development Charge Study referenced in Section 3 of this Resolution, and in the Transportation Plan Update and Plan Map referenced in Section 2 of this Resolution.
- (b) For qualified public improvements, whether located on, contiguous to, or off-site of the parcel or parcels subject to development, credit shall generally be given for the full value of the minor collector street improvements made. Credits shall include the cost of rights-of-way, easements, or other land necessary for the construction of such improvements, provided such land is acquired exclusively for minor collector street system purposes.
- (c) Any credits for qualified public improvements shall be reduced to the extent that other agreements or provisions exist that compensate a development for the same public improvements. For the MCSDC such provisions include, but are not limited to, City "payback" agreements. If the value of the qualified public improvement exceeds the maximum credit available, "payback" agreements or similar provisions may be allowed for the difference.
- (d) The qualified public improvements otherwise conform to Ordinance No. 91-927, Section 10.

Section 6. "Grandfathered" Applications.

Notwithstanding City Ordinance No. 91-927, Section 15, developments for which applications have been accepted by June 30, 1991 for final subdivision plat, as per Zoning and Community Development Code Section 7.301, for planned unit development final development plan, as per Code Section 2.202.03, or for final improvement plan, as per Code Section 6.201, shall be subject to the City system development charges in effect on that date, if so requested in writing by the applicant, subject to the following conditions:

- (a) Such applications must receive final City approval by September 30, 1991, and
- (b) All building permits associated with such applications must be issued by September 30, 1993.

For all developments otherwise subject to this section, plans approved and building permits issued after the dates specified in subsections (a) and (b) of this section shall be subject to Ordinance No. 91-927, Section 15.

Section 7. Appeals.

All appeals against application or expenditure of the MCSDC shall be governed by Ordinance No. 91-927, Section 12. The appeal fee shall be \$450.00.

Section 8. Effective Date. This Resolution shall become effective upon approval and adoption.

Duly passed by the City Council

March 11, 1992  
Rick A. Hohnbaum  
Rick A. Hohnbaum, Mayor

Attest:

Polly Blankenbaker  
Polly Blankenbaker, Recorder

**ADDENDUM TO**  
**CITY OF SHERWOOD**  
**SYSTEMS DEVELOPMENT CHARGES**  
**WATER LINE REPLACEMENT CHARGE**  
**LAND-USE DEVELOPMENT FEES**

**CHAPTER II**

**Section 4, STREETS**

**Prepared for:**

**City of Sherwood, Oregon**

**Prepared by:**

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**March 1991**

#### 4. STREETS

##### A. Current Charges

The City of Sherwood does not have a systems development charge for transportation. It administers the Washington County Traffic Impact Fee (TIF). The City administers the TIF and abides by the plan developed by the County and City to make improvements to the transit system, and to arterials and major collector streets. The City could impose an SDC for transportation that would be in addition to the TIF for its minor collector streets, which are not a part of the Washington County TIF. No city in Washington County currently has a street SDC.

The TIF is based on the County's and cities' transportation plans to the year 2005. Each city in the County, including Sherwood, submitted project lists for transit facilities, and arterial and major collector streets. The Washington County Transportation Coordinating Committee evaluated the projects and selected projects that would qualify for TIF funding. Ownership of the roadways is not a factor in determining priority for funding.

The fee is based on the expected number of trips from a particular type of development and the capital cost per trip of building the street. For example, a single family residence makes 10 trips per day at a capital cost of \$138 per trip, or \$1,380 per housing unit.

The amount of the TIF for a development is determined by the use of the new development and the average amount of traffic that the development will create. Table A-1 shows the amount of the TIF by type of development.

Table A-1  
Washington County TIF Tax Schedule

Type of Development	Amount
Residential	\$138/avg. weekday trip
Business and Commercial	\$ 35/avg. weekday trip
Office Use	\$126/avg. weekday trip
Industrial Use	\$133/avg. weekday trip
Institutional Use	\$ 57/weighted avg. daily trip

Source: Washington County, *Washington County Code*, Chapter 3.17.050 A and, as provided in subsection E, automatically adjusted on 1 May 1991.

Note: The weighted average daily trip is:

$$\frac{(\text{the average weekday trip rate} \times 5) + (\text{the average weekend trip rate} \times 2)}{7}$$

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Appendix A of Chapter 3.17 of the Washington County Code contains the average weekday and weekend trip rate by land-use category (e.g., residential, commercial) and by description (e.g., single family, specialty retail center). If a proposed use is not in Appendix

A, then the County analyzes the proposed use and determines the TIF. The developer has the option of submitting a study of similar use rates in other regions to justify using a lower TIF.

The amount of the TIF is increased by the lesser of 6% per year or the increase in the construction cost index for the preceding twelve months.

Expenditures on projects in Sherwood (and any other city) must follow a formula developed by Washington County. Ten dollars per trip of the TIF is dedicated to transit improvements. The remainder of the TIF is divided equally between arterial streets and on City priorities for transit, arterial, or collectors. TIF expenditures cannot be made for minor collectors. For example, the current TIF for a single family resident is \$138 per trip, which at ten trips per residence produces \$1,380 per single family residence. Of that amount \$10 per trip, or \$100, is reserved for transit improvements; fifty percent of the balance (\$640) must be spend on arterial improvements, and the City can choose to spend the remaining \$640 on arterial, major collector streets, or transit improvements.

The City uses an enterprise fund to account for TIF revenues and expenditures. The money is to be used on arterial projects first then on major collector projects. The exception to the order of use is if Washington County and the City decide a major collector is a higher priority, then the money can be used for a major collector project before completing all arterial projects.

B. Recommended Charges

i. Reimbursement SDC

Information is not available to develop a reimbursement fee for streets. Basic accounting information that could be used to estimate the present value of excess street capacity is not readily available. The City, therefore, has chosen to establish only an improvement fee.

ii. Improvement SDC

The City's *Transportation Plan Update (25 June 1991)* by David Evans and Associates, Inc. (DEA) identifies capital improvements to streets within the City. These improvements amount to \$13,913,471. Since the plan was completed, the City has completed improvements at Willamette and Norton Streets, and has added one improvement that was not in the original plan: the expansion of Willamette Street between Roy and Murdock Streets to a full-width minor collector.

Based on its expected sources of funding from TIF, street LIDs, and state-shared or general fund revenues, the City expects to fund only minor collectors with SDC revenues. The SDC-funded projects are composed of improvements to seven existing minor collectors, and construction of only one new minor collector (Highland from Oregon to Willamette

Streets). Table A-2 lists the improvements and their costs in 1991 dollars. The total cost of these improvements amounts to \$1,116,581, or about eight percent of all improvements.

Also, DEA determined the numbers of trips that will be supported by the entire street system (i.e., existing streets and streets planned for improvements from all sources of revenue). DEA estimated these trips based on the City's land-use plan at full build out. Table A-3 shows the forecast of trips. The average number of weekday trips by type of development is based on *Trip Generation, An Information Report 1991*, by the Institute of Transportation Engineers (ITE). In Table A-2, DEA used the ITE data to determine *Average Weekday Trips* for each type of development. These numbers of trips correspond to Washington County's method of determining and assessing its Traffic Impact Fee (TIF). The number of trips by type of development used by DEA are adequate to forecast the total number of trips from planned land uses, but the more specific ITE trip numbers by specific use are more specific to an individual development, and, therefore more appropriate for assessing the SDC.

**Table A-2**  
**Street System Capital Improvements**

Willamette (1/2 St. Roy-Murdock)	\$95,496
Hall (Oregon-Merryman)	230,460
Willamette/Park/Division	180,780
Washington (Willamette-Div.)	86,480
Pine (Division-Sunset)	249,665
Highland (Or.-Willamette)	153,640
Willamette (Norton-Roy)	62,445
Willamette (Wash.-Norton)	57,615
Total	\$1,116,581

Source: City of Sherwood, Transportation Plan Update, June 25, 1991, by David Evans and Associates, Inc.

The transportation SDC improvement fee per trip (\$4.70) equals the total cost of the improvements to minor collectors (\$1,116,581) divided by the total number of trips expected in the City (237,479). This amount represents the capital cost per average weekday trip for just the planned improvements shown in Table A-2. Since the number of trips used in Table A-2 includes all trips in the City, and not just those that will use the proposed improvements, the cost per trip is allocated to all new development and all existing development within the

City. If the City were to assign the trips by street segment to specific land areas of the City, and use that number to calculate the SDC per trip, then the SDC per trip would be significantly higher. The City assumes that development anywhere in the City likely will use one or more of the minor collectors identified in Table A-2.

The SDC per trip will be assessed new developments using the same formula as Washington County uses to assess the TIF. The formula is:

$$\text{WEEKDAY AVERAGE TRIPS X UNITS X TRIP RATE} = \text{SDC IMPROVEMENT FEE}$$

Since the WEEKDAY AVERAGE TRIPS shown in Table A-3 are averages for a broad range of developments, it is inappropriate to assess this same average to each specific type of development that proposes to develop within Sherwood. For this purpose, the ITE produces a list of trips generated by specific type of development. Washington County has adopted this list, with some modifications, as a part of its TIF and uses it in the formula above for determining the TIF for a particular development. The TIF is based on 11 different types of residential developments, 38 institutional types of developments, 42 commercial/business types, 17 office types, and 9 industrial types. Table A-4 shows examples from the complete list used in the Washington County TIF; these examples represent the types of developments most likely to occur within Sherwood. However, it is the complete list of developments by type contained in the Washington County Code that Sherwood will use to determine WEEKDAY AVERAGE TRIPS in the formula above.

**Table A-3**  
**Vehicular Trip Forecast and SDC Improvement Fee per Trip**

(1) Land Use	(2) (3) (4) Current and Forecast Development			(5) Average Weekday Trips	(6) Total Weekday Trips at Build-Out
	Units	1991	Build-Out		
Single Family	D.U.	1,129	5,600	9.55	53,480
Multi-Family	D.U.	235	3,279	6.28	20,592
Retail/Commercial	Emp.	700	3,675	37.00	135,975
General Office	Emp.	70	222	4.30	955
Government	Emp.	17	111	9.00	999
Industrial	Emp.	500	4,842	2.32	11,233
Warehouse/Dist.	Emp.	18	153	3.89	595
Schools	Emp.	0	975	14.00	13,650
Total					237,479
SDC Improvement Fee Per Trip					\$4.70

Source: David Evans and Associates, Inc., Memorandum July 31, 1991 from Mike Pruett to Dave Gould and Carl Buttke. Table 1 showing City of Sherwood Vehicular Trip Forecast, February 10, 1992.

Note: D.U. = Dwelling Unit; Emp. = Employment



The same table that shows WEEKDAY AVERAGE TRIPS in the Washington County Code also shows the corresponding UNITS to measure expected trips. For example, the number of trips for residential developments is based on the number of dwelling units and on the type of development (e.g., single family or apartment). For non-residential developments UNITS are based on one of 10 criteria: numbers of employees, total gross square feet of building area (TGSSF), total gross leasable square feet of building area (TGLSF), number of parking spaces, number of rooms (for motels and hotels), numbers of beds (for nursing homes), numbers of pumps (for service stations), number of boat berths (for port facilities), numbers of washing stalls (for car washes), numbers of students (for schools), and average flights per day (for airports). Sherwood will use these same criteria to apply its SDC for transportation.

Washington County also made three adjustments to the ITE trip data to suit the types of development in Washington County, as opposed to areas elsewhere in the U.S. First, the County limits the WEEKDAY AVERAGE TRIPS to 100 for several types of non-residential developments. Second, the County uses a calculated average for several non-residential uses that ITE defines only by ranges of trips per unit. Third, the County uses two measures of the average number of trips for some institutional uses: the average number of weekday and the average number of weekend trips. Sherwood will use these same adjustments in applying its SDC.

The TRIP RATE for Sherwood is simply the SDC Improvement Fee per Trip (\$4.70), which is shown at the bottom of Table A-3. This differs from Washington County's TRIP RATE. Washington County began with a single TRIP RATE but later changed it for office, industrial, and commercial uses (including institutional uses) to prevent the TIF from becoming "... a competitive disincentive for these types of development to occur in Washington County."<sup>1</sup> This change produces 5 different TRIP RATES. Sherwood will use a single average TRIP RATE which equals the average cost per trip for all trips. Compared to Washington County's TIF, the City of Sherwood's SDC for streets is considerably less across all types of development, and therefore much less likely to adversely effect development.

At the trip rate of \$4.70 per trip a single family detached house would pay \$47.00,

$$10 \text{ trips per weekday} \times 1 \text{ housing unit} \times \$4.70/\text{trip} = \$47.00$$

Columns 4 and 5 of Table A-4 provide some examples of the SDC based on \$4.70 per trip and on the assumed number of units of the development.

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<sup>1</sup>Washington County, *Report to the Board of County Commissioners on A Fee-Based Traffic Impact System*, July 31, 1985, page 6.

**Table A-4**  
**Examples of Street SDCs by Type of Development**

(1) Land Use	(2) Basis for trip Determination	(3) Average Weekday Trips	(4) Units in the Development	(5) SDC Improvement Fee
		<b>SDC Trip Rate =</b>		<b>\$4.70</b>
<b>Residential</b>				
Single-Family Detached	No of Units	10.00	1.00	\$47
Low-Rise Apartment	No of Units	6.60	4.00	124
Mobile Home	No of Units	4.81	100.00	2,262
Retirement Community	No of Units	3.30	60.00	931
<b>Institutional</b>				
City Park	No of Acres	3.66	1.00	17
Movie Theater(sit down)	Parking Spaces	6.19	50.00	1,455
Tennis Courts	T.G.S.F.	32.93	4.00	619
Elementary School	No of Students	1.03	400.00	1,937
High School	No of Students	1.39	400.00	2,614
Church	T.G.S.F.	7.70	10.00	362
Day Care Center	T.G.S.F.	67.00	2.00	630
Library	T.G.S.F.	45.50	15.00	3,209
Nursing Home	No of Beds	2.60	15.00	183
<b>Business &amp; Commercial</b>				
Bldg. Materials/Lumber	T.G.S.F.	30.56	5.00	718
Hardware/Paint Store	T.G.S.F.	53.21	5.00	1,251
Nursery	T.G.L.S.F.	36.17	1.00	170
Shopping Center under 50,000 Gr.Sq.Ft.	T.G.L.S.F.	94.71	40.00	17,812
Drive-In Restaurant	T.G.S.F.	100.00	0.90	423
New Car Sale	T.G.S.F.	47.52	0.80	179
Service Station	No of Pumps	100.00	12.00	5,642
Supermarket	T.G.S.F.	100.00	40.00	18,807
Convenience Market	T.G.S.F.	100.00	35.00	16,456
Bank (walk-in)	T.G.S.F.	100.00	2.00	940
Savings and Loan (walk-in)	T.G.S.F.	61.00	1.50	287
<b>Office</b>				
Clinic	T.G.S.F.	23.79	4.00	447
General Office	T.G.S.F.	16.31	10.00	767
Medical Office Building	T.G.S.F.	34.17	24.00	3,856
Govt. Office Building	T.G.S.F.	68.93	50.00	16,205
Civic Center	T.G.S.F.	25.00	25.00	2,939
Business Park	T.G.S.F.	12.42	100.00	5,840
Insurance	T.G.S.F.	11.45	1.00	54
<b>Industrial</b>				
General Light Industr.	T.G.S.F.	6.97	25.00	819
Mini-Warehouse	T.G.S.F.	2.61	15.00	184
Utilities	Employees	1.07	100.00	503

Sources: Columns 1, 2, and 3 are from Appendix A of Washington County Code, Chapter 3.17.

Notes: Column 5 equals the product of columns 3 and 4 and the SDC Trip Rate.

T.G.S.F. = Thousand Gross Square Feet.

T.G.L.S.F. = Thousand Gross Leasable Square Feet.