



Transportation & Wastewater SDC Update

City Council Work Session

August 7, 2018



Agenda

- Project Background & Objectives
- Transportation SDC Fundamentals
- Methodology Comparison
- Findings & Recommendations
- Preliminary Adoption Schedule

Background

- Original TSDC methodology adopted in 1999
- TSP Updated and adopted in March 2013
- TSDC methodology updated and adopted in 2016
 - New project list and \$/trip
 - New TSDC assessment basis
 - TSDCs for some land uses increased by almost 2000%
- Updated TSDCs repealed in 2017
- New methodology review initiated 2018

Project Objectives

- Equity/Fairness
 - Trip Assessment
 - Project costs (growth share)
- Revenue Adequacy
 - Potential reimbursement fee
- Incentives/Discounts
- Defensibility

SDC Components

Reimbursement Fee

- Costs of **existing or in-process** facilities
- Related to **available capacity**

Improvement Fee

- Projects included on an **adopted list**
- Related to **capacity for growth**

Compliance Fee

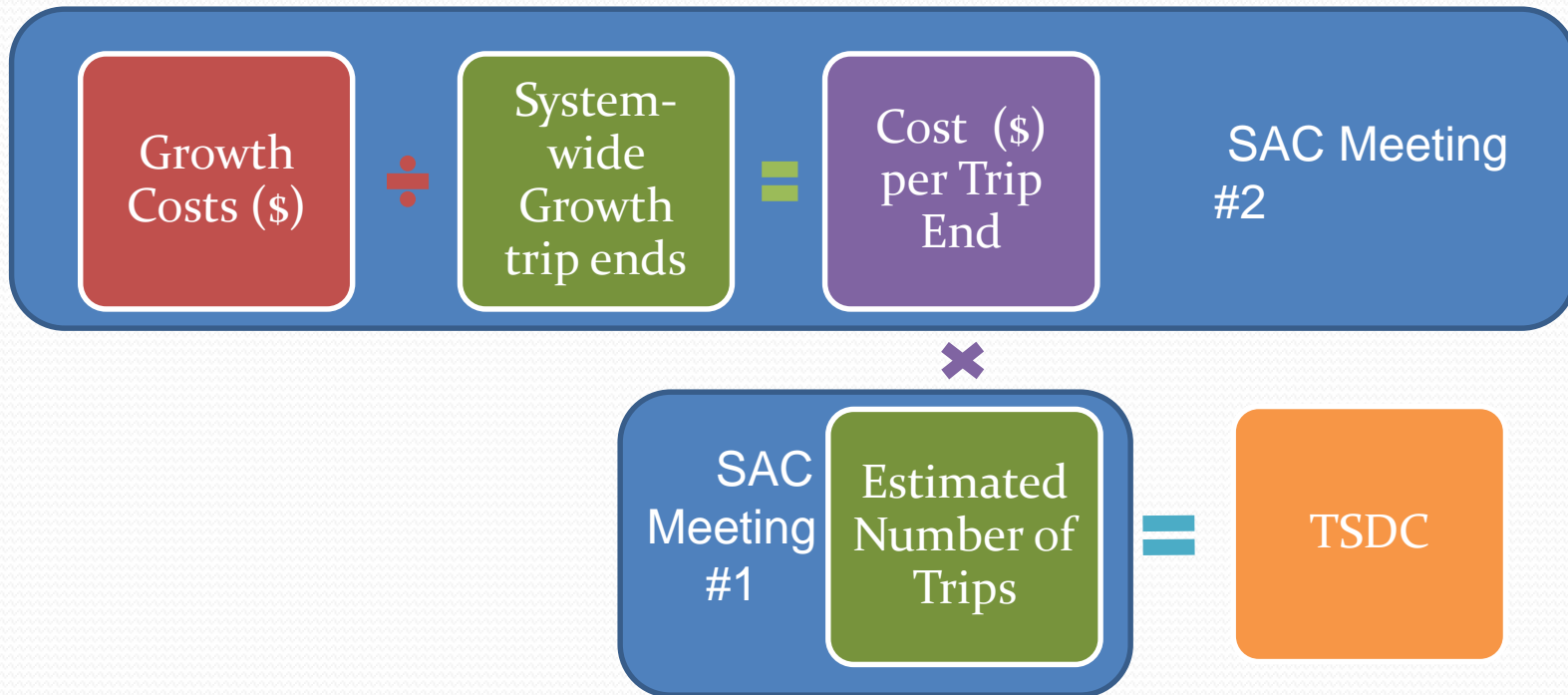
- SDC methodology development
- Master planning
- SDC accounting, etc.

Proportionate Share in TSDC Context

Theory	Practice
Charge proportionate to “use”	Individual property trips are not ‘monitored’
Use = number of trips to and from a property	Estimate from trip generation rates by land use type*

*Primary source of data is Institute of Transportation Engineers
Trip Generation Manual

TSDC Basic Equation

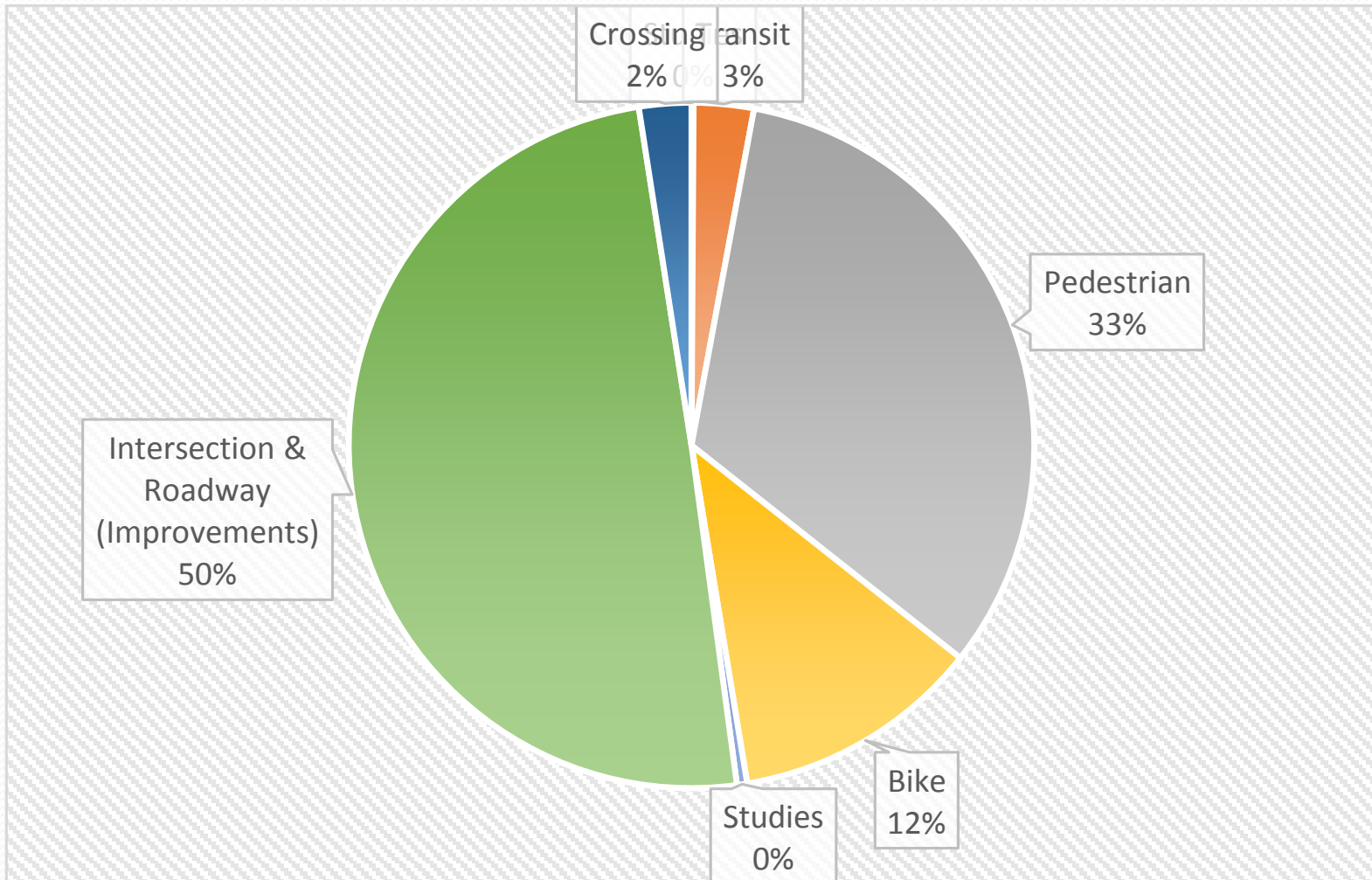


SAC = SDC Advisory Committee

Methodology Comparison

Element	1999 (Current)	2016 (Repealed)	2018 (Recommended)
Project List	Improvement only	Improvement only	Improvement & Reimbursement
Growth Share	Population-based	Population-based	Mode-specific planning criteria
Growth in trips	population and employment data system-wide	Population and employment data system-wide	Travel demand model forecast (growth in land use by TAZ)
Trip Rate Type	Average Daily Trips	PM Peak Trips	Average Daily Trips
Trip Rate Adjustments	Pass-by and trip length	None	Pass-by and diverted trips
Trip Rate Data	ITE 5 th edition	ITE 9 th Edition	ITE current edition (10 th edition most recent; 2017)

Growth Improvement Costs by Type*



*\$16.7 million (52%) of net project costs

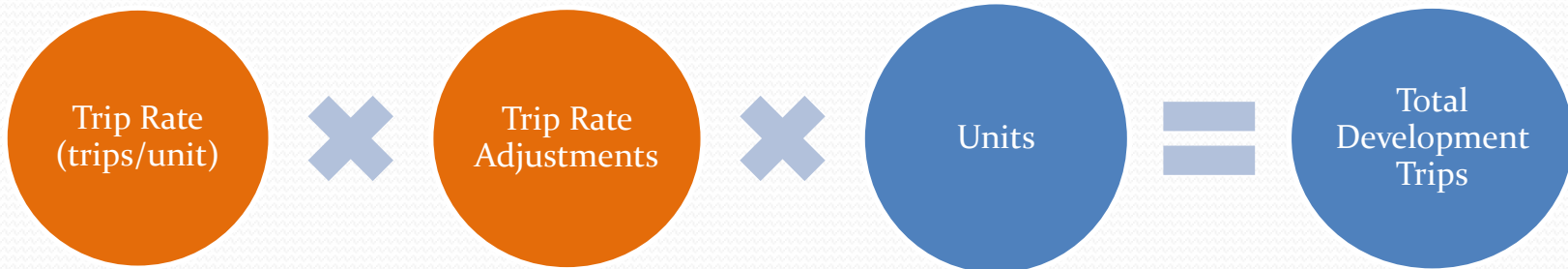
Updated \$/Trip



*From current Travel Demand Model (RVCOG)

*Compliance costs include SDC methodology costs +52% of TSP costs
+Annual accounting costs*

TSDC Assessment

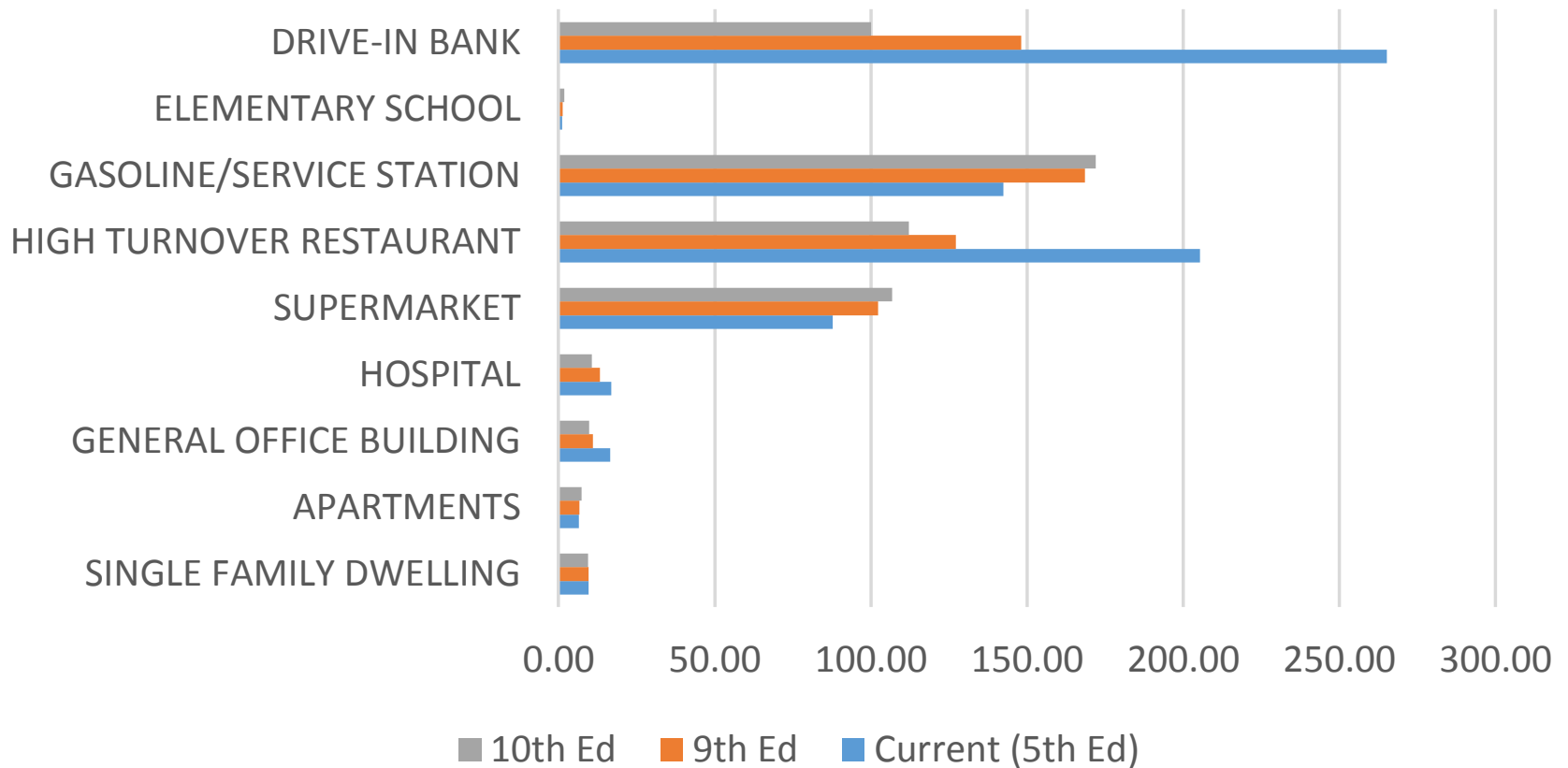


Where:

- *Trip **rates** by land use category are:*
 - *updated to reflect 10th Edition ITE Trip generation manual*
 - *either based on average daily or afternoon (P.M.) peak hour*
- *Trip **adjustments** reflect:*
 - *Current methodology = trip length and pass-by adjustments*
 - *Updated methodology = diverted link and pass-by adjustments*

Comparison of ITE Trip Rates

Average Daily Trip Rates

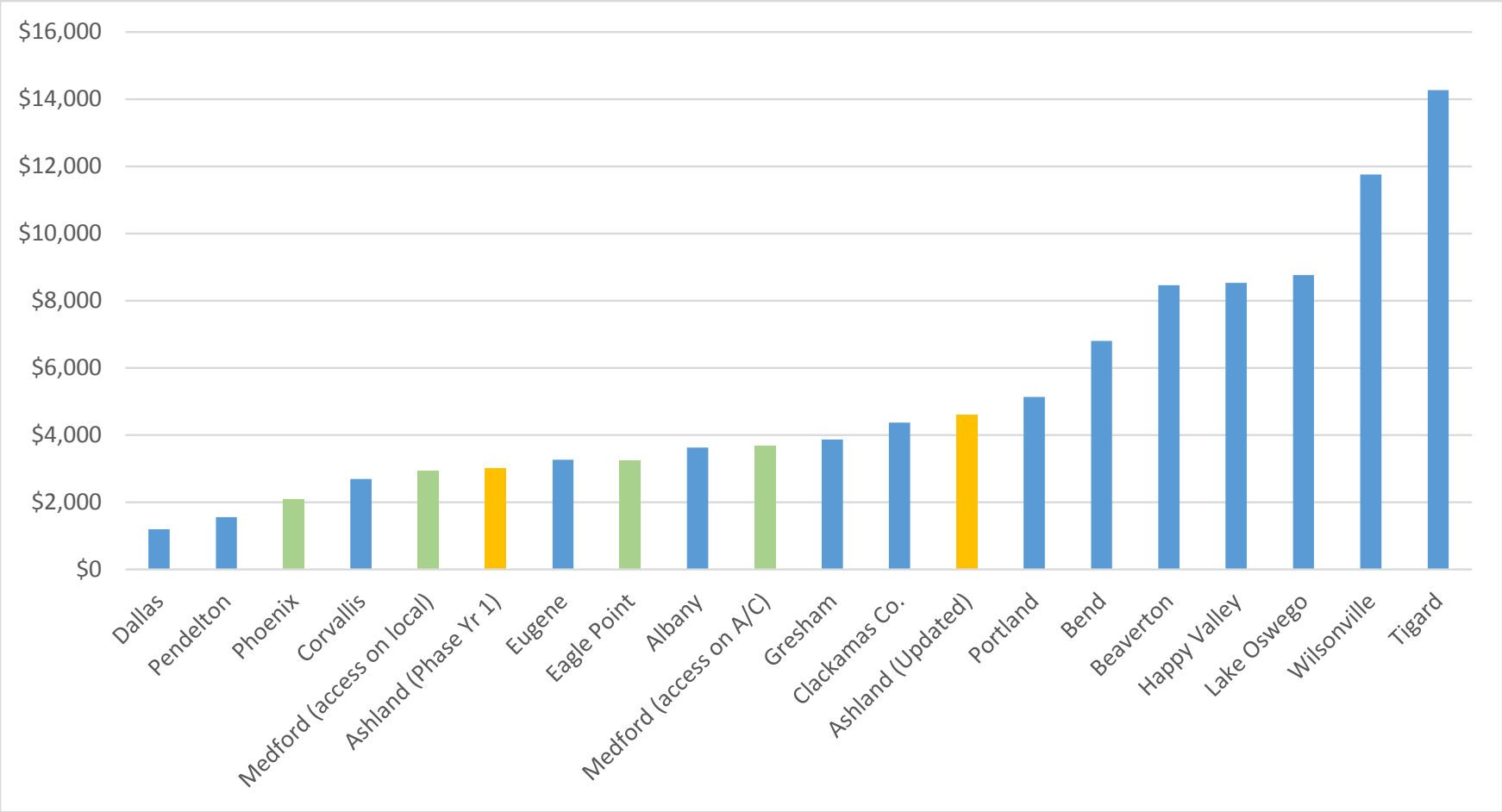


TSDC Implementation Options

- Option 1 – All at once
 - System-wide \$/Trip and new adjusted trip rates effective immediately
- 3-Year Phase-In
 - System-wide \$/Trip phased in over 3 years
 - New adjusted trip rates effective immediately
 - **Estimated revenue loss:**
 - **Single family (68 units/year) = \$242K over 2 years**
 - **Multifamily (17 units/year) = \$48K over 2 years**

See Table 4 for full schedule

TSDC Comparison – Single Family Dwelling



A/C = arterial/collector

Incentives & Discounts

- Residential development adjustments
 - Small dwelling discount (proposed)
 - 50% reduction < 500 sf
 - 25% reduction 501 – 800 sf
 - Affordable housing adjustment (existing)
 - 100% reduction for qualified housing
 - Must remain qualified for minimum of 30 years
- Transportation Demand Management (TDM) adjustment
 - 20% reduction within Transit Overlay area
 - Approved TDM strategy and approved parking reductions

Summary of SDC Committee Recommendations

- Trip rate type: Daily
- Trip rate adjustments: Based on ITE Manual (includes pass-by and diverted link)
- Implementation strategy: 3-year phase in
- Discounts & Incentives feedback
- Future Inflationary adjustments based on Engineering New Record Construction Cost Index

Adoption Schedule

- August 7: Council work session
- August 8: Notice for public hearing sent
- September 6: TSDC Methodology
- November 6: Council hearing 1st reading
 - Methodology adoption
 - Ordinance changes
- November 20: Council hearing 2nd reading
- January 1, 2019: New fees effective

Questions?

- *Thank you*