



April 10, 2013

Rep. Brian Clem, Chair House Land Use Committee 900 Court St. NE, H-347 Salem, Oregon 97301

RE: Opposition to House Bill 3479

Chair Clem and Members of the Committee,

The Portland Bureau of Transportation (PBOT) opposes House Bill 3479. The proposed legislation would degrade the City's ability for system capacity improvements related to growth.

Development requirements for improving frontages on property are not equivalent to system development charges, which attempt to capture the impact of development upon the larger infrastructure system.

Oregon law gives local governments authority to assess Systems Development Charges (SDCs) on new development to pay for sewer, water, street, or park capital improvements. The state law specifies that the assessments be within an amount determined by the local government as the cost of accommodating the growth or capacity associated with new development.

PBOT has a defined list of capacity improvement projects located on collectors and arterials attributed to growth. The City's transportation system development charge (TSDC) program includes one-time fees assessed to new development and changes in use.

SDCs may only be spent on capacity increasing project components and may not pay for existing deficiencies within the system like frontage improvements. Projects that include existing deficiencies, (ie not capacity or growth related) may not have such components financed by SDCs. In rare cases where frontage improvements increase system capacity, state law (ORS 223.304) currently allows a credit to be applied by the City to offset the SDC.

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**John** Widmer Interim Director

Charlie

Hales Mayor The proposal is focused on residential infill development and encompasses a broad spectrum of residential uses, including apartments, condominiums, mixed-use residential development, duplexes and triplexes, and detached single family residential structures. Large development with significant impacts to the transportation system would be associated with such a broad definition.

The proposed legislation also has an inherent conflict regarding the proposed SDC definition of a minor partition. It maintains an SDC does not include the "cost of complying with requirements or conditions imposed upon a land use decision, …" yet attempts to include in the definition an SDC includes "minor partitions".

We urge the Committee to oppose House Bill 3479.

Thank you for your consideration.

Christine Leon Development Services Division Manager Portland Bureau of Transportation