



## BOARD OF COMMISSIONERS

# AGENDA REQUEST AND STAFF REPORT

**MEETING DATE:** October 16, 2024

**SUBJECT:** Public Hearing and Consideration of Resolution No. 2024-038 updating the Transportation System Development Charge

**RECOMMENDED MOTION:**

Following the public hearing, move approval of Resolution No. 2024-038 updating the Transportation System Development Charge.

**BACKGROUND AND POLICY IMPLICATIONS:**

In January 2024, the BOCC approved an update to the Deschutes County Transportation System Plan (TSP), which included a 20-year Capital Improvement Plan (CIP) and funding estimates, inclusive of continued use of a System Development Charge (SDC). System Development Charges are fees assessed to new development to fund capacity adding improvements necessary to accommodate new growth within the County's transportation system. Deschutes County has utilized SDCs to generate funding for capital improvements since 2008.

Approval of an updated CIP has necessitated the need to modify the SDC rates enacted in Resolution 2013-020 to account for new project cost and growth estimates within the CIP.

Utilizing the SDC methodology established in Resolution 2013-020, an analysis was prepared and documented in a Technical Memorandum, dated July 31, 2024 (attached Exhibit A). The analysis includes 20-year growth projections, estimates of growth-related impact to specific CIP project categories, and project cost estimates to calculate an updated SDC. As contained in the previous and current methodology, the SDC includes an Improvement portion, Reimbursement portion, and administrative fee.

In summary, the analysis supports an SDC of \$5,691 per PM peak hour trip – which is an increase of \$22 per trip (less than 0.5%). Factoring in trip rates assigned to single family residential units results in a calculation of \$4,610 per single family unit – which is an increase of \$17 per trip (less than 0.5%).

In accordance with the requirements of ORS 223.304.7(a), the Road Department provided a 90-day notification of this public hearing to stakeholders on the County's SDC notification list

and also provided materials for public inspection 60-days in advance.

Proposed Resolution 2024-038 has been updated (track changes provided) to reflect new rates as well as several housekeeping measures. The most notable housekeeping change is elimination of Section 4.A.1 which provided a 50% SDC reduction to development in the Tetherow area west of Bend, which by separate agreement with the City of Bend, agreed to pay City of Bend SDCs (in exchange for utility services). In proposing elimination of this special provision, staff notes that a sizable portion of the development subject to this reduction is built-out and that the development willingly agreed to pay SDCs in exchange for utility services – which is unrelated to any impact to County transportation facilities.

**BUDGET IMPACTS:**

The proposed nominal SDC increase will have negligible impact to the estimated \$1.5M in SDC revenue in Fund 465 for FY25.

**PUBLIC HEARING:**

ORS 223.304.7(a) requires a public hearing to be held to establish or modify an SDC. At the conclusion of the staff presentation, the Board Chair may open the public hearing (legislative) to receive testimony to fulfill the requirement of statute.

**ATTENDANCE:**

Chris Doty, Road Department Director

Cody Smith, County Engineer/Assistant Road Department Director

Tarik Rawlings, Senior Transportation Planner