City of Eugene
System Development Charge Methodologies

# Appendix B

# Transportation
# System Development Charge
## System-Specific Methodology and Details

January 2019

# Transportation System Development Charge Detail

## Transportation SDC Methodology

The transportation system development charge (SDC) methodology is based on a system-wide cost per trip, where the costs associated with meeting future growth needs are divided by the projected growth in trips. The methodology includes both improvement and reimbursement SDC components.

Development of the SDC includes the following basic steps:

- Determine growth in trips
- Determine growth share of system costs
- Calculate the system-wide costs per trip
- Develop SDC rate schedule

These steps are discussed further below.

## 1.0 Growth in Trips

To evaluate the roadway capacity needs and the amount of vehicle trips that are generated by growth, the regional travel demand model was utilized. Table B-1 shows the projected growth in the number of trip ends for the 2035 Transportation System Plan period, broken down by trip ends that have both an origin and destination within the City's Urban Growth Boundary (UGB) (internal-internal), and trip ends that have one end outside of the UGB (internal-external & external-internal).

Like most infrastructure systems, roadway systems are designed to accommodate peak rates of use, which typically occur during the weekday afternoon period between the hours of 4 and 6 p.m. (the "PM peak"). Therefore, roadway system capacity is typically measured by trip generation during the average weekday PM peak hour.

**Table B-1**
*Model Vehicle Weekday PM Peak Hour Trip Ends (within the City's Currently Acknowledged UGB)*

| | Internal-Internal | Internal-External & External-Internal | Total |
|---|---|---|---|
| Existing Trip Ends | 104,128 | 52,818 | 156,949 |
| Projected Trip Ends | 131,128 | 66,790 | 197,918 |
| **Growth Trip Ends** | **27,000** | **13,972** | **40,972** |

Source: Lane Council of Governments EMME travel demand model for the Eugene 2035 Transportation System Plan

## 2.0 Growth Share of System Costs

Future development capacity needs will be met by a combination of existing system available capacity and future improvements that increase the level of performance of existing facilities, or add new facilities. The value of existing system capacity is referred to as the *reimbursement fee cost basis*, while the value of future growth-related improvements is referred to as the *improvement fee cost basis*.

The development of the improvement and reimbursement cost bases are summarized below.

### 2.1 Reimbursement Fee

Determination of the reimbursement fee cost basis includes the following steps:

1. Reserve capacity of existing roadways is determined,
2. The existing system value net of contributions is estimated, and
3. The existing system value for growth in the planning period (the reimbursement fee cost basis) is determined.

#### 2.1.1 Existing System Reserve Capacity

The LCOG EMME travel demand model was used to determine the portion of the existing roadway network that has reserve capacity for growth in the planning period. The reserve capacity of the roadway system was determined by comparing the traffic volume on each roadway to the capacity of that roadway (based on level of service E). If the future volume was less than capacity, the amount available for growth was calculated as a simple ratio of the future volume less the existing volume to the capacity of the particular roadway. If the total volume in 2035 exceeded the capacity, the amount of capacity available for growth was calculated as a ratio of the capacity less the existing daily traffic volume to the capacity.

A weighted average reserve capacity was determined for each roadway classification (excluding local streets and state highway facilities). The resulting calculations are shown in Table B-2. This shows the reimbursement fee is based, in part, on the value of unused capacity available to future users.

# TABLE B-2: REIMBURSEMENT FEE

| Project Type | Total Value[1] | Assessable Cost[2] | Other Funding | SDC Cost Basis: Net Value[3] | SDC Cost Basis: $ | SDC Cost Basis: % | SDC per Vehicle Trip |
|---|---|---|---|---|---|---|---|
| **Roads** | | | | | | | |
| Major Arterials | $5,745,499 | $0 | | $5,745,499 | $919,280 | 16.0% | $22 |
| Minor Arterials | $26,174,864 | $619,230 | | $25,555,634 | $2,836,675 | 11.1% | $69 |
| Major Collectors | $16,176,479 | $3,204,075 | | $12,972,404 | $1,193,461 | 9.2% | $29 |
| Neighborhood Collectors | $10,433,027 | $3,291,865 | | $7,141,162 | $349,917 | 4.9% | $9 |
| Subtotal | $58,529,869 | $7,115,170 | $0 | $51,414,699 | $5,299,333 | 10.3% | $129 |
| **Active Modes** | | | | | | | |
| Bike (On-Street) | $8,455,636 | $178,565 | | $8,277,070 | $0 | 0.0% | $0 |
| Pedestrian (On-Street) | $790,772 | $407,127 | | $383,645 | $0 | 0.0% | $0 |
| Bike & Pedestrian (Off-street) | $19,384,550 | $0 | $13,409,587 | $5,974,962 | $0 | 0.0% | $0 |
| Subtotal | $28,630,957 | $585,692 | $13,409,587 | $14,635,678 | $0 | | $0 |
| **Bridges[5]** | | | | | | | |
| On-Street | $20,556,308 | | | $20,556,308 | $2,220,081 | 9.8% | $54 |
| Off-System | $15,924,100 | | $14,331,690 | $1,592,410 | $156,056 | 9.8% | $4 |
| Subtotal | $36,480,408 | $0 | $14,331,690 | $22,148,718 | $2,376,137 | | $58 |
| **Subtotal Reimbursement** | **$123,641,235** | **$7,700,862** | **$27,741,277** | **$88,199,095** | **$7,675,471** | | **$187** |

[1]Based on replacement value for preservation (segments obtained from other agencies) and new construction (city constructed) excludes bike and pedestrian facility costs
[2]Average assessable cost of new roadway construction
[3]Net of assessable value and other funding
[4]PM Peak Hour Trip Ends through 2035:
[5]City-owned

### 2.1.2 Existing System Valuation

The Geographic Information System (GIS) was used to produce an inventory of existing arterial and collector roadways. The inventory included the necessary data to determine the replacement cost of each roadway segment, broken down into the following cost components:

- Right of way
- Pavement (rehabilitation and new construction costs)
- Curb and gutter
- Sidewalk
- Bike lanes
- Street lights
- Traffic signals

For roadways transferred to the City from other agencies, only the costs of recent reconstruction improvements are included in the system value, since the original construction was not funded by the City. Local streets are excluded from the reimbursement fee cost basis, as local streets are generally funded by developers or assessments. By excluding local street value, the reimbursement fee excludes prior contributions by existing users consistent with ORS 223.304(1)(a)(B).

As for roadways, GIS data was used to develop an inventory of off-street bike and pedestrian facilities, as well as on- and off-system bridges. The current value of each facility was estimated by applying the growth in the ***Engineering News Record*** Construction Cost Index since the time of construction to the original facility cost.

The existing system value for all facilities is reduced by estimated assessments and other funding sources (grants and contributions), to determine the net system value. These estimates are provided in the “Assessable Cost” and “Other Funding” columns on Table B-2.

### 2.1.3 Growth Share of Existing System Value (Reimbursement Fee Cost Basis)

The reimbursement fee cost basis for roadways is determined by applying the existing system reserve capacity for growth within the planning period, (calculated by multiplying the net system value by the average reserve capacity for each road classification). For bridges, the growth share is assumed to be the system average reserve capacity (across all roadway classifications).

The existing system value associated with active travel modes (bicycle and pedestrian facilities) is excluded from the reimbursement fee cost basis, as there is no reserve capacity. As is discussed later in Section 2.2.2.4, the planned level of service for bicycle and pedestrian facilities is higher than the existing level of service; therefore, the existing system facilities are not adequate to meet the needs of existing development (i.e., there is no reserve capacity for future growth).

The reimbursement fee cost basis is provided in Table B-2.

## 2.2 Improvement Fee

The improvement fee is calculated to obtain the cost of capital improvements for the projected transportation system needs of future users. Determination of the improvement fee cost basis includes the following steps:

1. The portion of project costs related to increasing system capacity is determined.
2. New capacity costs are allocated between growth and existing development, based on the portion of each project that relates to providing capacity for growth vs. addressing an existing deficiency or future service level enhancement related to existing development.
3. Capacity costs are reduced by any external funding sources (assessments, grants, contributions by other agencies) that are projected to cover a portion of growth's new capacity costs.

The improvement fee cost basis is shown in Table B-3.

# TABLE B-3: IMPROVEMENT FEE

| (a) Project Type | (b) Total Cost[1] | (c) Existing Capacity Replacement Cost | (d) (b-c) Net New Capacity Costs[2] | Growth Share of Net New Capacity (e) (d x f) $ | (f) % | (g) Net of Other Funding[3] | (h) SDC per Vehicle Trip[4] | (i) Potential Assessable[5] | (j) Grants[6] | (k) (g + i + j) SDC Plus Grants & Assessable |
|---|---|---|---|---|---|---|---|---|---|---|
| **Multimodal Projects** | | | | | | | | | | |
| Street Projects | $118,600,000 | $21,100,000 | $97,500,000 | $28,824,569 | 30% | $26,624,569 | $650 | $19,800,000 | | $46,424,569 |
| Upon Development Projects | $134,200,000 | $12,200,000 | $122,000,000 | $80,114,483 | 66% | $47,929,992 | $1,170 | $64,100,000 | | $112,029,992 |
| **Operational Projects** | | | | | | | | | | |
| New Signals | $8,750,000 | | $8,750,000 | $2,147,843 | 25% | $2,147,843 | $52 | | | |
| Accessible Pedestrian Signals | $7,490,000 | | $7,490,000 | $1,838,554 | 25% | $1,838,554 | $45 | | | |
| Master Traffic Communications Plan | $9,500,000 | | $9,500,000 | $2,331,944 | 25% | $2,331,944 | $57 | | | |
| **Active Modes (20-Year Projects)** | | | | | | | | | | |
| Shared Use Paths[7] | $24,529,000 | $0 | $24,529,000 | $24,529,000 | 100% | $21,354,321 | $521 | | $3,174,679 | $24,529,000 |
| Bike Facilities | $29,010,282 | $0 | $29,010,282 | $11,634,752 | 40% | $10,721,547 | $262 | | $4,592,661 | $15,314,208 |
| Pedestrian Facilities[8] | $9,781,000 | $0 | $9,781,000 | $810,000 | 8% | $772,519 | $19 | $8,971,000 | $37,481 | $9,781,000 |
| Subtotal | $63,320,282 | | $63,320,282 | $36,973,752 | 58% | $32,848,387 | $802 | $8,971,000 | $7,804,821 | $49,624,208 |
| **Subtotal Improvement** | **$341,860,282** | **$33,300,000** | **$308,560,282** | **$152,231,146** | **37%** | **$113,721,290** | **$2,776** | **$92,871,000** | **$7,804,821** | **$208,078,769** |

[1] Net of multimodal corridor bundle costs
[2] Net of rail-related project costs
[3] Reflects application of other funding on a project-specific basis
[4] Column (g) divided by PM Peak Hour Trip Ends through 2035: 40,972
[5] Average assessable cost of new roadway construction
[6] Reflects estimated existing commitments
[7] Includes "Shared Use Path," "Grade Separated Path," and "Sidewalk Path" projects.
[8] Includes "Accessways" projects and sidewalk projects not funded with SDC revenue.

### 2.2.1 New Capacity Costs

Detailed cost estimates for each project included in the Transportation SDC Project Plan were reviewed to determine what portion of project costs related to replacement of existing capacity versus expanding existing facilities or constructing new facilities. Existing facility replacement costs included overlay or reconstruction of existing pavement, as well as replacement of existing facilities (e.g., bridges or other crossings). This shows that, in calculating the improvement fee, the City considered the projected costs of the capacity-increasing capital improvements identified on the Transportation SDC Project Plan.

### 2.2.2 Growth Share of Capacity Costs

For purposes of determining SDC-eligibility, individual projects from the Transportation SDC Project List ("Project List") are analyzed to determine first, the portion of costs that expand or provide new capacity, versus replacing existing system capacity. Second, the new capacity costs are further analyzed to determine the portion of costs related to meeting the needs of future growth (the "growth share") versus costs associated with raising the level of service for existing development.

The general methods used for determining the growth share of costs for each project on the Project List are summarized below. These methods show that, in calculating the improvement fee, the City considered the increased capacity needed to meet the demands of future transportation system users.

#### 2.2.2.1 New Roadways

New roadways and expansions driven by future development capacity requirements are allocated 100% to growth, since the capacity is needed entirely for new development.

#### 2.2.2.2 Upgrades to Roadways and Intersections

Improvements to existing facilities to address safety, modernization, and other performance considerations provide capacity for growth and enhanced performance for existing development, so the costs are allocated in proportion to the utilization of the facilities. Specifically, weekday PM peak hour travel demand data by roadway link (from the LCOG travel demand model) are used to quantify growth's utilization of future roadway and intersection capacity. The growth share is estimated based on the growth in trips over the planning period, as a percentage of total future trips for individual roadway links. If a link provides regional 'through' traffic capacity, an adjustment to the growth share is made to exclude the portion of trips that represent "through" versus local trips.

#### 2.2.2.3 Operational Improvements

Capacity enhancing improvements include new traffic signals, as well as improvements that enhance intersections performance (accessible pedestrian signals and master traffic communications plan). The growth share for these improvements is determined based on growth's share of future person trips, as estimated from the LCOG travel demand model.

#### 2.2.2.4 New Bicycle and Pedestrian Facilities (Active Modes)

The growth share for bike and pedestrian facilities is determined based on the planned level of service (LOS) for each facility type. The planned LOS for purposes of this analysis is defined as the quantity of future facilities per capita served.

The following equation shows the calculation of the planned LOS for bicycle and pedestrian facility analysis:

$$\frac{Existing\ Q + Planned\ Q}{Future\ Population\ Served} = Planned\ LOS$$

Where:
*Q = quantity (miles of bicycle or pedestrian facilities)*

The existing and future miles of bicycle and pedestrian facilities are shown in Table B-4, based on the Project List. Population data for the estimated base year and future year (2035) are presented in Table B-5.

**Table B-4**
*Existing and Future Bike and Pedestrian Facilities (miles)*

| | **Existing** | **New** (Project List)[1] | **Future (Total)** |
|---|---|---|---|
| Shared Use Path | 43.3 | 9.5 | 52.8 |
| Bicycle Facilities | 160.2 | 121.4 | 281.6 |
| Pedestrian Facility | 223.2 | 77.4 | 300.6 |

[1] Includes multimodal and stand-alone bicycle and pedestrian projects

**Table B-5**
*Population Growth*

| | **Base Year** | **Future Year (2035)** | **Population Growth** |
|---|---|---|---|
| **Population** | 177,332 | 219,060 | 41,728 |

Source: Table 3-1 Transportation System Plan, February 2017

Table B-6 presents the existing and planned LOS for each facility type, based on the existing and planned future facilities presented in Table B-4, divided by the estimated existing and projected population presented in Table B-5. (For purposes of this analysis, population figures are divided by 1,000 in order to show the planned LOS per 1,000 population in Table B-6.)

**Table B-6**
Existing and Planned LOS (miles per 1,000 population)

| | Existing LOS | Planned LOS |
|---|---|---|
| Shared Use Path | 0.244 | 0.241 |
| Bike Facility | 0.903 | 1.286 |
| Pedestrian Facility | 1.259 | 1.372 |

The capacity requirements, or number of miles, needed for the existing population and for the growth population are estimated by multiplying the planned (future) LOS for each facility type (from Table B-6) by the estimated population (in 1,000's) of each group (from Table B-5).

These calculations are shown in Table B-7; each column is then described following the table.

**Table B-7**
Existing and Growth Capacity Needs for Bicycle and Pedestrian Facilities (Miles)

| | **Existing Population Need** (1) | **Existing Inventory** (2) | **Existing Need from Project Improvements** (3) | | **Growth Need from Project Improvements** (4) | |
|---|---|---|---|---|---|---|
| | | | Multimodal Projects | Stand-Alone Projects | Multimodal Projects | Stand-Alone Projects |
| Shared Use Paths | 42.7 | 43.3 | 0 | 0 | 0 | 9.5 |
| Bicycle Facility | 228.0 | 160.2 | 24.6 | 43.2 | 24.7 | 28.9 |
| Pedestrian Facility | 243.4 | 223.0 | 21 | 0 | 22.6 | 34.6 |

***(1) Existing Population Need***
*The need for the existing population is equal to the planned LOS multiplied by the estimated base year population (from Table B-5) in 1,000's.*
***(2) Existing Inventory***
*Existing users' needs are assumed to be met first by the existing inventory of facilities; column (2) shows the existing facility miles from Table B-4.*
***(3) Existing Need from Project Improvements***
*The difference between columns 1 and column 2 is the portion of existing development's need that will be met by the Project List improvements. Some of the need is met through the multimodal projects that add bicycle and pedestrian facilities; the remainder will be met through the stand-alone bicycle and pedestrian improvements on the Project List.*
***(4) Growth Need from Project Improvements***
*The total facility need required by growth is equal to the planned LOS (from Table B-6) multiplied by the projected increase in population over the planning period (from Table B-5) in 1,000's.*

Table B-8 shows the existing and growth shares for the stand-alone bicycle and pedestrian improvements by project type.

**Table B-8**
*Existing and Growth Share of Stand-Alone Bicycle and Pedestrian Improvements*

| | Total Stand-Alone Improvements (TSDC Project List) | Existing Share | Existing % | Growth Share | Growth % |
|---|---|---|---|---|---|
| Shared-Use Path | 9.5 | 0 | 0% | 9.5 | 100% |
| Bicycle Facility | 72.2 | 43.2 | 60% | 28.9 | 40% |
| Pedestrian Facility | 34.6 | 0 | 0% | 34.6 | 100% |

#### 2.2.3 Growth Share of Project List Cost (Improvement Fee Cost Basis)

The improvement fee cost basis is determined by applying the growth share of new capacity costs for each project, by the project new capacity costs, and deducting any other funds to be applied. Other funding sources include assessments which are likely to pay for a portion of development-driven (based on the City's current assessment policy), and grants for bicycle and pedestrian facilities.

The improvement fee cost basis is provided in Table B-3.

## 3.0 System-Wide Cost per Trip

The system wide costs per trip (also known as "costs per vehicle trip" or "costs per trip end") are determined by dividing the improvement and reimbursement fee cost bases (as shown in Tables B-2 and B-3) by the projected growth in weekday PM peak hour trip ends (shown in Table B-1).

### 3.1 Reimbursement Fee

Table B-2 shows the result of this calculation for the reimbursement fee in the column entitled "SDC per Vehicle Trip".

### 3.2 Improvement Fee

The improvement fee SDC per trip is shown in Table B-3 in the column entitled "SDC per Vehicle Trip".

## 4.0 SDC Rate Calculations

### 4.1 Formula

The transportation SDC for an individual development is based on the total cost per trip (including the reimbursement and improvement components) and the number of weekday PM peak hour trips attributable to a particular development. This calculation is as follows:

*Cost per Trip X Number of Development Trips = SDC for Development*

Where*:*
Cost per Trip = *Cost per Trip* (reimbursement) + *Cost per Trip* (improvement)*,* and
Number of Development Trips = *Trip Generation Rate X Pass-by Adjustment X Development Size* (based upon the unit of measure)*.*

Table B-9, which is located in Appendix F, shows the assumptions for the SDC rate schedule, including the total cost per trip and the trip rates and adjustments by land use category.

### 4.2 Assigned Trip Generation Rates

The standard practice in the transportation industry is to use information contained in the *Trip Generation Manual*, as published by the Institute of Transportation Engineers (ITE) to calculate the SDCs *for individual* developments. ITE trip rates by land use category are based on studies from around the country, and, in the absence of local data, represent the best available source of trip data for specific land uses.

Pass-by trip adjustments to ITE trip rates have been applied to the ITE trip rates. Also referred to as *linked* trips or *trip chaining*, pass-by trips refer to trips that occur when a motorist is already on the roadway (as in the case of a traveler stopping by a fast food restaurant on the way home from work.) In this case, the motorist making a stop while "passing by" is counted as a trip generated by the restaurant, but it does not represent a new trip on the roadway.

Pass-by adjustments are provided for those uses included in the *Trip Generation Manual.* An applicant may choose to submit a request for an alternative pass-by adjustment through the Alternate Calculation method.

Except when the City Engineer has approved an applicant's election to use the Alternate Trip Generation Calculation method or an alternative pass-by adjustment, the City Engineer shall apply rates included in the Transportation Trip Rates table, Table B-9, which is located in Appendix F. Descriptions for the land use categories included in Table B-9 are included in Appendix A and are based upon ITE land use categories. A land use category may be assigned by the City Engineer should a proposed use not be accurately represented by one of the published transportation use codes. In addition, trip rates for published use codes may be alternatively assigned as best available information in the case that a revised ITE trip rate is published prior to an administrative modification to the Transportation Trip Rates Table (Table B-9).

## 4.3 Alternate Trip Generation Calculation

Prior to the issuance of a permit requiring payment of Transportation SDCs, an applicant may elect to use the alternate calculation method (ACM) of determining the trip generation for the type of development proposed, as provided here. This election must be by written application to the City Engineer, must be accompanied with payment or the agreement to pay the transportation SDC using the standard calculation and must be approved by the City Engineer. Issuance of a final certificate of occupancy for the development will be contingent on a final decision by the City Engineer on the alternate calculation submitted for review. In the absence of the City Engineer's approval of the applicant's election to use an alternate calculation, the standard calculation shall be used. All calculations shall be based on the site's trip generation that occurs concurrently with the PM peak hour of the City's transportation system (as defined as the peak one-hour period between 4 PM and 6 PM).

### 4.3.1 Existing Traffic Study Standards

If an applicant provides previously performed traffic studies that meet the standards in section 4.3 and have been approved by the City Engineer, the trip rate based upon those studies may be used to calculate the transportation SDC. Except that the studies may come from geographic locations other than those listed in section 4.3.3.3 the studies shall meet the standards set in section 4.3.3 and shall not be more than ten years old.

### 4.3.2 Independent Traffic Study

If an applicant does not want to use the trip generation rates in section 4.2 or to have the rate determined under section 4.3.1, with the prior written approval of the City Engineer by complying with the standards in section 4.3.3 below, the applicant may conduct an independent survey of the proposed development's trip generation rate.

### 4.3.3 Transportation Traffic Study Criteria

To be used to calculate the Transportation SDC for a proposed development under this section 4.3.3, a transportation study must meet the following standards unless the City Engineer modifies them because of unique circumstances:

#### 4.3.3.1 Qualifications of Study

The completed study must be stamped by either a licensed civil engineer qualified to conduct traffic studies or a licensed transportation engineer, who has been approved by the City Engineer.

#### 4.3.3.2 Development Specifications

The study shall be based upon analyses of the trip-making characteristics of similar facilities, both in size and type of land uses operating at full occupancy/capacity.

#### 4.3.3.3 Specifications for Number of Sites

A minimum of five local sites with comparable land use shall be proposed for the study and approved by the City Engineer. If, in the sole discretion of the City Engineer, there are insufficient local sites, the City Engineer will consider alternate sites within the states of Idaho, Oregon or Washington. The sites shall have land uses that are of comparable general description to that proposed upon build-out**.**

#### 4.3.3.4 Specifications for Traffic Study Scope

The assumptions, parameters and methodology included in the traffic study shall be scoped in accordance with both the methodology described in the current edition of the Institute of Transportation Engineers *Trip Generation Manual*, and direction provided by the City Engineer.

#### 4.3.3.5 Specifications for Description and Drawings

The request to use the alternate calculation shall include a detailed description and drawing of the proposed development site, a description and drawing of each sampling site, a description of why these sites are representative of the impact likely to be generated by the proposed development and such other information as may be required by the City Engineer.

#### 4.3.3.6 Specifications for Report Format

The completed report of the study shall be in a form approved by the City Engineer and upon its completion shall be submitted to the City Engineer for approval.

### 4.3.4 Approval & Outcome of Alternate Calculation Traffic Study

The City Engineer may approve, approve with conditions, or reject the trip generation rate calculated in a report prepared under section 4.3 hereof. Upon approval, the trip rate for the proposed development shall be used to calculate the transportation SDC. In the event that the alternate calculation results in a transportation SDC less than the standard calculation, upon approval of the alternate calculation by the City Engineer, the City shall refund the excess transportation SDC collected to the applicant or reduce the amount the applicant agreed to pay. If the approved alternate calculation results in a transportation SDC greater than the standard calculation, the applicant shall pay the underage to the City or modify the agreement to pay to include the underage. In the event the applicant fails to promptly pay the underage to the City or to promptly modify the agreement to pay, the City may suspend the permit for the development until payment is made or the agreement to pay is modified to include the underage.

## 4.4 Compact Development Adjustments

As part of the City's strategies to promote compact development and the goals of Envision

Eugene, certain types of compact development may receive one or more adjustments to reduce their calculated Transportation SDC. These compact development adjustments fall within one of the following categories, as summarized in Table B-10:

- Location-Based
  - Eugene Downtown Plan boundary
  - West University Commercial District
  - Residential or mixed-use development along a key corridor
  - Nodal development
- Transit Proximity
  - Frequent Transit Network (FTN)
- Transportation demand management (TDM)
- Accessory dwelling units (ADUs)

The location-based and transit proximity compact development adjustments are geographically based adjustments. The areas in which these geographic adjustments may apply are shown on the maps in Appendix B of the ***Transportation SDC Project Plan***.

Compact development adjustments:

- Shall be applied to the calculated base transportation SDC fee, prior to the application of any credits or impact reductions;
- Are cumulative (using the categories listed in Table B-10), not to exceed 100% of the transportation SDC;
- May not to be applied to single-family detached or duplex housing; and
- Are subject to annual caps. See section 7.3 of General Methodology and section 4.4.4, below.

### 4.4.1 Location-Based Compact Development Adjustments

There are four types of location-based compact development adjustments. The city will not approve more than one type of location-based compact development adjustment for a development, even if the development meets the criteria for more than one type.

#### 4.4.1.1 Development within the Eugene Downtown Plan Boundary

Development within the boundary of the Eugene Downtown Plan shall be given a compact development adjustment when at least one of the following criteria is met.

**A. Re-development of Existing Building or Tenant Space with a Use Generally Found in a Shopping Center**

A 100% reduction to the calculated transportation SDC shall be granted for re-development located within the Downtown Plan Boundary that changes the use of an existing commercial tenant space or building from a use generally found in a shopping center to another use also generally found in a shopping center.

For purposes of this adjustment, a “use generally found in a shopping

center" includes commercial/retail stores and non-merchandising facilities as described in the definition of Shopping Center in Appendix A to the General Methodology.

Development is not eligible to receive this compact development adjustment if it:

- Changes use from a shopping center use to a non-shopping-center use or vice-versa (e.g., commercial to residential), or
- Includes a new building, or
- Includes a building addition (the addition of floor area).

**B. Development Subject to Density and/or FAR Requirements**

A 30% reduction of the calculated transportation SDC shall be granted for new commercial or mixed-use buildings, building additions, and changes of use not consistent with section 4.4.1.1A above if such development is:

- Located within the Downtown Plan boundary; and
- Located within a zone or overlay zone (e.g., /TD Overlay) that requires density and/or minimum floor area ratios (FAR); and
- Meets the minimum land use code requirements for the zoning area (e.g., FARs that are adjusted to a lower ratio will not receive the compact development adjustment).

**C. Development Not Subject to Density and/or FAR Requirements**

A 30% reduction of the calculated transportation SDCs shall be granted for new commercial or mixed-use buildings, building additions, and changes of use not consistent with section 4.4.1.1A above if such development:

- Is located within the Downtown Plan boundary; and
- Is not located inside a zone or overlay zone (e.g., /TD Overlay) that requires additional density standards; and
- Has a floor area of at least 0.65 square feet for each 1 square foot of lot area.

For the purposes of calculating the floor area for the adjustment described in 4.4.1.1.C, floor area shall be defined as the entire floor area of the building, as measured from the outside of the exterior walls, including that portion of the basement that is designed and constructed as permanent underground parking, office, or retail use; stairs and elevator shafts shall be counted once per every two floors that they service.

**D. Residential-Only Buildings**

A 30% reduction to the calculated Transportation SDC shall be granted for new residential-only buildings, additions to existing residential-only buildings, or changes of use of existing buildings to residential-only uses which are located in the Downtown Plan boundary and which are designed with a minimum of twenty (20) residential dwelling units per net acre.

#### 4.4.1.2 Location-Based Adjustment for Development within the West University Commercial District

A 100% reduction to the calculated transportation SDC shall be granted for re-development that:

- Is located within the West University Commercial District; and
- Changes the use of an existing commercial tenant space or building from a use generally found in a shopping center to another use also generally found in a shopping center.

For purposes of this adjustment, a "use generally found in a shopping center" includes commercial/retail stores and non-merchandising facilities as described in the definition of Shopping Center in Appendix A to the General Methodology.

Development is not eligible to receive this compact development adjustment if it:

- Changes use from a shopping center use to a non-shopping-center use or vice-versa (e.g., commercial to residential), or
- Includes a new building or
- Includes a building addition (the addition of floor area).

#### 4.4.1.3 Location-Based Adjustment for Residential or Mixed-Use Development along a Key Corridor

The Envision Eugene Plan has identified key transportation corridors that are intended to have transit service connecting downtown to numerous core commercial areas.

A 15% reduction to the calculated transportation SDC shall be granted for multi-family apartments and condominiums, rowhouses, townhouses, and mixed-use development that:

- Is located on property with frontage on identified key corridors; and
- Provides pedestrian corridors from the development to the key corridor right-of-way.

Single-family detached and duplex housing are not eligible to receive this adjustment.

#### 4.4.1.4 Location-Based Adjustment for Nodal Development

The General Plan (Metro Plan) recognizes the plan designation of "Nodal Development Area (Nodes)". The intent of this designation is to establish areas for mixed-use, pedestrian-friendly development that will reduce reliance on the automobile. There is evidence that shows that this type of development can result in reduced automobile trip generation rates. Furthermore, the Oregon *Transportation Planning Rule* (TPR), in OAR 660-012-0060(5) states in part that:

> *. . . local governments shall give full credit for potential reduction in vehicle trips for uses located in mixed-use, pedestrian-friendly centers . . .*

and*,*

> *. . . local governments shall assume that uses located within a mixed-use, pedestrian-friendly center, or neighborhood, will generate 10% fewer daily and peak hour trips than are specified in available published estimates, such as those provided by the Institute of Transportation Engineers (ITE) Trip Generation Manual. . .*

A 10% reduction to the calculated transportation SDC shall be granted for commercial development, multi-family apartments and condominiums, rowhouses, and townhouses in Nodal Development Areas.

Single-family detached and duplex housing are not eligible to receive this adjustment.

### 4.4.2 Transit Proximity Compact Development Adjustments - Frequent Transit Network

The Frequent Transit Network (FTN), as defined by Lane Transit District, provides transit service for at least 16 hours per day with an average trip frequency of 15 minutes or better. The City FTN area is shown on the maps in Appendix B of the ***Transportation SDC Project Plan,*** which show the rights-of-way included in the Frequent Transit Network and the centerlines for the FTN corridors.

The FTN includes both current and future routes that will provide the above defined level of service. Multi-family apartments and condominiums, rowhouses, townhouses, and mixed-use development will be granted a reduction of the calculated transportation SDC based on the following proximities to the centerlines of the FTN corridors:

A. Proposed development located wholly or partially within 0.25 miles of the FTN centerline will be granted a 10% reduction**,** unless a physical condition (e.g. a water body or intervening development) precludes direct pedestrian access between the development and the FTN; OR
B. Proposed development located wholly or partially within 0.5 miles of the FTN centerline will be granted a 5% reduction, unless a physical condition (e.g. a water body or intervening development) precludes direct pedestrian access between the development and the FTN.

The city will not approve more than one type of transit proximity compact development adjustment for a development, even if the development meets the criteria for more than one type.

Single-family detached and duplex housing are not eligible to receive this adjustment.

### 4.4.3 Transportation Demand Management Compact Development Adjustments

A development that qualifies for one of the location and/or transit proximity adjustments listed above may also be eligible for a Transportation Demand Management (TDM) compact development adjustment.

A 10% reduction to the calculated transportation SDC shall be granted for TDMs that meet the following TDM criteria:

- Have a signed TDM agreement with the City, pursuant to EC 9.8030(10);
- Meet one of the location and/or transit proximity criteria described above; and
- Reduce the number of parking spaces otherwise required by code. TDMs used to increase the number of parking spaces are not granted adjustments.

A TDM that has been additionally reviewed by the City Engineer as a transportation impact reduction, per the SDC Methodology, to reduce the demand from the development for the future construction of identifiable capital improvements may receive the 10% TDM reduction (in addition to the approved impact reduction), if it meets the TDM criteria above.

### 4.4.4 Accessory Dwelling Unit Compact Development Adjustments

As part of the City's strategies to further efficient housing options and the goals of Envision Eugene, new accessory dwelling units (ADUs) shall be granted a reduction equal to 100% of the calculated transportation SDC. This reduction is available to any structure meeting the definition of "Accessory Dwelling Unit" provided in Appendix A to the City of Eugene's System Development Charge Methodologies, regardless of whether the structure is referred to as an "accessory dwelling unit" or an additional "one-family dwelling" on the same lot as another.

Commencing with the 2019 fiscal year, and continuing each fiscal year thereafter, the City may grant a base amount totaling $40,000.00 annually for accessory dwelling unit compact development adjustments. Each fiscal year there is a change in the rate for the system development charges for residential development, the base amount for that fiscal year shall be adjusted in an amount proportionate to that change. If any portion of the authorized base amount remains unallocated at the end of a fiscal year, that portion shall be added to the authorized base amount for the next fiscal year.

**Table B-10 – Compact Development Adjustments**

| **Criteria**[1] | **% Reduction of Transportation SDC**[3] |
|---|---|
| **Location** (only one applies) | |
| • Commercial, residential[1], or mixed-use[2] development in the Eugene Downtown Plan boundary | |
| o Re-development of existing building or tenant space from and to a use generally found in a shopping center | 100% |
| o Commercial or mixed-use development meeting either (1) land use code density and/or FAR requirements, or (2) SDC-imposed 0.65 floor area ratio (for sites outside zoning areas with minimum requirements) | 30% |
| o Residential–only buildings | 30% |
| • Re-development of existing building or tenant space within the West University Commercial District from and to a use generally found in a shopping center | 100% |
| • Residential or mixed-use development fronts on a key corridor | 15% |
| • Development is located within one of five nodes | 10% |
| **Transit Proximity** (only one applies) | |
| • Residential or mixed-use development is within ¼ mile of an adopted LTD Frequent Transit Network (FTN) Route | 10% |
| • Residential or mixed-use development is within ½ mile of an adopted Frequent Transit Network (FTN) Route | 5% |
| **Transportation Demand Management (TDM)** (only applicable to developments qualifying under at least one of the above criteria) | |
| • Development has a signed transportation demand management (TDM) agreement with the City | 10% |
| **Accessory Dwelling Unit (SDU)** | 100% |

[1] Single-family detached and duplex housing are not eligible for compact development adjustments. See the Methodology for specific requirements for each adjustment.

[2] A mixed-use development is a development that includes a combination of commercial and certain residential uses, as defined in Appendix A.

[3] Adjustments are subject to annual caps. See General Methodology section 7.3 and section 4.4.4, above.