

# Countywide Transportation Development Tax

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## PROCEDURES MANUAL

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Washington County  
Department of Land Use and Transportation  
Planning and Development Services  
Updated July, 2021

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COUNTYWIDE  
TRANSPORTATION DEVELOPMENT TAX  
PROCEDURES MANUAL

JULY 2021

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## **I. COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX BACKGROUND & INTRODUCTION**

The purpose of this Transportation Development Tax Procedures Manual is to assist in the administration of the Transportation Development Tax (TDT). The manual describes how the TDT may be applied to all new development occurring within Washington County and provides procedures for TDT calculation, collection, credit eligibility determination, reporting, expenditures, and appeals. The Procedures Manual is based upon the Countywide Transportation Development Tax Ordinance (Ordinance No. 691A, as modified by Ordinances 729, 741, 746-A, 751 and 793-A, effective October 1, 2014); an unofficial codification of these ordinances is included with this manual. The Ordinances include the official provisions by which the TDT is administered. This Procedures Manual attempts to provide guidance for the administration of the TDT. Any discrepancy between the Ordinance and this manual is inadvertent and in all cases the Ordinance should prevail.

All jurisdictions administering the TDT program have agreed to abide by the provisions of this Procedures Manual, in order for the TDT to be administered in a consistent manner. It is therefore very important that the provisions of this manual be followed by all jurisdictions.

This Procedures Manual is divided into several sections which cover various aspects of the program. These sections are designed to instruct users on the methods for carrying out each of the specific tasks involved in the administration of the TDT program and to specify the scope of tasks to be performed by each jurisdiction. The manual will be updated periodically, as necessary, to reflect any ordinance or staff guidance updates, and the current version will be available on the County's website (<http://www.co.washington.or.us/tdt>).

Prior to describing the more detailed aspects of the TDT, this section explains the background of the TDT and provides a summary of the program's major components.

The countywide TDT amended and replaced the Traffic Impact Fee program, which has operated since 1985 in the unincorporated areas of the county and was instituted Countywide in 1990. The general success of the previous Traffic Impact Fee program and interest in the program expressed by various Washington County cities led to discussions to extend the program, raise the rates, and to implement a comprehensive update in response to current Oregon State System Development Charge statutes. The Washington County Department of Land Use & Transportation actively worked with Washington County cities in order to develop the Transportation Development Tax. This effort involved a wide audience, including the Washington County Transportation Coordinating Committee, which is comprised of elected officials from the various cities.

In September 2008, the Washington County Board of Commissioners adopted the countywide TDT Ordinance and referred the measure to the Washington County voters. In November 2008, the Washington County electorate overwhelmingly adopted the countywide TDT. This tax took effect July 1, 2009.

Major elements of the program include the following:

- The countywide Transportation Development Tax (TDT) will collect charges from new development based on the development's projected impact on the transportation system.
- Proceeds from the TDT program will be used to fund road and transit capital improvements as identified in the capital improvements list. These improvements provide additional capacity to the major transportation system.
- The countywide TDT is based on a uniform rate structure that will be assessed by all jurisdictions. The tax charged to a developing property for a particular use is the same whether the developing property is located within any city<sup>1</sup> or within the unincorporated urban area or within the rural area.
- The TDT amended the Washington County code and imposes a countywide tax consistent with Oregon system development charge statutes. A Washington County Ordinance was required to amend the code, and by County Charter, voter approval was needed for the increased tax.
- Proceeds from the tax will pay for a portion of future needed transportation improvements. The County and cities will need to continue to rely on other revenue sources to fund all future improvement needs.
- The tax is to be automatically adjusted for inflation on an annual basis as prescribed by the index established in the ordinance starting July 1<sup>st</sup>, 2013. This allows the tax to keep up with increases in the costs of improving facilities, subject to a 10% cap.

The major administrative components of the Transportation Development Tax (TDT) include the following:

- Applicants for development shall pay based on the number of trips the development is projected to generate, as determined by the ordinance. In cases where more than one land use is anticipated, the rate shall be proportioned according to the amount of use by each particular land use category.

The tax rates are defined in the current TDT Rate Schedule of the implementing ordinance ([www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)). Note that the TDT Rate Schedule is also referred to as Table II.1 (in this manual) and Appendix B (of the Ordinance). The Rate Table is updated annually as described later in this manual.

The TDT rates depend on the development's land use category. Land use categories include residential uses, business and commercial uses, office uses, industrial uses and institutional uses.

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<sup>1</sup> Cities administer the TDT consistent with County Code Chapter 3.17. In the cities, the term "Director" means the person designated by the city to so act, as defined in 3.17.030.R.

- The TDT shall be paid prior to issuance of a building permit unless, in limited circumstances, payment may be allowed to be delayed until issuance of occupancy permit. Deferral of payment till occupancy is permissible only when the TDT due is greater than the Single-Family Residential amount.

Several payment options are available. The options include payment by cash or check or payment through a credit voucher. An applicant may pay in installments by signing a payment schedule agreement and allowing a lien against the property to secure payment.

- If an applicant constructs eligible transportation improvements, they may apply and receive credit vouchers on a dollar for dollar basis for the cost of those improvements.
- Credits shall be issued only if the transportation improvement meets specific eligibility requirements. In general, it must provide additional capacity to an eligible facility. The improvement must be required as a condition of development approval.
- Credits are assigned to a particular property; limited opportunities to reassign the credit to another development are provided. Credits remain in effect for a ten-year period.
- In addition, credits previously issued to properties under the Washington County Traffic Impact Fee program shall remain eligible for use in the TDT program for up to 10 years after the TIF credit issuance date.
- A discount for change-in-use is allowed for new or altered uses within existing structures.



## II. RATE CALCULATION

The Transportation Development Tax (TDT) is based on the amount of new traffic expected to be generated by a developing property. This section describes the procedures for calculating the TDT rate for a particular development. The basic formulas are discussed, and examples provided. Explanations are also included for situations where the rate for a specific land use is not listed in the Ordinance.

### II.A. CALCULATION PROCESS

#### STEP 1: Pick Land Use Category

The first step in calculating the TDT for a developing project is to determine the most appropriate Land Use Category(s). The Land Use categories, their corresponding units and rates are listed in the Rate Table (Appendix B, also Table II.1 and [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)). Determining the land use category is the key step in the calculation process. The most similar land use category must be chosen from the list. If there are questions regarding the appropriate land use category, the descriptions from the Institute of Transportation Engineers (ITE) Trip Generation Manual - 7th Edition (see Attachment A to this document) may be consulted; however you MUST choose a use from those listed.

#### STEP 2: Determine Number of Units

The TDT is calculated based on the number of units as determined by the developing project's type. The type of units is set for each land use in the Rate Table and is typically expressed as Thousand Gross Square Feet, # of dwellings, etc.

#### STEP 3: Find the TDT tax rate in the Rate Table (current rate available at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)).

The TDT is calculated based on the rates provided as adjusted by the inflation index and approved by the Washington County Board of Commissioners.

#### STEP 4: Calculate the amount of TDT

The TDT amount is calculated by multiplying the number of units by the rate, as determined in steps 2 and 3 above.

$$\text{NUMBER OF UNITS} \times \text{RATE} = \text{AMOUNT}$$

A sample "Transportation Development Tax (TDT) Estimate" worksheet is provided on the following page. This worksheet must be used to calculate a development project's TDT. The completed worksheet shall be retained for official records. This worksheet is also included in Attachment C.

#### STEP 5: Calculate Change-In-Use Discount, if applicable:

Determine if a Change-In-Use Discount is allowable. If a Change-In-Use discount is allowed based on 3.17.190, which applies only to older buildings (at least three years old, where a previous use had been established), the applicable TDT shall be calculated as described in section II.E. of this manual.

The discount for Change-in-Use developments is as follows (applies to first 5,000 gross floor area only):

1. Category 1: Fifty percent of the TDT that would otherwise be due; and
2. Category 2: Seventy-five percent of the TDT that would otherwise be due.

A sample "Change-In-Use Form" is provided in Attachment C. This worksheet must be used to calculate a development project's TDT. The completed worksheet shall be retained for official records.

**3.17.050 Amount.** A. Except as otherwise provided in this Chapter, the TDT due shall be calculated by: 1) determining the category of the proposed use from the list in Appendix B; 2) determining the TDT rate per unit for that use in Appendix B; and 3) determining the number of units for the proposed use. The TDT rate per unit, multiplied by the number of units for the use, shall be the TDT charge.

**WASHINGTON COUNTY**

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 Hillsboro, OR 97124  
 Ph. (503) 846-8761 Fax (503) 846-2908  
<http://www.co.washington.or.us>

Applicant Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**TRANSPORTATION DEVELOPMENT TAX (TDT) ESTIMATE**  
**(To be completed by Applicant)**

Name/Title/Description of Project:	Map and Tax Lot:
Site Address:	Land use Casefile #:

**Using the TDT RATE TABLE**, please complete the calculation below, entering the Land Use Category that is most similar to your proposed project, and the corresponding "ITE Code," "unit," and "rate." (If multiple uses are proposed on the site, use a separate line for each).

Proposed Land Use Category:	ITE Code #:	Unit* (Quantity):	X	Rate:	=	Estimated TDT
			X		=	
			X		=	
			X		=	
<b>Total Estimated TDT =</b>						

\* Note: If the "Unit" for your use is shown as "TSFGFA" or "TSFGLA" you will need to divide your proposed square footage by 1,000 before you enter it above. For example: For a total of 3,200 Square Feet of Gross Floor Area, divide by 1,000, then enter "3.2" above under the "Unit" column; or for a total of 900 Square Feet of Gross Leasable Area, divide by 1,000, then enter ".9" above under the "Unit" column.

**APPLICANT'S STATEMENT:** I have completed the above calculation and understand it to represent my estimated TDT, and that the amount due may change based on inaccuracies in the calculation, changes to my square footage or use(s), or due to any other circumstances, including but not limited to TDT increases.

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**STOP HERE if your site DID NOT previously include a use that is being replaced by another use.**

If the subject site previously included a use that is being replaced by another use, you may be able to deduct TDT previously paid for the former use. First calculate estimated TDT for the previous use(s) below; then complete the calculation in the second table to find your prospective reduced TDT.

Previous Land Use Category:	ITE Code #:	Unit* (Quantity):	X	Rate:	=	Estimated Past TDT
			X		=	
			X		=	
			X		=	

<b>Total TDT for Proposed Use(s)</b>	<b>- (Less) Total Previous TDT</b>	<b>= Estimated TDT Due after Reduction</b>

**APPLICANT'S STATEMENT:** I have completed the above calculation and understand that it may represent an estimated reduction to my TDT, but that reduction amounts may vary or be determined inapplicable subject to review by the Director.

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Disclaimer: This is a basic worksheet to assist applicants in estimating the Transportation Development Tax (TDT) applicable to a development project. Users of this worksheet should review the provisions of Washington County Code chapter 3.17 and its appendices. Applicants are encouraged to consult with county staff regarding TDT prior to requesting final TDT assessment or submitting a building permit application.

## **II.B. MULTIPLE USES**

If a single structure or project contains more than one type of use, the amount for each use is calculated as in II.A above. The total charge is the sum of the amounts for each use.

**3.17.050 Amount. D.** *It is recognized that single structures may include more than one use. In such event the Director for purposes of establishing the TDT shall proportion the uses accordingly.*

**Example (based on 2021/22 TDT rates, see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)):**

Multiple Use Building with 400 Room Hotel, 5,100 sq ft Quality Restaurant, and 20,000 sq ft Office Space.

ITE Code 310 (Hotel):	400 rooms	\$2,732	per room	
ITE Code 931 (Quality Restaurant):	5,100 sq ft	\$28,492	per TSFGFA	
ITE Code 710 (General Office):	20,000 sq ft	\$10,100	per TSFGFA	
Hotel:	400 rooms	x	\$2,732 per room	= \$1,092,800
Quality Restaurant:	5.1 TSFGFA	x	\$28,492 per TSFGFA	= \$145,309
General Office:	20 TSFGFA	x	\$10,100 per TSFGFA	= <u>\$202,000</u>
Total:				\$1,440,109

## **II.C. RATE CALCULATION FOR LAND USES NOT LISTED IN ORDINANCE**

On occasion, the Transportation Development Tax (TDT) will need to be assessed against a particular land use which is not listed in the Rate Table (see [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)) under the Land Use Category column. The ordinance provides two options for determining the appropriate rate in this situation (Section 3.17.050.C). These options are:

- Option 1. Determine the TDT based on the use listed in the Rate Table / Table II.1 most similar in traffic generation; or
- Option 2. At the election and expense of the applicant, consider an alternate TDT based on a traffic study to estimate the weekday average person trip generation of a same or similar use verified by a registered traffic engineer.

NOTE: These options are only available in situations where the Director determines a proposed use is not listed in the Rate Table / Table II.1.

**3.17.050 Amount. C.** *In the event the Director determines that a particular use does not have a basis for TDT calculation stated in Appendix B the Director shall either: 1. Determine the TDT based on the use listed in Appendix B most similar in trip generation; or 2. At the election (and expense) of the applicant, consider an alternate TDT based on a traffic study to estimate the weekday average person trip generation of a same or similar use verified by a registered traffic engineer. In the event an alternate TDT is utilized, the Director may make such adjustments as deemed applicable in consideration of location, size and other appropriate factors.*

*a. The applicant's traffic study methodology must be consistent with Appendix A and follow standard professional traffic engineering practice. b. The applicant's study must provide complete and detailed documentation, including verifiable data. Supporting documentation must rely upon generally accepted sampling methods, sources of information, demographics, growth projections, and techniques of analysis. c. The TDT shall be determined according to the methodology set forth in Appendix A, applied to the trip generation determined by the traffic study.*

The procedures for determining the TDT under the above options are only available if the Director determines that a proposed use is not listed in the Rate Table.

Typically, option 2 is considered only after option 1 has been performed by the review authority and the applicant requests the Director to consider it. The reviewer must document the rationale for decisions made in using option 1.

For information on how to assess an alternative TDT rate based on a traffic study, see Attachment B.

## **II.D. CHANGE OF USE**

*Redevelopment of a property to a land use with a lower TDT would result in no charge.*

**3.17.050 Amount.** *B. For new development for which a previous use existed on the property, the amount of the TDT due shall be determined by calculating the TDT of the previous use(s) on the property and subtracting that sum from the TDT for all of the proposed use(s) as provided in Paragraph A above. Except as provided for in subsection C of this section, the proposed use and the previous use shall be determined based on the rates listed in Appendix B.*

The Transportation Development Tax (TDT) is calculated for the previously developed property according to the rates provided in the Rate Table ([www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)). That rate is subtracted from the new development's TDT. The new development TDT and the previous development TDT are both calculated as described above in Section II.A. If a property is redeveloped to a land use with a lower TDT, no TDT will be owed.

The following definition may be important:

**3.17.030 Definitions.** *AA. "Previous use" means the most intensive lawful, permitted use existing at a particular property within the past ten years prior to the date of application for a building permit. Where the site was used simultaneously for several different uses (mixed use) then, for the purposes of this Chapter, all of the specific use categories shall be considered. Where the previous use is composed of a primary use with one or more ancillary uses that support the primary use and are owned and operated in common, that primary use shall be deemed to be the sole use of the property.*

Only a previous lawful use within 10 years prior to the date of the application is allowed to be considered. If a property has changed use multiple times over the last 10 years, any use within the last 10 years may apply. A use on the property greater than 10 years prior to the application, or an unlawful use, may NOT be considered.

**Note: the previous use must have been permissible, but not necessarily active or ongoing at the property within the past 10 years. If a use could re-establish itself in permissibly within the past 10 years, then it should be considered as a previous use.**

**3.17.030 Definitions.** *AB. "Proposed use," means the use proposed by the applicant for the new development. Where the applicant proposes several different uses (mixed use) for the new development then, for purposes of this Chapter, all of the specific use categories shall be considered. Where the proposed use is composed of a primary use with one or more ancillary uses that support the primary proposed use and are owned and operated in common, that primary use shall be deemed to be the sole proposed use of the property.*

**Change of Use Examples (based on 2021/22 rates, see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)):**

Previous use: Category 210 Single-Family Residence: \$9,623  
 Proposed use: Category 220 a 14-unit Apartment: 14 x \$6,296 = \$88,144.  
 Total: \$88,144 - \$9,623 = **\$78,521**

Previous use: Category 816 a 7,000 sqft Hardware Store: 7 x \$16,033 = \$112,231  
 Proposed use: Category 932 a 7,000 sqft High Turnover Restaurant: 7 x \$23,901 = \$167,307.  
 Total: \$167,307 - \$112,231 = **\$55,076**

Previous use: Category 710 a 19,000 sqft General Office Building: 19 x \$10,100 = \$191,900  
 Proposed use: Category 630 a 19,000 sqft Medical Clinic: 19 x \$27,044 = \$513,836  
 Total: \$513,836 - \$191,900 = **\$321,936**

**Change of Use considerations**

- 1) Is, or was, the previous use legal? In some instances a structure has been converted from its intended use to a new use without a building permit, and perhaps against the zoning code. If a structure was authorized as a certain use, it paid the charges associated with that use at the time it was authorized. If the structure is then used in a different way, but no permit was given for the change of use, it has not paid the appropriate charges. Only the authorized use is allowed as a previous use.
- 2) The burden of proof of the previous use is on the owner. The applicant must be able to provide records, or other documented evidence, indicating the previous use, when it was used, and that the use was legal.

**II.E Change-In-Use Discount**

The Change-In-Use Discount is targeted to developments that reuse or redevelop within existing structures. This discount is applied to the first 5,000 gross floor area for the proposed use(s) that constitute(s) a change in use. For any change-in-use development that exceeds 5,000 gross floor area, the TDT applicable to the remaining square footage shall be calculated as otherwise provided in this manual. Not more than one Change-In-Use discount application (can include multiple uses, limited to a total of 5,000 gross floor area) shall be allowed within a single building within a two-year period.

Applicants changing the use of an existing building may be eligible for a TDT discount as high as 75%. Discount eligibility is limited to buildings at least three years old that are changing to more intense uses, for trip generation purposes. Discounts are applied to the first 5,000 square feet of floor area (can be multiple uses, for a total of up to 5,000 square feet), and are calculated at 50% for buildings three years or older, and 75% for buildings 20 years or older.

Developments eligible for the Change-in-Use discount are described in detail in Ordinance 751, Section 3.17.190 and described in the following sections:

*Purpose of the Change-In-Use Discount*

This tax benefit is targeted to the reuse or redevelopment of existing structures for which a TDT is required to be paid (building permit is necessary). It requires that the previous use existed in the building(s) to the extent that the applicable TDT or TIF was paid, or the use was established prior to the adoption of the countywide TIF in 1990. Any additional (new) square footage is not eligible for the discount.

**3.17.190 Discount for Change-In-Use Developments**

- A. *The purpose of this section is to provide a TDT discount to a defined group of new or altered uses within existing structures. This tax benefit is targeted to developments that reuse or redevelop existing structures, as defined. To receive a Change in Use discount under this section, the building and the proposed change in use must meet all applicable TDT code provisions, and a complete application must be timely filed with the Department, and approved by the Director.*

***Eligible Developments for Change-In-Use Discount***

The proposed use must be one of the land use categories listed in Appendix A that are calculated based on Total Square Foot Gross Floor Area (TSFGFA) or Total Square Foot Gross Leasable Area (TSFGLA). The first use or occupancy of a building, regardless of the age of the building, is not eligible for a change of use discount. The discount is applied to the first 5,000 square feet of gross floor area of each proposed use that constitutes a Change-In-Use.

For any Change-In-Use development that exceeds 5,000 square feet of gross floor area, the TDT applicable to the remaining square footage shall be calculated as otherwise provided in the TDT ordinance(s). No more than one Change-In-Use discount is allowed for any specific space or premises within a building within any two-year period. No more than one Change-In-Use discount is allowed for a particular land use category listed in Appendix A within a single building within any two-year period. A discount may be allowed for multiple Change-In-Use developments within a single building (up to 5,000 square feet combined total) if they are different land use categories and filed in a single application within any two-year period. If multiple discount applications are submitted for one building, only one discount is allowed within a two-year period and the first eligible application submitted will receive the discount.

Change-In-Use developments are eligible for discounts based on these categories:

1. Category 1 is a building that is three (3) years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.
2. Category 2 is a building that is twenty (20) years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.

**3.17.190 Discount for Change-In-Use Developments**

- C. *Developments eligible for a Change in Use discount shall include all developments, as defined in 3.17.030Q, except those that construct a new building. Demolition of an existing structure followed by construction of a new building is deemed to be construction of a new building, and is not eligible. For any development that adds net square footage to an existing building, the added square footage shall not be eligible for the discount. For purposes of this section, "change in use" is defined as the development or redevelopment of an existing building for which a TDT is required to be paid, and for which a previous lawful use existed and paid TDT or TIF, or was lawfully established prior to the adoption of countywide TIF in 1990.*
- D. *To receive a Change In Use Discount, the development also must meet the following requirements:*
1. *The development is a physical alteration to an existing building, or change in use of the building, for which a Transportation Development Tax is otherwise due according to this chapter 3.17, and for which a change in TDT land use category under Appendix A, occurs.*
  2. *Prior to the Change in Use, the building was lawfully built and occupied with a previous use. The first use or occupancy of a building, regardless of the age of the building, shall not be eligible for a change of use discount.*
  3. *The TDT or TIF for the previous use was paid, or the previous use was lawfully established prior to the adoption of countywide TIF in 1990.*
  4. *The proposed use must be one of the land use categories listed in Appendix A to this Chapter that are calculated based on Total Square Foot Gross Floor Area or Total Square Foot Gross Leasable Area. Other land use categories shall not be eligible.*
- E. *Change in Use developments in the following buildings are eligible for a Change in Use discount:*
1. *Category 1 is a building that is three years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.*
  2. *Category 2 is a building that is twenty years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.*
- H. *No more than one Change-in-Use discount shall be allowed within a single building, within any two-year period. A discount may be allowed for multiple changes in use within a single building, so long as they are submitted as part of the same application. In the event multiple discount applications are submitted within the same building, the application submitted first shall receive the discount.*

**Change-In-Use Discount Methodology/Calculation**

For developments eligible for a Change-In-Use discount, the applicable TDT should first be calculated as otherwise described in this manual. The Change-In-Use discount, if applicable, would then be applied. The discount is 50 percent of the TDT that would otherwise be due for Category 1 developments and 75 percent for Category 2 developments, as described previously. The discount is applied only to the first 5,000 square feet of gross floor area (total, can be multiple uses).

**Discount for Change-In-Use Developments**

B. For developments eligible for a Change in Use discount under this section, the applicable TDT shall first be calculated as otherwise provided in this Chapter. The Change in Use discount, if applicable, shall be applied to the TDT as so calculated, following the Director's decision on the application.

F. The discount for Change in Use Developments is as follows:

1. Category 1: Fifty percent of the TDT that would otherwise be due; and
2. Category 2: Seventy-five percent of the TDT that would otherwise be due.

*If a building includes a portion that is Category 1, and a portion that is Category 2, and the change in use premises is located in both portions, the discount shall be determined by the square footage within each section of the building.*

G. The discount shall be applied to the first five thousand square feet of gross floor area of the proposed use that constitutes a change in use. For any change in use development that exceeds five thousand square feet of gross floor area, the TDT applicable to the remaining square footage shall be calculated as otherwise provided in this Chapter.

**Change-In-Use Discount Process**

**Change-In-Use Examples (2021/22 rates, see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)):**

**Example 1:**

An existing 5,000 SF church (TDT paid 5 years ago) is being converted to a 3,500 SF restaurant and 1,500 SF of specialty retail, under one application.

**3,500 SF Restaurant:**

Previous use: Category 560 Church (3.5 TSFGFA):  $3.5 \times \$3,986 = \$13,951$

Proposed use: Category 931 Quality Restaurant (3.5 TSFGFA):  $3.5 \times \$28,492 = \$99,722$

Total for first 3.5 TSFFGA:  $(\$99,722 - \$13,951) \times 0.5 = \mathbf{\$42,886}$

**Remaining 1,500 SF Specialty Retail:**

Previous use: Category 560 Church (1.5 TSFGFA):  $1.5 \times \$3,986 = \$5,979$

Proposed use: Category 814 Specialty Retail (1.5 TSFGFA):  $1.5 \times \$12,770 = \$19,155$

Total for remaining 1.5 TSFFGA:  $(\$19,155 - \$5,979) \times 0.5 = \mathbf{\$6,588}$

Total (5,000 SF):  $\$42,886 + \$6,588 = \mathbf{\$49,474}$

**Without Discount (for comparison only):**

Previous use: Category 560 Church (5.0 TSFGFA):  $5 \times \$3,986 = \$19,930$

Proposed uses: Category 931 Quality Restaurant (3.5 TSFGFA):  $3.5 \times \$28,492 = \$99,722$

Category 814 Specialty Retail (1.5 TSFGFA):  $1.5 \times \$12,770 = \$19,155$

Total (5,000 SF):  $(\$99,722 + \$19,155) - \$19,930 = \mathbf{\$98,947}$

**Discount Savings:**  $\$98,947 - \$49,474 = \mathbf{\$49,474}$



The Change-In-Use discount process is initiated by an application to the Director. The purpose of the Change-In-Use discount is to encourage redevelopment of older or historic buildings.

*I. Application*

- 1. The Director may adopt an application form for the Change in Use discount.*
- 2. A complete application must be submitted, signed by the property owner, development applicant, and occupant or proposed occupant of the structure or portion thereof, for which a discount is requested. The Director shall have sixty (60) days in which to render a decision on an application. It is the applicant's responsibility to submit an application in sufficient time to allow for a decision prior to issuance of a building or occupancy permit. Submittal of an application shall constitute consent by the applicant that a building or occupancy permit will not be issued for sixty (60) days from the date of the discount application or the date of the Change in Use discount decision, if earlier. The application shall state the name of the person or entity who will be paying the TDT. No application for the TDT Change in Use discount shall be accepted or acted upon after the TDT has been paid. An application for Change in Use discount may be withdrawn at any time by written notice to the Director, signed by the applicant, owner, and proposed occupant.*
- 3. The application must include all information required in this section 3.17.190 to make a determination of applicability of the change in use discount. It shall provide satisfactory evidence of each fact relating to the eligibility of the development for the discount, including but not limited to building age, payment of prior TIF or TDT, and the nature and extent of the previous use and the proposed use. The applicant has the burden of proof as to every fact necessary to make a determination as to eligibility for the Change in Use discount under this section.*
- 4. If an application is incomplete, the Director shall notify the applicant within ten (10) days. The applicant shall have ten (10) days from the date the notice was sent to provide additional information needed to complete the application. If the applicant does not submit sufficient information following notice, the Director may deny the application.*
- 5. The application shall include a drawing depicting the building and the premises within the building to which the Change In Use discount will apply.*
- 6. The application shall state the TDT use category for the previous use and for the proposed use, and the names of the occupants of the previous use and proposed use.*
- 7. The application shall include a statement of the square footage of the proposed use. If the proposed use is part of a building alteration that increases the net square footage, the application shall indicate if the proposed use is to be located in whole or in part within the newly built portion of the building.*
- J. The Director shall consider the information in the application, and may review additional information relating to the application, including records of building permits, tax records, and any other information that he or she deems credible to determine or verify any matter required for his or her decision.*
- K. If the Director finds that an application for the Change in Use discount includes a material misstatement of fact, that determination shall be grounds for denial of the application.*
- L. The Director shall render a decision on an application for the Change in Use Discount in writing within sixty (60) days. The Director shall approve the application in whole or in part, or deny the application. If the decision is to approve in part or deny the application, the decision shall state the reasons for the denial. An applicant who disagrees with the Director's decision may appeal as provided in Section 3.17.150B.*
- M. If the Director's decision is to approve, in whole or in part, the application for the Change in Use discount, the approved discount as stated in subsections F and G above shall be applied to the TDT assessment as otherwise calculated in this Chapter 3.17.*

**Example 2:**

An existing 10,000 SF office (TDT paid 5 years ago) is being converted to a clinic (in its entirety).

*First 5,000 TSFGFA:*

Previous use: Category 710 Office (5,000 TSFGFA):  $5 \times \$10,100 = \$50,500$ .

Proposed use: Category 630 Clinic (5,000 TSFGFA):  $5 \times \$27,044 = \$135,220$ .

Total for first 5,000 TSFFGA:  $(\$135,220 - \$50,500) \times 0.5 = \mathbf{\$42,360}$

*Remaining 5,000 TSFGFA:*

Previous use: Category 710 Office (5,000 TSFGFA):  $5 \times \$10,100 = \$50,500$ .

Proposed use: Category 630 Clinic (5,000 TSFGFA):  $5 \times \$27,044 = \$135,220$ .

Total for remaining 5,000 TSFFGA:  $\$135,220 - \$50,500 = \mathbf{\$84,720}$

Total (10,000 TSFGFA):  $\$42,360 + \$84,720 = \mathbf{\$127,080}$

## Without Discount (for comparison only):

Previous use: Category 710 Office (10,000 TSFGFA):  $10 \times \$10,100 = \$101,000$ .

Proposed use: Category 630 Clinic (10,000 TSFGFA):  $10 \times \$27,044 = \$270,440$ .

Total (10,000 TSFGFA):  $\$270,440 - \$101,000 = \mathbf{\$169,440}$

**Discount Savings:**  $\$169,440 - \$127,080 = \mathbf{\$42,360}$

**Example 3:**

An existing 5,500 SF single-family home built over 20 years ago (lawfully established prior to the adoption of the countywide TIF in 1990) is being converted to a Quality Restaurant (in its entirety).

*First 5,000 TSFGFA:*

Previous use: Category 210 Single Family Detached (1 Dwelling Unit):  $1 \times \$9,623 = \$9,623$ .

Proposed use: Category 931 Quality Restaurant (5.0 TSFGFA):  $5.0 \times \$28,492 = \$142,460$ .

Total for first 5,000 TSFFGA:  $(\$142,460 - \$9,623) \times 0.25 = \mathbf{\$33,209}$

*Remaining 500 TSFGFA:*

Proposed use: Category 931 Quality Restaurant (500 TSFGFA):  $0.5 \times \$28,492 = \mathbf{\$14,246}$

Total (5,500 SF):  $\$33,209 + \$14,246 = \mathbf{\$47,455}$

## Without Discount (for comparison only):

Previous use: Category 210 Single Family Detached (1 Dwelling Unit):  $1 \times \$9,623 = \$9,623$ .

Proposed use: Category 931 Quality Restaurant (5.5 TSFGFA):  $5.5 \times \$28,492 = \$156,706$ .

Total (5,500 SF):  $\$156,706 - \$9,623 = \mathbf{\$147,083}$

**Discount Savings:**  $\$147,083 - \$47,455 = \mathbf{\$99,628}$

**Guidance for Timing of Change-In-Use Discount Process:**

- TDT Rate is calculated at time of building permit, assuming deferral to occupancy
- Change-In-Use Discount can be applied for at any time (either before or after building permit) and may result in a discount to full rate
- Director is allowed up to 60 days to review Change-In-Use Discount application and provide determination
- TDT payment is due at occupancy (if Change-In-Use Discount has not yet been determined, developer has option to wait for determination before taking occupancy)

**II.F. SUMMARY OF CALCULATION PROCESS**

- Step A. Determine if the project is required to pay TDT.  
A transportation development tax is imposed on **ALL** development in Washington County, including inside cities. The only exceptions are specifically provided for in 3.17.040(B).
- Step B. Calculate the fee for the development.  
As provided for in 3.17.050. The rate **MUST** be determined using the procedures identified in 3.17.050. Other calculation methods are **not** acceptable.
- Step C. Calculate the fee for any existing development on the property.  
Subtract any previous development fee from that determined in step B.  
Negative numbers mean zero payment required.
- Step D. Determine if the project is eligible for Change-In-Use discount.  
Calculate discount, if applicable.
- Step E. Payment by: cash, deferral to occupancy, or credit, or Bancroft agreement.



**WASHINGTON COUNTY**  
 Dept. of Land Use & Transportation  
 Development Services Division  
 Current Planning  
 155 N. 1<sup>st</sup> Avenue, #350-13  
 Hillsboro, OR 97124  
 Ph. (503) 846-8761 Fax (503) 846-2908  
<http://www.co.washington.or.us/lut/>

# Application for Change-In-Use Discount

on the Transportation Development Tax (TDT)

Regulated by Washington County Code 3.17.190

*Note: Attachments are required for items in shaded boxes.*

## 1. Application Date: (Date when form is submitted to County)

Month:	Day:	Year:
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**2. Applicant:** Contact information is required for all parties in the table below. If any of the below is duplicative, write "S/A property owner," etc. If proposed occupant is not known, write "not known."

Property Owner	Development Applicant	Occupant or Proposed Occupant
Name/entity:	Name/entity:	Name/entity:
Owner address:	Applicant address:	Current address of occupant:
City/State/ZIP:	City/State/ZIP:	City/State/ZIP:
Phone:	Phone:	Phone:
Email:	Email:	Email:

## 3. Project and Site Information:

Project Title:	Map and Tax Lot:
Site Address:	Land Use Case File #:
	Building Permit #:
Check one: <input type="checkbox"/> Site is in unincorporated Washington County <input type="checkbox"/> Site is within the City of: _____	
Is this the first time a TDT Change of Use Discount is being requested for this site?	
<input type="checkbox"/> Yes <input type="checkbox"/> No (attach a copy of the previous Change of Use Discount Application)	

**4. Building Age:** To be eligible for a discount, the building must be at least three years old, and lawfully built and occupied. Please provide the following information and attach evidence of building age:

Date when the building <u>first</u> received a certificate of occupancy (MM/DD/YYYY): If this date is not known, please provide the estimated year when the building was completed.	
<input type="checkbox"/> The following evidence is attached to show building age:	
As of the submittal date of this form, the building is (check one): <input type="checkbox"/> Less than 3 years old <input type="checkbox"/> 3 years old or older, but less than 20 years old <input type="checkbox"/> 20 years old or older <input type="checkbox"/> A mix of ages (describe in the space below)	

**5. Previous Use:** *To be eligible for a discount, the previous land use must have been lawfully established with a certificate of occupancy and payment of TDT or Traffic Impact Fee (if established after 1990). Please provide information and attach evidence for each of the following:*

Date when the building received a certificate of occupancy for the most recent use:

☐ Copy of certificate of occupancy is attached. ☐ Alternative evidence is attached. Describe:

TDT or Traffic Impact Fee (TIF) paid for the previous use: Amount: \$ Payment date:  
*Note: This amount does not enter into discount calculations.*

☐ Copy of check or other proof of payment is attached, showing TDT or TIF paid.

Name of previous occupant(s):

Land use category of previous occupant, as categorized in the TDT Rate Table:	ITE code of previous land use, as shown in the TDT Rate Table:	Gross floor area of previous use (square feet):
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**6. Proposed Use:** *To be eligible for a discount, the proposed land use must be one for which TDT is calculated by thousand square feet gross floor area (TSFGFA) or thousand square feet gross leasable area (TSFGLA) in the TDT Rate Table. A maximum of 5,000 square feet is eligible for a discount. Newly constructed buildings or additions are not eligible. Please provide the following details and attachments regarding the proposed use.*

Name of proposed occupant(s):

Land use category of proposed occupant, as categorized in the TDT Rate Table:	ITE code of proposed use, as shown in the TDT Rate Table:	Gross floor area of proposed use (square feet):
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Does any part of the proposed use consist of new construction? ☐ Yes: \_\_\_\_\_ square feet ☐ No

Please attach a drawing depicting the building and the premises within the building to which the change of discount will apply.

☐ Drawing is attached.

**7. Discount Calculation:** *If the change of use applies to a building or space with 5,000 or fewer square feet of gross floor area, proceed to step A below. If the change of use applies to a building or space with greater than 5,000 square feet gross floor area, skip to step B. Both options require information from the TDT Rate Table.*

**A. 5,000 s.f. or smaller:** *The entire change of use area may be eligible for a discount.*

Land Use Category	ITE Code	TSFGFA or TSFGLA (Gross square feet ÷ 1,000)	X	TDT Rate	=	TDT Calculation
i. Proposed Use			X	\$	=	\$
ii. Previous Use			X	\$	=	\$
Line i minus line ii:						\$
Multiply by 0.5 for buildings 3 years old or older, but less than 20 years old; or Multiply by 0.25 for buildings 20 years old or older:						x 0.5 or x 0.25 (circle one)
Discounted TDT Due:						\$

**B. Larger than 5,000 s.f.:** For buildings/spaces larger than 5,000 square feet, calculate the discounted TDT for the first 5,000 square feet, then calculate the non-discounted TDT for the remaining square footage, then add the two calculations together.

Discounted TDT (first 5,000 s.f.)

Land Use Category	ITE Code	Discounted TSFGFA or TSFGLA (5,000 s.f. gross floor area + 1,000)	X	TDT Rate	=	TDT Calculation
i. Proposed Use		5	X	\$	=	\$
ii. Previous Use		5	X	\$	=	\$
Line i minus line ii:						\$
Multiply by 0.5 for buildings 3 years old or older; multiply by 0.25 for buildings 20 years old or older:						x 0.5 or x 0.25 (circle one)
Discounted portion of TDT:						\$

Non-Discounted TDT (remaining square footage beyond 5,000 s.f.)

Land Use Category	ITE Code	Remaining TSFGFA or TSFGLA (Gross floor area minus 5,000, then divided by 1,000)	X	TDT Rate	=	TDT Calculation
iii. Proposed Use			X	\$	=	\$
iv. Previous Use			X	\$	=	\$
Line iii minus line iv: Non-discounted portion of TDT:						\$

Discounted portion of TDT:	+	Non-discounted portion of TDT:	=	<b>Total TDT due:</b>
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**8. Additional Attachments:** List any other attachments that are included with this application:


**9. Applicant Statement and Signatures:** We have completed the above calculation and understand that it may represent an estimated reduction to our TDT, but that reduction amounts may vary or be determined inapplicable subject to review by the Director.

Property Owner	Development Applicant	Occupant or Proposed Occupant
Signature:	Signature:	Signature:
Date:	Date:	Date:

## Table II.1

**RATE TABLE** July 1, 2021 through June 30, 2022 (see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt))

ITE CODE	LAND USE CATEGORY	UNIT	RATE 7/1/21 – 6/30/22	ITE CODE	LAND USE CATEGORY	UNIT	RATE 7/1/21 – 6/30/22
<b>RESIDENTIAL</b>				<b>COMMERCIAL / SERVICE</b>			
210	Single Family Detached	dwelling	\$9,623	310	Hotel/Motel	room	\$2,732
220	Apartment (per unit)	dwelling	\$6,296	812	Building / Lumber	TSFGFA	\$9,606
230	Condo/Townhouse	dwelling	\$5,756	813	Superstore w/ Groceries	TSFGFA	\$18,362
240	Mobile Home Park	dwelling	\$4,815	814	Specialty Retail	TSFGFA	\$12,770
254	Assisted Living	bed	\$2,975	815	Superstore No Groceries	TSFGFA	\$19,704
255	Retirement Care	unit	\$3,008	816	Hardware/Paint Store	TSFGFA	\$16,033
<b>RECREATIONAL</b>				817	Nursery/Garden Center	TSFGFA	\$11,353
411	Park	acre	\$1,614	820	Shopping Center	TSFGFA	\$13,215
430	Golf Course	hole	\$17,106	823	Factory Outlet Center	TSFGFA	\$10,366
432	Driving Range	tee	\$13,534	841	New Car Sales	TSFGFA	\$14,882
435	Multipurpose/arcade	TSFGFA	\$3,013	843	Automobile Parts Sales	TSFGFA	\$14,333
437	Bowling Alley	lane	\$980	849	Tire Superstore	TSFGFA	\$11,261
445	Movie Theater	screen	\$135,158	850	Supermarket	TSFGFA	\$26,640
492	Health Club	TSFGFA	\$9,477	851	Convenience Market	TSFGFA	\$31,391
495	Community Center	TSFGFA	\$11,177	853	Convenience Market w/ Fuel	VFP	\$30,143
<b>INSTITUTIONAL / MEDICAL</b>				860	Wholesale Market	TSFGFA	\$7,662
520	Elementary School	student	\$464	861	Discount Club	TSFGFA	\$20,686
522	Middle School	student	\$526	862	Home Improvement Superstore	TSFGFA	\$7,706
530	High School	student	\$724	863	Electronics Superstore	TSFGFA	\$10,661
536	Private School (K-12)	student	\$537	867	Office Supply Superstore	TSFGFA	\$14,333
540	Junior College	student	\$757	880	Pharmacy / Drugstore without Drive-Thru Window	TSFGFA	\$14,333
550	University	student	\$1,254	881	Pharmacy / Drugstore with Drive-Thru window	TSFGFA	\$14,333
560	Church	TSFGFA	\$3,986	890	Furniture Store	TSFGFA	\$1,809
565	Day Care / Preschool	student	\$1,484	911	Bank Walk-in	TSFGFA	\$29,674
590	Library	TSFGFA	\$18,699	912	Bank Drive-in	TSFGFA	\$31,391
610	Hospital	bed	\$3,791	931	Quality Restaurant	TSFGFA	\$28,492
620	Nursing Home	bed	\$1,303	932	High Turnover Restaurant	TSFGFA	\$23,901
630	Clinic	TSFGFA	\$27,044	933	Fast Food Restaurant (No Drive-Thru)	TSFGFA	\$31,391
<b>OFFICE</b>				934	Fast Food Restaurant (With Drive-Thru)	TSFGFA	\$31,391
710	General Office Building	TSFGFA	\$10,100	935	Drive-Thru Restaurant (No Seating)	TSFGFA	\$31,391
720	Medical Office Building	TSFGFA	\$34,220	936	Drinking Place / Bar	TSFGFA	\$25,681
730	Government Office Building	TSFGFA	\$67,011	941	Quick Lubrication Vehicle Shop	Stall	\$21,956
732	US Post Office	TSFGFA	\$85,907	942	Automotive Care Center	TSFGFA	\$14,917
750	Office Park	TSFGFA	\$13,356	944	Gasoline/Service Station (No Market or Car Wash)	VFP	\$18,835
<b>INDUSTRIAL</b>				946	Gasoline/Service Station (with Market and Car Wash)	VFP	\$18,835
030	Truck Terminal	TSFGFA	\$5,134	Abbreviations used in the "Unit" Column: T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area T.S.F.G.L.A. = Thousand Square Feet Gross Leasable Area V.F.P. = Vehicle Fueling Position			
110	General Light Industrial	TSFGFA	\$6,827				
120	General Heavy Industrial	TSFGFA	\$1,469				
140	Manufacturing	TSFGFA	\$3,756				
150	Warehouse	TSFGFA	\$4,882				
151	Mini-Warehouse	TSFGFA	\$2,500				
170	Utilities	TSFGFA	\$6,489				

### III. TDT COLLECTION PROCEDURES

#### **INTRODUCTION**

This section describes the procedures for collection of the Transportation Development Tax (TDT). The section begins by describing development activities that are subject to the TDT as well as those development activities that are exempt. This is followed by a description of the various payment options and the administrative procedures utilized in collecting the TDT. Finally, brief sections are provided on Mandatory Collection Procedures and Refunds.

#### **III.A. IMPOSITION AND EXEMPTIONS**

##### **1. Imposition**

###### ***3.17.040 Imposition and Exceptions.***

*A. A transportation development tax is imposed on all development in the county, including inside cities, as provided for herein.*

The TDT is imposed on all new development in Washington County, including the cities. The TDT, unless deferred to occupancy, is collected prior to the issuance of a building permit. In cases where no building permit is required, (such as for golf courses), the tax is to be collected prior to final approval of the development application. In cases where a structure is remodeled, a TDT is to be collected based on the difference between the previous use and the proposed use.

##### **2. Exemptions**

###### ***3.17.040 Imposition and Exceptions.***

*B. The uses listed and described in this subsection are exempt, either partially or fully, from payment of the TDT. Any Applicant seeking an exemption under this Section shall request that exemption, in writing, no later than the time of application for the Building Permit. Where Development consists of only part of one or more of the uses described in this Section, only that/those portion(s) of the Development that qualify under this Section are eligible for an exemption. The balance of the Development that does not qualify for any exemption under this Section shall be subject to the full TDT.*

- 1. Remodeling or replacement of existing structures (including mobile homes) except to the extent that the remodeling or replacement creates demands on the transportation system greater than those of the existing use of the property;*
- 2. Temporary uses which do not exceed ninety days in a calendar year;*
- 3. Temporary construction facilities as determined by the Director;*
- 4. A transit improvement which has the impact of removing vehicle trips or reducing vehicle miles of travel on the county's major roadway system, as approved by the Director;*
- 5. Construction, remodeling or expansion of federal or state facilities and uses otherwise exempt from taxation by counties;*
- 6. Relocation due to government acquisition of the entire previous use as part of a project listed in Appendix C, to the extent the use at the new site does not exceed the size or impact of the previous use. Any additional size or impact shall be subject to the tax.*



### **III.B PAYMENT & COLLECTION PROCEDURES**

**3.17.060 Payment.** *A. Unless deferred, the tax imposed is due and payable at the time of issuance of a building permit by the county or city. Except as otherwise provided in this chapter, no building permit shall be issued for a development subject to this tax unless the tax is first paid in full.*

A building permit applicant is provided several options by which the Transportation Development Tax may be paid. These options include:

- Cash option (payable by any means the jurisdiction accepts – cash, check, credit card or otherwise);
- Installment Payment (Bancroft) option by which payments may be spread out over a number of years; and
- Credit Option by which a developer may improve facilities in lieu of direct payment.

A building permit applicant may defer payment until occupancy provided the TDT is greater than the cost of a SINGLE FAMILY RESIDENCE (ITE CODE 210), currently \$9,623 (2021/22, see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)), see section III.C below. In all cases, a Payment Option Form should be completed by each building permit applicant. The form (see payment option form in Attachment C) provides a check-off box for each payment option. In addition, it provides a check-off box for deferral in cases where the TDT is anticipated to be greater than a SINGLE-FAMILY RESIDENCE (ITE CODE 210). Once completed, the form is signed by both the owner and the applicant (which may be one and the same).

The specific procedures utilized in administering the payment options are described below.

#### **1. Cash or Check Option**

The most common method of TDT payment is through cash or check. As funds are received, proceeds are to be placed into a separate "Transportation Development Tax fund" to be established by each jurisdiction. Adequate financial records, consistent with each city's financial management system, are to be maintained.

#### **2. Installment Payment (Bancroft) Option**

**3.17.060 Payment.**

*C. Any TDT may be eligible for internal financing or a Bancrofting agreement pursuant to ORS 223.205 through 223.785, the Bancroft Bonding Act or any adopted city process. Any installment or Bancroft agreement provided by this section shall have an interest rate as determined, at the time of the application, by the chief county or city financial officer and in recognition of the then current market rates and costs associated with the administration of such agreements. Applications for an agreement, as provided in this chapter, must be made at the time of building permit application, or occupancy permit if permitted pursuant to subsection B of this section. No applications made subsequent to issuance of the building permit, or occupancy permit if allowed by subsection B of this section, shall be considered. Any TDT using a financing agreement may be filed as a lien pursuant to ORS 223.230 or applicable city provision.*

Specific procedures used to process the installment payments are not described in this Procedures Manual since cities have unique procedures. However, it should be noted that the County presently utilizes the Washington County Department of Assessment & Taxation to administer existing TDT. This option may also be available for individual cities. A copy of the County's TDT Installment Payment Application, and Notice of Right to Cancel Installment Payment, forms are included in Attachment C to this Procedures Manual.

### 3. Credits Option

A development applicant may hold TDT credits received for constructing eligible transportation improvements. A detailed explanation of the credit provisions is provided in Section IV of this Procedures Manual. If Credits are granted, developers are issued credit vouchers in a specific dollar amount. These credit vouchers must be submitted no later than the time of issuance of a building permit, or if deferred, at the time of occupancy permit, for payment of the TDT obligation.

This section discusses the procedures used to process credits used to satisfy payment of the TDT.

#### **3.17.080 Credit Application and Administration.**

*H. Any credit must be redeemed not later than the issuance of the building permit or, if deferral was permitted pursuant to Section 3.17.060, issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the building or occupancy permit. Except as provided in Section 3.17.110, under no circumstances shall any credit redemption be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.*

- a. The applicant for a building permit is required to submit a copy of the credit voucher. If TDT has been deferred to occupancy, the credit voucher must be submitted prior to occupancy. The applicant is responsible for timely presentation of any credit, and no credit shall be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.

Note: While it is the applicant's responsibility to submit the credit voucher, the jurisdiction will normally keep track of available credit vouchers.

- b. However, according to the program's refund policies (Section III.D), a refund shall be granted because of failure to claim a credit at the time of building permit issuance or building occupancy if the request is made in writing within 30 days of payment.

#### **3.17.110 Refunds.**

*Refunds of the TDT may be made upon initiation of the Director, or upon written application filed with the Director. Refunds shall be allowed upon a finding by the Director that there was clerical error in the calculation of the TDT. Refunds shall be allowed for failure to redeem a credit voucher or offset, provided the claim for refund is in writing and actually received by the appropriate jurisdiction within thirty days of the date of issuance of the building permit, or occupancy permit if deferral was granted. No refund shall be granted for any reason other than those expressly provided for herein.*

- c. Submittal of a valid credit voucher shall be considered payment of the TDT in the amount of the credit. The rate assessed to a building permit is the rate in effect at the time the credit voucher is submitted.
- d. The amount of the TDT paid through credits is subtracted from the outstanding credit balance and noted on the jurisdiction's master credit form.

Note: No refund is allowed for TDT credit vouchers that exceed the TDT obligation.

- e. Credits expire ten years after issuance. No extension of this deadline shall be granted.
- f. Upon annexation, credits previously issued by the County shall be honored by the jurisdiction collecting the tax, provided that the credit voucher is redeemed in accordance with the rules listed above.

### **III.C. DEFERRAL TO OCCUPANCY**

A building permit applicant may defer payment until occupancy provided the Transportation Development Tax (TDT) is greater than the charge for a SINGLE FAMILY RESIDENCE (ITE CODE 210), **\$9,623** for the fiscal year 2021/22(see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)). In all cases, a Payment Option Form should be completed by each building permit applicant.

#### **3.17.060 Payment.**

- B. Notwithstanding subsection A of this section, in those cases where the amount due exceeds the amount of TDT on a single family detached residence (ITE Code 210), the applicant may request a payment deferral. The request must be made in writing to the Director no later than the time of application for a building permit. The Director shall grant deferral of the transportation development tax, however, any deferred charge shall be paid in full prior to the issuance of an occupancy permit. The amount of TDT due on deferred obligations shall be the amount in effect at the time of issuance of the building permit. Deferred TDT obligations shall not be eligible for internal financing or Bancrofting as provided in subsection C unless so requested at the time of application for deferral.*
- D. Any application to defer TDT to occupancy, or for a Bancroft or similar financing agreement allowed in this section, shall be signed by the owner of the subject real property, in addition to the application. The Director may prescribe a form of application for deferral, and a form for any notice required by this subsection. The application for deferral to occupancy shall require the following conditions for approving deferral:*
- 1. Agreement by the applicant and owner to provide written notice to any prospective purchaser or tenant that TDT has not been paid but is deferred to occupancy;*
  - 2. A statement from the applicant and owner of the proposed use of the property. This proposed use information shall not be binding on the application, owner, the County or City in assessing the TDT.*

- a. In those cases where the amount due for any one building permit exceeds the TDT amount for a SINGLE FAMILY RESIDENCE (ITE CODE 210), currently **\$9,623** (2021/22, see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)), the applicant may request a payment deferral. The request must be made in writing to the Director no later than the time of application for a building permit. In order to make such a request, the applicant completes the Payment Option Form (see Attachment C).
- b. In cases where the deferral is granted, the tax shall be paid in full prior to the issuance of an occupancy permit. The amount of TDT due on deferred obligations shall be the amount in effect at the time of issuance of the building permit. Deferred TDT obligations shall not be eligible for internal financing or Bancrofting unless so requested at the time of application for deferral. Selection of the credit option must be made at the time of application for deferral. Failure to specify shall be deemed to be selection of the cash/check option. The selection is irrevocable.
- c. The specific Deferral Procedure is as follows:
  1. Applicant submits the Payment Option Form, signed by both the applicant and the owner of the subject real property, indicating intent to defer as well as indicating eventual payment method. Applicant and owner agree to provide written notice to any prospective purchaser or tenant that the TDT has not been paid, but deferred to occupancy.
  2. Director calculates amount of tax, determines deferral eligibility, and notifies the applicant of the decision and the current amount of the TDT. Notification is provided through completion of the Notification of Transportation Development Tax Form letter (Attachment C).
  3. Building permit is issued.

4. Applicant requests final inspection and occupancy permit.
5. Applicant satisfies tax obligation as agreed upon at the time of building permit application and as indicated on the Payment Option Form.

### **III.D. PAYMENT OBLIGATION AND PENALTIES**

The Transportation Development Tax (TDT) is due at the time of issuance of the building permit. If not paid at this time, the tax shall survive and be a personal obligation of the permittee. An intentional failure to pay the tax within 60 days of this date shall result in a 50% of the tax penalty and interest shall be accrued after that 60 day point. In addition to the penalty and any legal or statutory rights, the jurisdiction due the tax may:

1. Refuse to issue any permits of any kind to the delinquent party for any development;
2. Refuse to honor any credits held by the delinquent party for any development;
3. Condition any development approval of the delinquent party on payment in full, including penalties and interest;
4. Revoke any previous deferrals issued to the delinquent party, in which case the deferred amounts shall be due immediately, and refuse to issue any new deferrals; and
5. Withdraw the amount due, including penalties and interest, from any offset account held by the jurisdiction for the delinquent party.

#### **3.17.130 Collection.**

*A. Notwithstanding issuance of a building or occupancy permit without payment, the TDT tax liability shall survive and be a personal obligation of the permittee.*

*B. Intentional failure to pay the tax within sixty days of the due date shall result in a penalty equal to fifty percent of the tax. Interest shall accrue from the sixty-day point at the legal rate established by statute.*

*C. In addition to an action at law and any statutory rights, the jurisdiction due the tax may:*

- 1. Refuse to issue any permits of any kind to the delinquent party for any development;*
- 2. Refuse to honor any credits held by the delinquent party for any development;*
- 3. Condition any development approval of the delinquent party on payment in full, including penalties and interest;*
- 4. Revoke any previous deferrals issued to the delinquent party, in which case the amount immediately shall be due, and refuse to issue any new deferrals;*
- 5. Withdraw the amount due, including penalties and interest, from any offset account held by the jurisdiction for the delinquent party.*

*D. For purposes of this section, delinquent party shall include any person controlling a delinquent corporate permittee, including but not limited to any partnership, limited liability company or joint venture and, conversely, any corporation or entity controlled by a delinquent individual permittee.*

Note: the TDT is the obligation of the applicant / permittee of a building permit. This may or may not be the same as the property owner. The TDT is not a lien upon the property unless a Bancroft Agreement has been filed with the City or County, the jurisdiction obtains a judgment lien for the amount due, or a lien is created under law other than the TDT.

### **III.E. REFUNDS**

Refunds of the Transportation Development Tax (TDT) are limited to only two situations and may be made upon initiation of the Director or upon written application filed with the Director. The two situations are:

1. In cases where a finding is made that a clerical error occurred in the calculation of the tax; and
2. Failure to claim a credit at the time of building permit issuance or building occupancy if the request is made in writing within 30 days of payment.

Under no other circumstances shall a refund be granted.

Note: In cases where a building permit is issued and the tax paid, but the building is not constructed, the receipt of payment may serve as a credit for that property.

#### **3.17.110 Refunds.**

*Refunds of the TDT may be made upon initiation of the Director or upon written application filed with the Director. Refunds shall be allowed upon a finding by the Director that there was clerical error in the calculation of the TDT. Refunds shall be allowed for failure to redeem a credit voucher or offset provided the claim for refund is in writing and actually received by the appropriate jurisdiction within thirty days of the date of issuance of the building permit or occupancy permit if deferral was granted. No refund shall be granted for any reason other than those expressly provided for herein.*

**III.F. NOTIFICATION OF DIRECTOR'S DISCRETIONARY DECISION**

During the calculation of the Transportation Development Tax (TDT), several of the decisions made by the Director are discretionary and are therefore subject to appeal. For this reason an appeals process is provided in the Ordinance (see *Section V of this manual*). The following is the notification process to be followed both after the TDT is calculated, and after credit eligibility is determined:

1. Notice Requirements

At a minimum, each jurisdiction must include the following information with the notification of Director's discretionary decision:

- a. A completed Appeal Information form (see Attachment C), including the Mail Date and Appeal Due Date.
- b. A copy of the completed TDT Worksheet.

2. Notification Process

- a. The review authority shall notify the building permit applicant of the TDT amount in writing, by mail or personal delivery, accompanied by the jurisdiction's appeal information.
- b. The applicant has 14 days to appeal the decisions to the Washington County hearings officer. The appeal shall be submitted to the Director no later than 5:00 p.m. on the 14th day. (Note: No occupancy permits shall be granted to a project under appeal).

3. Recommended Additional Notification Information

In addition to the requirements above, the County recommends the practice of including:

- a. Payment option information
- b. A statement advising that the filing of an appeal does not impact any non-appeal deadlines required through the TDT Ordinance.

## IV. TDT CREDIT ELIGIBILITY PROCEDURES

### INTRODUCTION

This section describes the Transportation Development Tax (TDT) credit procedures. These procedures are utilized for determining whether an improvement project constructed by a developer may be eligible for credit, and if so, how much credit. The information is provided to assist jurisdictions in implementing the credit provisions of the TDT and has largely been abstracted from the countywide TDT Ordinance as adopted in the Washington County Code.

### IV.A. GENERAL CREDIT PROVISIONS

The Transportation Development Tax (TDT) program provides opportunities for a developer to construct capacity or safety improvements to eligible transportation facilities and receive credit for those costs. Credits may be redeemed against the amount of the TDT otherwise due for that development. To receive a credit, an applicant must submit a request for TDT credit when it completes an improvement. Staff reviews the request in order to assure that the project meets eligibility requirements and that the actual construction costs incurred are reasonable. If all criteria are met, the jurisdiction will issue credits for the applicable properties. Credits are valid for ten years from the date of issuance, and are attached to specific property unless transferred, as allowed. Developers of the subject properties may submit credit vouchers in lieu of payment of the TDT.

The following provisions apply to any credit application:

#### **3.17.070 Credit.**

*An applicant for a building permit, or occupancy permit if deferral has been granted, shall be entitled to a credit against the tax for constructing eligible capital improvements as defined in this section. Credit eligibility shall be determined by the Director.*

*A. A transportation capital improvement constructed on a public road or transit facility, and accepted by the jurisdiction operating the facility, is eligible for credit provided it meets all the following criteria, and the requirements of either 3.17.070(B) or (C):*

- 1. The Director determines that the timing, location, design and scope of the improvement is consistent with and furthers the objectives of the capital improvement program of the jurisdiction issuing the credit.*
- 2. The improvement is required to fulfill a condition of development approval issued by the jurisdiction with land use decision making authority.*
- 3. The improvement must provide additional capacity to meet future transportation needs, or be constructed to address an existing safety hazard. Improvements to mitigate a safety hazard created primarily by the development are not eligible.*
- 4. Improvements which primarily function as access to a private street, driveway or development parcel are not eligible.*
- 5. The applicant shall have the burden of demonstrating in its application for credit that a particular improvement qualifies for credit.*
- 6. Improvements, including travel lanes and bike lanes, must be at ultimate alignment, line and grade.*
- 7. New roads are eligible projects as long as they meet the remaining project eligibility criteria. An existing dirt or gravel road is deemed new if its daily traffic volume is below two hundred vehicles per day.*
- 8. Bike lanes are eligible if required pursuant to applicable street or road standards.*
- 9. No credit shall be granted for utility relocation except for that portion which otherwise would have been the legal obligation of the jurisdiction pursuant to a franchise, easement or similar relationship.*
- 10. No credit shall be granted for minor realignments not designated on the comprehensive plan.*
- 11. No more than 13.5 percent of the total eligible construction cost shall be creditable for survey, engineering, and inspection.*
- 12. No credits shall be granted for storm sewer improvements that are also eligible for storm water SDC credits.*

Several important highlights to these general provisions:

- The improvement must be required to fulfill a condition of the development approval.
- The improvement must add transportation capacity to the public road or transit system or mitigate an EXISTING safety hazard. Improvements to mitigate a safety hazard created by the development are not eligible.
- An improvement that primarily functions as a private access is not eligible.

An improvement is only eligible for credit if all the general provisions are met. If a portion of the improvement meets the general provisions, only that portion of the improvement is eligible.

The TDT ordinance allows for 2 categories of credit eligibility.

1. Qualified Public Improvements / On the Project List (Section IV.B. below), or
2. An arterial or collector facility, but not identified on the Project List (Section IV.C. below)

#### **IV.B. QUALIFIED PUBLIC IMPROVEMENTS / ON THE PROJECT LIST**

Qualified public improvements are improvements, or portions of improvements, described on the Project List.

##### **3.17.030 Definitions.**

*AC. "Qualified Public Improvement" means any transportation system capital facility or conveyance of an interest in real property that increases the capacity of the county or city transportation system, and is:*

- (1) Required as a condition of development approval;*
- (2) Identified in the Washington County Transportation TDT Capital Improvement Projects List; and*
- (3) (a) Not located on or contiguous to property that is the subject of development approval, or (b) located on or contiguous to property that is the subject of development approval and, in the opinion of the Director, is required to be built larger or with greater capacity (overcapacity) than is necessary for the applicant's new development or to mitigate for transportation system impacts attributable to the applicant's new development.*

Credit for these improvements is required as described in the Oregon Revised Statutes 223.304. The intent of the Transportation Development Tax (TDT) credit provisions was to go beyond the statutory minimum in certain areas.

##### **3.17.070 Credit.**

*B. The Director shall provide credit for the documented, reasonable cost of construction of all or part of a qualified public improvement listed in Appendix C, based on the following criteria:*

- 1. Transportation improvements located neither on nor contiguous to the property that is the subject of development approval shall be eligible for full credit.*
- 2. Transportation improvements located on or contiguous to the property that is the subject of development approval, and required to be built larger, or with greater capacity than is necessary for the particular development project shall be eligible. Credit for these improvements may be granted only for the cost of that portion of the improvement that a) exceeds the local government's minimum standard facility size; or b) exceeds the capacity needed to serve the particular development project or property.*
- 3. Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development conditions is eligible as follows:*
  - a. To the extent an improvement is located neither on nor contiguous to the property that is the subject of development approval, the reasonable market value of land purchased by the applicant from a third party and necessary to complete that improvement is creditable.*
  - b. Road right-of-way located on or contiguous to the property that is the subject of development approval shall be eligible for credit to the extent necessary to construct the facility in excess of the local government's minimum standard facility needed to serve the particular development project or property. Credit for such right-of-way shall be allowed based on market value as determined by the county tax records.*

More discussion of how to determine credit eligibility will follow in section IV.D.



#### **IV.C. OTHER PUBLIC ARTERIAL & COLLECTOR IMPROVEMENTS**

In addition, facilities that are not on the Project List may be eligible for credit as described in Section C.

##### **3.17.070 Credit.**

C. The Director shall provide credit for a transportation capital improvement to a facility that is not a qualified public improvement. Such improvements shall be eligible for credit for a portion of the cost of the improvement as follows:

1. The improvement was made to a roadway designated as an arterial or collector in the adopted transportation plan of the county or city issuing the credit.
2. Transportation improvements located neither on nor contiguous to the property that is the subject of development approval shall be eligible for 75% credit for arterials, and 50% for collectors.
3. Transportation improvements located on or contiguous to the property that is the subject of development approval, and required to be built larger, or with greater capacity than is necessary for the particular development project shall be eligible for 75% credit for arterials, and 50% for collectors. Such credit may be granted only for the cost of that portion of the improvement that exceeds the local government's minimum standard facility size or capacity needed to serve the particular development project or property.
5. Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development conditions is not creditable. The reasonable market value of land purchased by the applicant from a third party and necessary to complete an improvement under section 3.17.070C2 is creditable. Credit for right-of-way acquired from a third party shall be for the portion of the improvement for which credit is allowed, and for the percent of costs eligible for credit.

If the project is listed on the Project List (Appendix C), then Section IV.B applies rather than Section IV.C. If only a portion of an improvement is on the Project List (Appendix C), then that portion of the improvement follows the rules in Section IV.B.

#### **IV.D. DETERMINING CREDIT AMOUNT**

Only improvements to arterials and collectors, either identified on the Project list or meeting other requirements detailed in IV.B and IV.C above, or certain other facilities on the Project List (Appendix C) are eligible for TDT credit. For determining the credit amount eligible, the project should be reviewed via a four-part process:

- 1) Was the specific public improvement required as a part of a condition of approval?
- 2) Is the improvement contiguous to the property?
- 3) Is the improvement larger or of greater capacity necessary to serve the development?
- 4) Is the improvement identified on the Project List?

##### **1) Was the specific improvement required as a part of a condition of approval?**

The answer to this question is determined by review of the text of the land use approval for the subject development. For example, a developer may choose to widen a road to provide a taper at the access to a site or may consider an improvement necessary for the development. If the road improvement was not a written requirement of the development approval, it is not eligible. The public improvement must be required by the development approval to be then the eligible for TDT Credit.

##### **2) Is the improvement contiguous to the property?**

Contiguous is explicitly defined by section 3.17.030.M (shown below). In general, frontage improvements and roads extending through the property are considered contiguous, while improvements that extend off-site or beyond the frontage are not considered contiguous. See chart on page 36. General practice for "frontage" definition is to centerline of roadway or determined by code for jurisdictions allowed to require more than half-street improvements (e.g. three-quarter street or minimum width improvements). Improvements to opposite side's frontage, or beyond the site's frontage, must be at ultimate alignment, line and grade to be eligible for credit.

**3.17.030 Definitions.**

*M. "Contiguous" means that a property and an improvement or portion thereof share a common boundary line. Determination of what is contiguous shall include the area of all property subject to the development approval. The boundary lines and area of an improvement shall be determined by the right-of-way and easement areas for the improvement. In addition, multiple properties under common ownership separated by one or more of the following: common area, non-motorized vehicle or pedestrian way, creek, wetland, park, or similar areas; shall be deemed to include the boundary of such additional area in their boundary line, up to 100 feet between the properties at the boundary with the improvement. Any portion of an improvement that is located beyond the frontage of a property, as determined by the extension of boundary lines perpendicular to the frontage of the property, shall not be contiguous to that property. An intersection improvement shall be deemed contiguous to all property with frontage on the intersection, or that touches the intersection at a point.*

If the improvement, or section of improvement, is contiguous to the property as described – step 3 below applies. If the improvement, or a section of the improvement, is off-site or not otherwise contiguous (as defined), then skip to step 4 below.

**3) Is the component larger or of greater capacity than necessary to serve the development?**

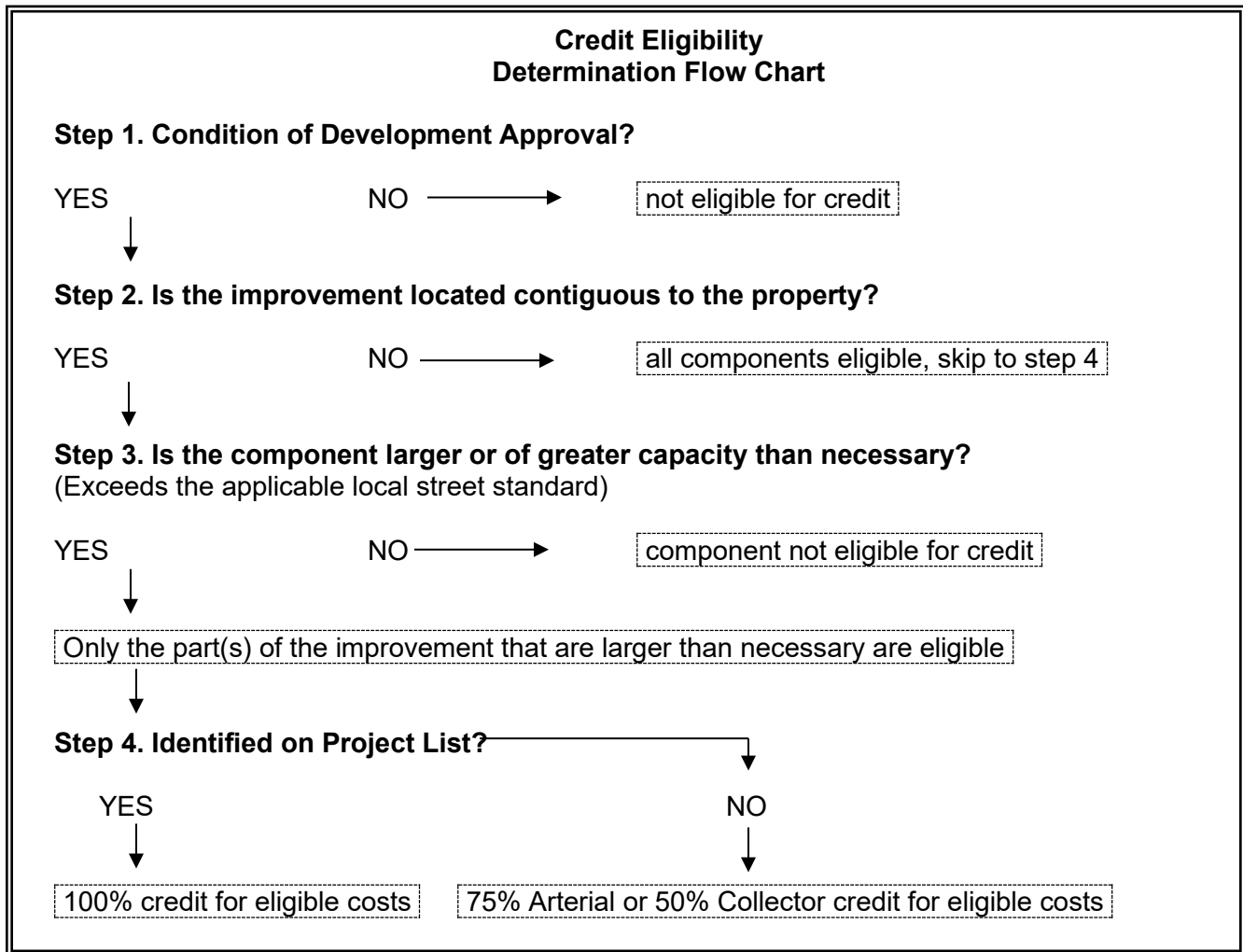
For improvements, or sections of improvements that are contiguous, credits are granted when an improvement is "required to be built larger or with greater capacity than is necessary for the particular development project to which the improvement fee is related." For smaller developments, this generally means anything greater than the applicable local street standards for the development in question. To avoid confusion, in some circumstances it may be best to determine the type of local street standard that would apply early in the process. For larger developments, the jurisdiction may determine that improvements larger than the local street standards are necessary for that development. In that case, larger facilities would not be eligible for credit. For contiguous improvements, only the features of the improvement that are greater than the applicable local street standard are eligible for credit. See credit eligibility graphic on page 34. Improvements necessary to meet the local street standard are not eligible to receive TDT credit.

**4) Is the improvement identified on Project List?**

For improvements identified in Appendix C, the Project List, 100% of the eligible costs associated with completing the improvement shall be allowed on the credit voucher. Furthermore, right-of-way dedications for these improvements are eligible as described in section 3.17.070.B.3 (shown on Page 37).

For improvements to arterials and collectors not identified on the Project List, less than 100% of the eligible costs associated with completing the improvement are allowed. For an arterial, 75% of the eligible costs are allowed. For a collector, 50% of the eligible costs are allowed.

The TDT Project List is Appendix C, not any other project list, capital improvement plan, or other list. The improvement list adopted in Appendix C controls. The existence of a facility or project on a local plan is not sufficient to all issuance of TDT credits. Only a facility on the Project List, or formally classified as an arterial or collector on the jurisdiction's adopted Transportation System Plan, may be treated as such for the purpose of TDT credits. Classification of a road as a collector or arterial is the responsibility of the entity that has jurisdiction of that road. Amendment of the TDT Project List (Appendix C) can occur only upon approval by the Board of Commissioners.



#### **IV.E. HIGH PRIORITY COLLECTORS**

A jurisdiction may choose to establish a list of “high priority collectors”. The list of high priority collectors must be submitted to the Washington County Coordinating Committee, and also provided to the Washington County TDT Coordinator. Credits for improvements to “high priority collectors” follow the same provisions as improvements to arterials that are not otherwise on the Project List. Adoption of a list of “high priority collectors” allows the credit amount for listed facilities to be determined as for arterials rather than collectors.

##### **3.17.070 Credit. C.**

4. *The county or city governing body may adopt a list of “high priority collectors” within its jurisdiction. Upon adoption of such a list, improvements to the designated high priority collectors shall be eligible for a total credit of 75% of the costs otherwise allowed under this subsection. Placement of a collector on a high priority list is for credit purposes only, does not amend the Project List, and does not authorize expenditure of TDT funds for that facility.*

Any jurisdiction adopting such a list of “high priority collectors” shall inform the WCCC in writing, noting specifically which street segments have been given this designation. Credits given for “high priority collectors” shall be tracked the same as any other credit. A notation that the improvement was on a facility designated as a “high priority collector” shall be noted and included in the credit reporting.

“High priority collectors” receive the same 75% credit allowed for arterial improvements that are not otherwise on the Project List. Improvements to projects on the Project List (Appendix C) continue to receive 100% of the eligible credit allowed, even if the improvement is also on an identified “high priority collector”.

#### **IV.F. PROCEDURES FOR APPLYING AND ADMINISTERING CREDITS**

All jurisdictions shall issue and track credits using vouchers. Payment with a Transportation Development Tax (TDT) voucher is not considered revenue. Each voucher shall identify the improvement for which the voucher was issued. Credit vouchers shall be issued within 30 days of the request. A credit voucher has no cash value and may only be applied against the TDT amount otherwise due. A credit voucher is the personal property of the applicant and is attached a specific real property. A credit is apportioned against lots or parcels constituting a property based on the anticipated trips to be generated by those lots or parcels, unless a written request by the applicant is made.

##### ***3.17.080 Credit Application and Administration.***

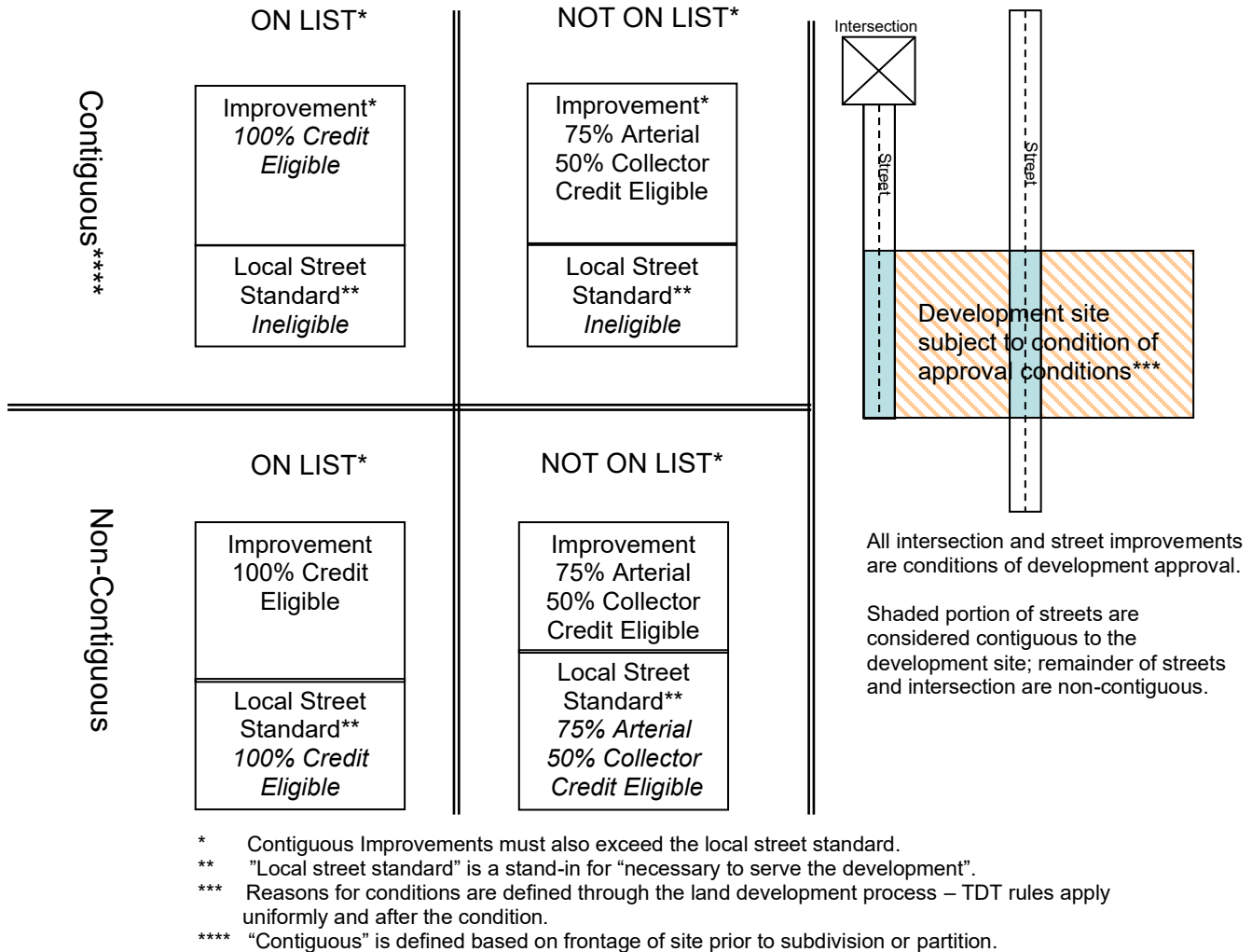
*A. All requests for credit vouchers must be in writing and filed with the Director not more than ninety days after acceptance of the improvement. Improvement acceptance shall be in accordance with the practices, procedures and standards of the applicable jurisdiction. The amount of any credit shall be determined by the Director and based upon the subject improvement contract documents, and other appropriate information, provided by the applicant for the credit. In the request, the Applicant must identify the improvement(s) for which credit is sought and explain how the improvement(s) meet the requirements of this section. The Applicant shall also document, with credible evidence, the value of the improvement(s) for which credit is sought. If, in the Director's opinion, the improvement(s) meets the requirements of this section and the Director concurs with the proposed value of the improvement(s), a TDT Credit shall be granted for the eligible amount. The value of the TDT Credits under this Section shall be determined by the Director based on the actual cost of construction and right-of-way, as applicable, as verified by receipts and other credible evidence submitted by the Applicant. Upon a finding by the Director that the contract amounts, including payments for right-of-way, exceed prevailing market rates for a similar project, the credit shall be based upon market rates.*

*B. The Director shall respond to the Applicant's request in writing within 30 days of receipt of a technically complete request. The Director shall provide a written explanation of the decision on the TDT Credit request.*

*C. Upon approval, the Director shall provide the applicant with a credit voucher, on a form provided by the department. The original of the credit voucher shall be retained by the department. The credit voucher shall state a dollar amount that may be applied against any TDT imposed against the subject property. In no event shall a subject property be entitled to redeem credit vouchers in excess of the TDT imposed. Credits are limited to the amount of the charge attributable to the development of the specific lot or parcel for which the credit is sought and shall not be a basis for any refund.*

*D. A credit shall have no cash or monetary value. A credit shall only apply against the TDT and its only value is to be used to reduce the TDT otherwise due, subject to all conditions, limitations, and requirements of this chapter.*

*E. When issued by the Director, a credit shall be the personal property of the applicant. Credits shall remain the personal property of the applicant unless transferred by the applicant or its authorized agent as transferor. Any person claiming the right to redeem a credit shall have the burden of demonstrating that any credit issued to another person has been transferred to him or her.*

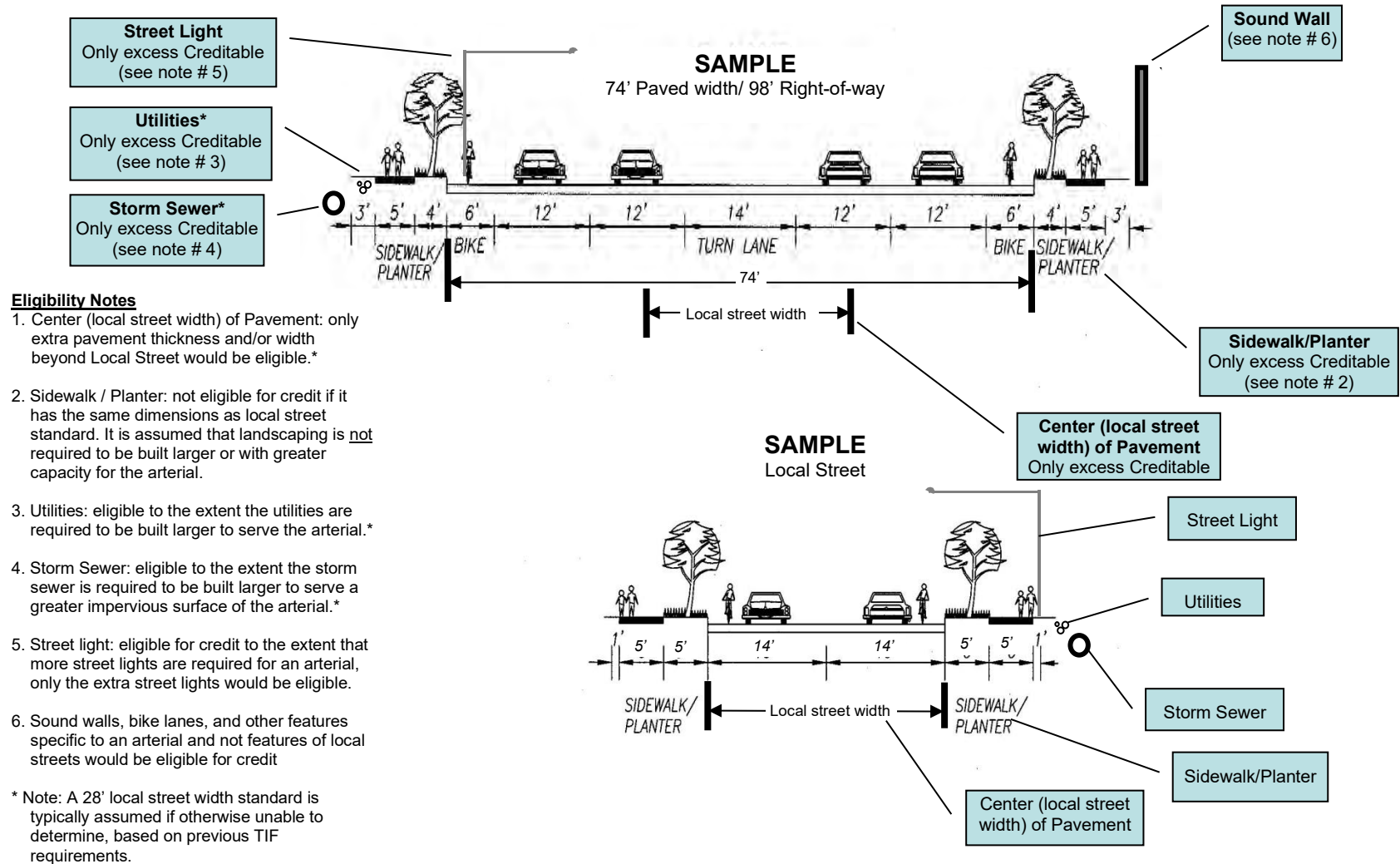
**CONTIGUOUS DEFINITION****TDT Credit Eligibility Matrix**

Roadway Classification	Contiguous?	On TDT Project List?	Eligible Improvement Credit %?	Local St. Portion Eligible for Credit?	ROW Dedication?	
					Eligible	Amount
Collector	No	No	50%	Yes	Yes	50% Reasonable Market Value*
Collector	Yes	No	50%	No	No	
Collector	No	Yes	100%	Yes	Yes	100% Reasonable Market Value*
Collector	Yes	Yes	100%	No	Yes	100% County Assessed Market Value**
Arterial	No	No	75%	Yes	Yes	75% Reasonable Market Value*
Arterial	Yes	No	75%	No	No	
Arterial	No	Yes	100%	Yes	Yes	100% Reasonable Market Value*
Arterial	Yes	Yes	100%	No	Yes	100% County Assessed Market Value**

\* TDT Code 3.17.070.C.5

\*\*Portion above local standard only, see TDT Code 3.17.070.B.3.b.

## Credit Eligibility for Contiguous Improvements Cross-Section Comparison Arterial vs Local Street



\*Utilities and Storm Sewer are jurisdiction specific and may not be eligible. If they are also eligible for other SDC credits, they are not eligible for TDT credit.

#### **IV.G. CREDIT TRANSFER PROCEDURES**

Transfer (reassignment) of credit from one property to another is allowed with limitations. The property receiving the credit must be either a) adjacent to the transportation improvement that generated the credit, or b) impact substantially the same facilities as the property that generated the credit.

##### **3.17.080 Credit Application and Administration.**

*F. Credits shall be apportioned against the property that was subject to the requirement to construct an improvement eligible for credit. Unless otherwise requested by the applicant, apportionment against lots or parcels constituting the property shall be proportional to anticipated average weekday trips generated by the respective lots or parcels. Upon written application to the Director, however, credits shall be reapportioned from any lot or parcel to any other lot or parcel within the confines of the property originally eligible for the credit. In the case of multi-phase development, excess credit generated in one phase may be applied to reduce the TDT in subsequent phases of the original development project. Reapportionment shall be noted on the original credit voucher retained by the department.*

*G. Credits may be reassigned from a property to another property if all the following conditions are met.*

- 1. A request for reassignment of a credit voucher must be made in writing to the Director signed by the person who owns the credit. The request for reassignment of a credit voucher shall contain all the information necessary to establish that such a reassignment is allowable under this subsection. The burden of proof that a reassignment is allowable is on the applicant. The Director shall respond in writing to the applicant's request for reassignment within 30 days of receipt of the request.*
- 2. A credit voucher may not be reassigned to a property within any jurisdiction other than the jurisdiction issuing the initial credit unless the transfer is authorized by both the issuing Director and the Director receiving the credit. The transfer may be reassigned only upon a finding by both directors that development of the property using the credit would have similar specific transportation impacts to the same transportation facility or local area as the property development that generated the credit.*
- 3. Credits may be reassigned within a single jurisdiction if the Director determines that either:*
  - a. the lot or parcel that is to receive the credit is adjacent to and served by the transportation improvements that generated the credits, or*
  - b. the development on property receiving the credit would have impacts and traffic patterns affecting substantially the same facilities as the property that generated the credit.*
- 4. When a credit voucher or portion of a credit voucher is reassigned a notation shall be placed on the initial credit voucher that a reassignment has been made. The amount reassigned shall be deducted from the credit voucher.*
- 5. When a reassignment occurs a new credit voucher shall be issued for the reassigned credit amount.*
  - a. The new credit voucher shall note the property to which the initial credit was assigned, subsequent reassignments shall also note the property to which the initial credit was assigned.*
  - b. The new credit voucher shall note the credit voucher number from which it was reassigned, if multiple reassignments occur each credit voucher number shall be noted.*
  - c. The new credit voucher shall have the same expiration date as the initial credit voucher.*
  - d. Apportionment against lots or parcels constituting the property to which a reassignment has been made is allowed as described in subsection F of this section.*
- 6. A reassigned credit voucher shall follow all rules regarding redemption of credits.*
- 7. The County or City may charge a fee for administering the reassignment of credits.*

The request for a credit transfer should contain, at a minimum, the following information:

- The request must be written to the jurisdiction.
- The request must be on the company letterhead or other appropriate form.
- The request must be signed by the authorized representative of the company or person that owns the credit.
- The request must specify the property and account the transfer is to be made from.
- The request must specify the exact amount of the credit to be transferred.
- The request must specify the property and owner to whom the transfer is to be made.

A request that does not meet these conditions should not be honored by the County or any City.

Documentation of the specific request is important to avoid confusion in the future. The jurisdiction should keep a record of the transfer letter on file for at least 10 years.

## Credit Transfer Guidance:

Washington County Code section 3.17.080.G.3 (shown above) allows for TDT credit reassignment between locations.

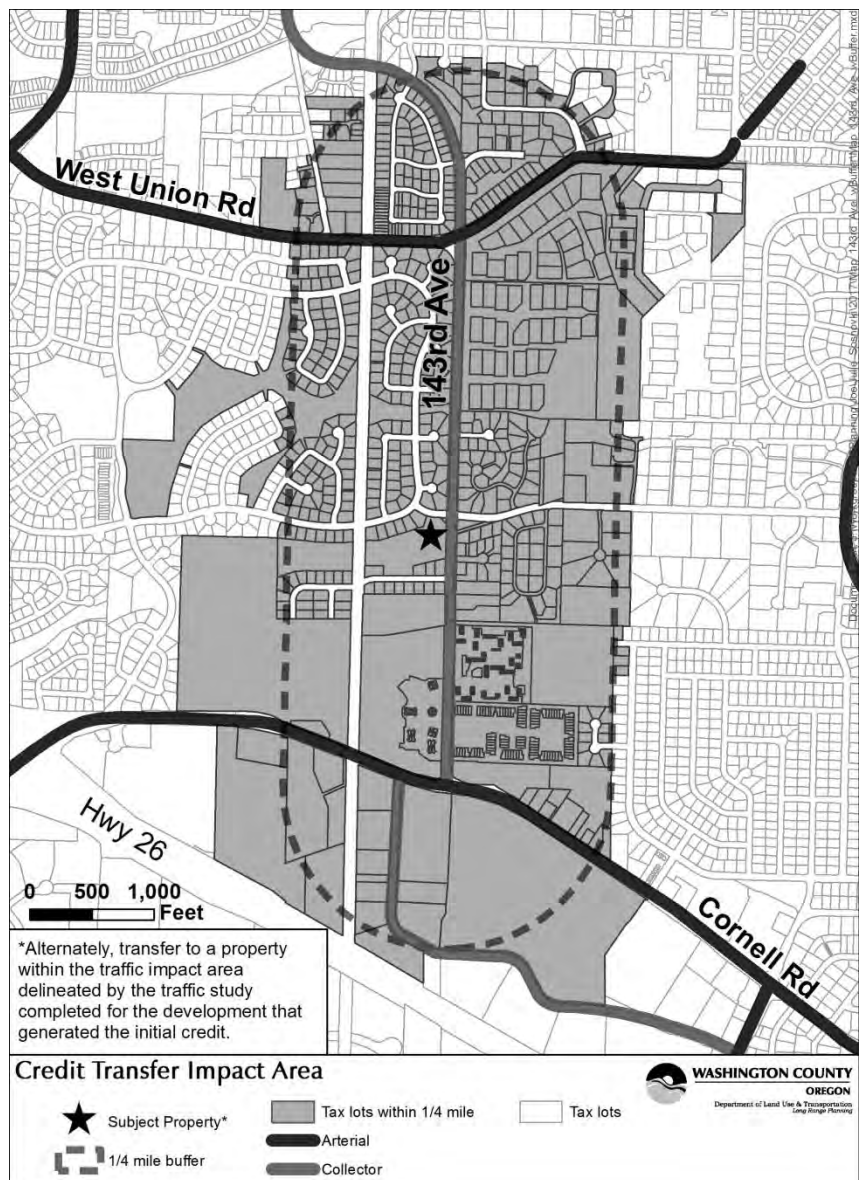
Washington County interpretation of “impacts and traffic patterns affecting substantially the same facilities” has been defined to mean in general, any of the following:

1. Transfer to a property along the same road, in either direction to the nearest arterial/collector roadway and within ¼ mile “network distance” type buffer of that corridor.
2. Transfer to a property within the traffic impact area delineated by the traffic study completed for the development that generated the initial credit.
3. Transfer to a property within the same supplemental district or subarea (e.g. North Bethany, Bonny Slope West, South Hillsboro, South Cooper Mountain, River Terrace).

Ultimately, the burden of meeting the “substantially the same facilities” criteria is on the applicant, and the final decision rests with the Director.

Reassignments can happen within a single jurisdiction, or between two different jurisdictions, if both Planning Directors sign off on it.

The figure to the right shows the approximate area represented by a ¼ mile buffer of the corridor associated with a frontage improvement on 143<sup>rd</sup> Avenue, contiguous to the property represented by the star. A property within this buffer would likely be approved for a credit transfer based on item 1, above. Depending on specific circumstances, additional properties may be considered for a credit transfer if it can be demonstrated that traffic patterns for the property requesting the transfer would use the facility(ies) that was(were) improved to earn the credit originally.





#### **IV.H. OTHER CREDIT PROCEDURES**

Credits must be redeemed at the time the Transportation Development Tax (TDT) is to be paid. The credit voucher expires 10 years after the credit was issued. Upon annexation of a property, any credit voucher assigned to that property shall be honored by the annexing city.

##### ***3.17.080 Credit Application and Administration.***

*H. Any credit must be redeemed not later than the issuance of the building permit or, if deferral was permitted pursuant to Section 3.17.060, issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the building or occupancy permit. Except as provided in Section 3.17.110, under no circumstances shall any credit redemption be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.*

*I. Credit vouchers shall expire on the date ten years after the acceptance of the applicable improvement by the appropriate jurisdiction. No extension of this deadline shall be granted.*

*J. Upon annexation, credits previously issued by the county shall be honored by the jurisdiction collecting the tax provided they are redeemed timely.*

Previously issued TIF credits are eligible for payment of the TDT but expire 10 years after the date the credit was issued.

##### ***3.17.160 Transition.***

*E. All deferrals, credits, and Bancroft payment agreements shall continue and be administered under the terms in existence when issued except that all credits which have not previously expired, shall be valid for a period of ten years from the original date of acceptance of the improvement by the jurisdiction for credits. Only credits issued after the effective date of this ordinance shall be permitted to transfer from the property to which they were originally issued. Enactment of this ordinance shall in no way impact any budget or appropriations, contracts, permits, condemnation proceedings or any other formal actions pursuant to Ordinance No. 310 as amended and Ordinance No. 379 as amended. Enactment of this ordinance shall in no way impact any systems development charge, fee, or tax imposed by any city. This provision does not preclude any city from repealing or amending any such program, except that no credit or offset from the TDT shall be granted against any credit or amount due a city under a preexisting program.*

## **V. TDT APPEAL PROCEDURES**

### **INTRODUCTION**

This section describes the procedures that must be followed to process appeals under the provisions of the Countywide Transportation Development Tax (TDT) Ordinance. Adherence to these procedures will help ensure that TDT appeals will be processed in a manner that will assure timeliness, consistency, and legal process.

### **V.A. APPEALABLE ACTIONS**

Section 3.17.150 of the Countywide TDT Ordinance provides two types of appeal procedures that apply to decisions which are made in the process of administering the TDT. The first appeal type allows for an appeal or challenge when a party claims that an expenditure of TDT revenues is in violation of the expenditure provisions of this Ordinance. This type of appeal may be filed within two years of the expenditure subject to certain rules as outlined in Section V.B below. The second appeal type allows an aggrieved party to appeal a discretionary decision of the "Director" to the Washington County Hearings Officer. This type of appeal must be filed within 14 days of the date the Director's decision is mailed and is subject to the procedures and requirements as outlined in Section V.C below.

In either case the County shall be notified of the appeal, and the County may participate in any appeal that involves a significant issue or interpretation of the TDT.

#### ***3.17.150 Review of Decisions; Appeals.***

*C. The county shall have the right, but not the obligation, to participate in any appeal that, in the county's judgment, involves a significant issue or interpretation under this Chapter. The decision of the hearings officer shall be reviewable solely under ORS 34.010 through 34.100 in the Circuit Court of the county.*

### **V.B. APPEALS OF EXPENDITURES**

The Countywide TDT Ordinance details how the TDT revenues may be expended (see Procedure Manual Section VII and Ord. Section 3.17.100). Any interested party may challenge an expenditure of TDT Revenues as being in violation of this Ordinance subject to the following procedures:

1. A written petition for review is filed with the City Council or Washington County Board of Commissioners (as appropriate) within two years of the expenditure.
2. The petition for review shall identify with reasonable certainty the expenditure, relevant facts, and the specific provision alleged to have been violated.
3. The City Council/Board shall order an investigation and direct that within 60 days of receipt of the petition a written report be filed recommending appropriate action.
4. Within 30 days of receipt of the written report, the City Council/Board shall conduct a hearing to determine whether the expenditure was proper. At least 10 days prior to the hearing, a notice of the hearing, including a copy of the report, shall be mailed to the petitioner. The petitioner shall have a reasonable opportunity to present his or her position at the hearing.
5. The City Council/Board may adopt rules of procedure governing the hearing, and may continue the hearing if necessary, to further address the issues.
6. The petitioner shall bear the burden of proof. Evidence and argument shall be limited to the grounds specified in the petition.

7. The City Council/Board shall issue a written decision stating the basis for its conclusion and directing appropriate action be taken.
8. Review of the City Council/Board decision shall be as provided in Oregon Revised Statute 34.010 to 34.100.
9. In addition to the above procedures and requirements, the City must provide the County with notice and a copy of the report (as in V.B.4 above) to ensure that the County may monitor those TDT actions which may have ramifications countywide.

### **3.17.150 Review of Decisions; Appeals.**

#### **A. Review of Expenditures.**

1. *Any citizen or other interested person may challenge an expenditure of TDT revenues as being in violation of this chapter provided a written petition for review is filed with the Board of Commissioners of the County within two years of the expenditure. The petition shall identify with reasonable certainty the expenditure, the relevant facts and the specific provision alleged to have been violated.*
2. *The Board shall order an investigation and direct that within sixty days of receipt of the petition a written report be filed recommending appropriate action. Within thirty days of receipt of the report, the Board shall conduct a hearing to determine whether the expenditure was proper. At least ten days notice of the hearing, including a copy of the report, shall be mailed to the petitioner. Petitioner shall have a reasonable opportunity to present his or her position at the hearing.*
3. *The Board may adopt rules of procedure governing the hearing including that the hearing may be continued if necessary to further address the issues.*
4. *The petitioner shall have the burden of proof. Evidence and argument shall be limited to grounds specified in the petition. The Board shall issue a written decision stating the basis for its conclusion and directing appropriate action be taken.*
5. *Review of the Board decision shall be as provided in ORS 34.010 to 34.100.*
6. *For purposes of this section, "city council" shall be substituted for "Board of Commissioners" if the petition arises from expenditures made by a city which opted to collect and administer this tax as provided in Section 3.17.120.*

## **V.C. APPEAL OF DECISIONS OF THE DIRECTOR**

The Transportation Development Tax (TDT) Ordinance describes how to calculate and assess the TDT. During this process several of the decisions made by the Director are discretionary and are therefore subject to appeal. The discretionary decisions are limited to the Director's determination of a land use category from Appendix B of the TDT Ordinance, and determination of TDT credit eligibility and dollar amounts. The following requirements apply to all appeals of decisions of the Director:

- a. Any person aggrieved by a discretionary decision of the Director may appeal the decision to the Washington County Hearings Officer.
- b. The appeal must be in writing and filed with the Director within 14 days of the date the Director's decision was mailed (See section III.E of the Procedure Manual for a description of proper notification of the Director's decision). The appeal must be submitted no later than 5:00 p.m. on the 14th day. The appeal shall state the relevant facts, applicable ordinance provisions, and relief sought. Included with the appeal is the County's appeal fee of \$3,544 (effective January 1, 2021, or the current fee as amended by the Board).

- c. The City TDT Coordinator should notify the County TDT Coordinator of the appeal within two working days of receipt of the appeal. Within one week, all relevant documents shall be forwarded to the County TDT Coordinator so that a casefile may be constructed for the appeal. These documents shall include a copy of the petition of appeal and copies of the notice(s) of discretionary decision by the Director. The documents shall also include any relevant background documents, such as calculation sheets, or supplemental information supplied by the applicant. Also include all correspondence and a check made to Washington County to cover the appeal fee.
- d. The County TDT Coordinator is responsible to see that the appeal is placed on the next available Hearings Officer agenda and that the notice of public hearing is given in accordance with Washington County Community Development Code requirements. All TDT appeals shall be heard by the Washington County Hearings Officer.
- e. The County TDT Coordinator will be available upon request to meet with City staff to discuss the public hearing procedures and the draft staff report. The final staff report must be available for inspection by the public at least 14 days prior to the scheduled public hearing. City staff prepares the staff report and represents itself at the public hearing. County staff will be available to assist the City at the hearing as needed.
- f. Generally, the staff report must contain the following components:
  - 1. Appellant name and address.
  - 2. Property owner name and address.
  - 3. List the applicable standards.
  - 4. A proposed findings of fact section which includes:
    - a. A clear statement of the basis of appeal.
    - b. A background section which clearly relates the actions which led to the appeal.
    - c. A section which clearly states the applicable standards provides responses (if any) from the appellant, and a response from staff.
  - 5. A conclusion statement.
  - 6. A recommendation to the Hearings Officer from the City.
  - 7. Attachments or exhibits containing the relevant TDT documents, ie. TDT Worksheet, notice of Director's discretionary decision.
- g. The public hearing shall be subject to Washington County procedural rules in the Community Development Code.
- h. The appellant shall have the burden of proof that an error was committed resulting in substantial prejudice. For a credit decision, the burden of proof shall be as stated in 3.17.150.B.5.
- i. The decision of the Hearings Officer shall be reviewable solely under ORS 34.010 - 34.100 in the Circuit Court of Washington County.

**3.17.150 Review of Decisions; Appeals.**

**B. Review of decisions of the Director:**

1. *Discretionary decisions of the Director shall be in writing and mailed by regular mail to the last known address of the applicant.*
2. *Any person aggrieved by a discretionary decision of the Director may appeal the decision to the county hearings officer. The appeal shall be in writing and must be filed with the Director within fourteen days of the date the Director's decision was mailed.*
3. *The appeal shall state the relevant facts, applicable ordinance provisions and relief sought. The appeal shall be heard by the county hearings officer in the same manner as provided for development permit applications. The county may by resolution establish a reasonable appeal fee.*
4. *The appellant shall have the burden of proving that an error was committed resulting in substantial prejudice.*
5. *In an appeal of a decision to deny a credit, the applicant shall have the burden of demonstrating that the particular improvement qualified for the credit under Section 3.17.070. The Director may deny the credit requested, in whole or in part, if it is determined that the credit application does not meet the requirements of Section 3.17.070 or that the improvement for which the credit is requested is not on the Project List in Appendix C, for credits allowed under Section 3.17.070B. An appeal from the Director's decision shall be heard by the county hearings officer in the manner provided in this section.*

## VI. TDT REPORTING PROCEDURES

### **INTRODUCTION**

This section describes the procedures cities must follow to report Countywide Transportation Development Tax (TDT) activities to Washington County. Adherence to these procedures will help ensure that the TDT program can be monitored adequately, as provided by the Countywide TDT Ordinance. This information is also necessary to assist County staff in preparing the TDT annual report. The County will obtain the same information for areas under its jurisdiction and include it in the annual report.

### **VI.A. FINANCIAL REPORTING**

The Transportation Development Tax (TDT) ordinance requires each jurisdiction to create a dedicated fund "Transportation Development Tax Fund". Monies derived from the TDT shall be placed into this fund, including interest. State statutes require that governments charging a SDC must account for SDC revenues and expenditures and prepare annual reports. The County performs the annual report function for TDT using data provided by the cities. To ensure that TDT financial activity can be documented, reporting to the County is necessary. This reporting is used by the County to complete the Annual Report and to monitor the TDT program. This section contains information on necessary reports, acceptable financial information, forms, and format.

#### ***3.17.090 Dedicated fund.***

*The county and each city shall create a dedicated fund entitled "transportation development tax fund," herein "fund." All moneys derived from this tax shall be placed in the fund. TDT revenue, including interest on the fund, shall be used for no purpose other than those activities described as, or for the benefit of, extra capacity facilities as defined herein.*

Annual reports shall be completed by January 1 of each year for the previous fiscal year (July 1 – June 30). Cities are to provide the Washington County TDT coordinator with the necessary information to complete the annual report no later than October 15th of each calendar year, for the preceding fiscal year.

### **VI.B. HIGH PRIORITY COLLECTOR REPORTING**

A jurisdiction may adopt a list designating particular roads as "high priority collectors". Such collectors are not specific projects as required for the Transportation Development Tax (TDT) Project List.

#### ***3.17.070 Credit. C.***

*4. The county or city governing body may adopt a list of "high priority collectors" within its jurisdiction. Upon adoption of such a list, improvements to the designated high priority collectors shall be eligible for a total credit of 75% of the costs otherwise allowed under this subsection. Placement of a collector on a high priority list is for credit purposes only, does not amend the Project List, and does not authorize expenditure of TDT funds for that facility.*

Any jurisdiction adopting such a list of "high priority collectors" shall inform the WCCC in writing, noting specifically which street segments have been given this designation. Credits given for "high priority collectors" shall be tracked the same as any other credit. A notation that the improvement was on a facility designated as a "high priority collector" shall be noted on the credit voucher and included in the credit reporting.

## Annual Financial Report

Each Jurisdiction shall monitor and report the following financial data:

### 1. Monthly revenue collected

This reports the total monthly TDT revenue from building permits.

### 2. Monthly investment earnings

This reports the total monthly revenue income from investments and interest on the TDT fund.

### 3. Income from other sources – please specify

This reports any income from any source other than building permits or interest / investments. This includes fund transfers from other jurisdictions and other funds. Also includes transfers of TDT funds between jurisdictions. Each account transfer or other income source should be reported.

### 4. Credits Issued

This reports each individual credit issued during the fiscal year. The credit report for each credit should include:

- A brief description of the improvements that the credit was issued for.
- The location of the improvement (a map or other description adequate to create a map).
- If the improvement, or part of the improvement, was considered to be on the Project List (if part how much in dollars).
- If the improvement, or part of the improvement, was considered to be on a “high priority collector” (if part how much in dollars).
- Amount of credit issued.
- Balance of Credit as of June 30<sup>th</sup>

### 5. TDT Expenditures

This reports each expenditure or transfer out of the jurisdiction's TDT account. The expenditure report for each expenditure should include:

- Brief project description including location
- Project Status (including total obligated TDT funds)
- Other funds (non-TDT) expended on the same project.
- Staff expenditures total for the fiscal year. These are considered an eligible expenditure and are tracked similar to project expenditures.

### 6. Other Related Expenditures

Expenditures from non-TDT sources for improvements (or components or sections of projects) on the Project List. Any improvement to something on the Project List should be included in the annual report, even if TDT revenue was not used for the improvement. The other expenditures should include:

- Brief project description including location.
- Amount of NON-TDT money expended towards improvements on the TDT Project List. This can be estimated based on a percentage or other planning level technique.
- Project status on the TDT Project List, is the improvement on the Project List now complete?

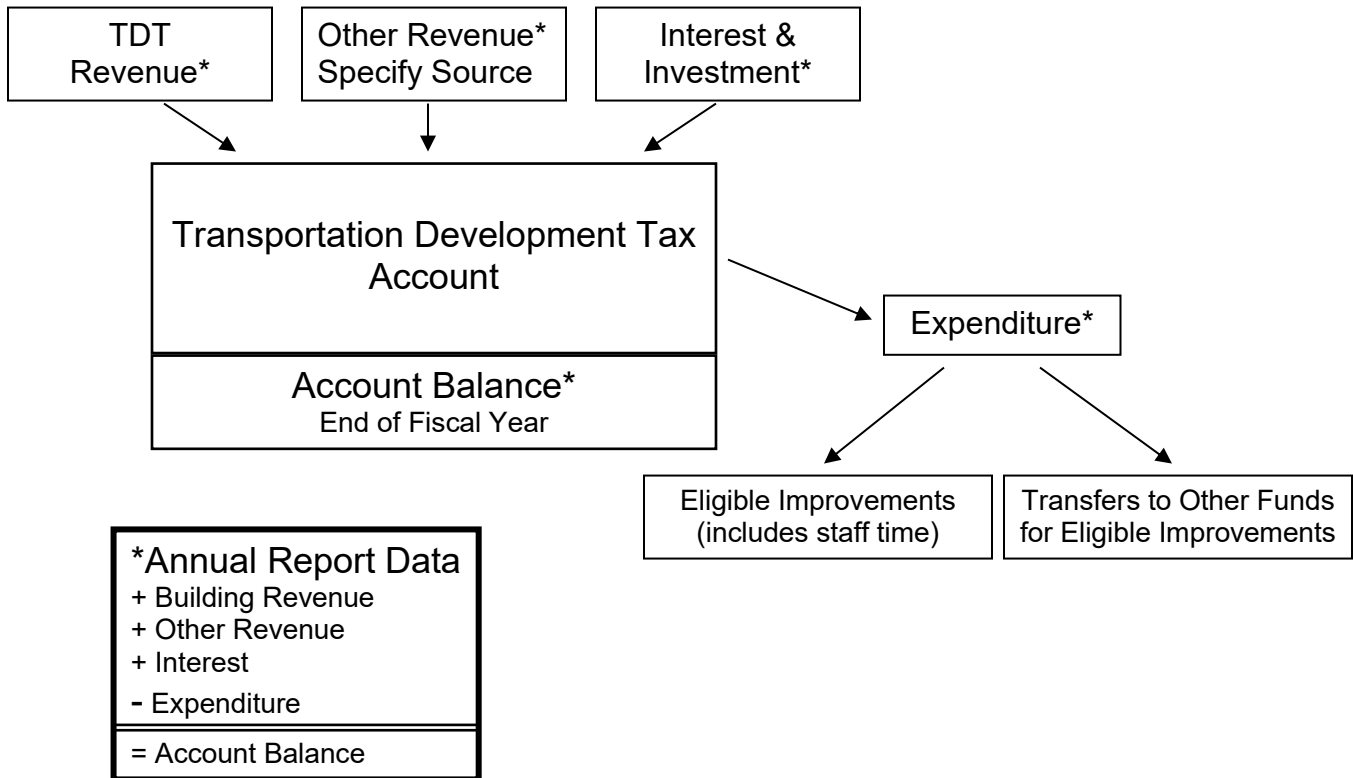
### 7. TDT Account Balance

It is expected that the total of TDT revenue collected from building permits, plus the interest and investment earnings, plus the income from other sources, minus the TDT expenditures will equal the TDT Account Balance for each jurisdiction. The TDT balance requested is a snapshot in time as of June 30<sup>th</sup> each year. The TDT Account balance includes the balance forward from the previous year.

Note: Payment of the TDT via credit is ***not*** tracked as revenue.

Note: Deferrals are not included, only actual revenues and expenditures are reported.

## Transportation Development Tax Account Reporting Chart



### **VI.C. CREDIT REPORTING**

Credits are a significant part of the total TDT program. A detailed reporting and tracking of credits is desired. When a credit voucher is issued for an improvement, the improvement is effectively part of the TDT program, just as if revenue had been used to construct the improvement. Credit vouchers need to be tracked differently than either financial revenue or improvement projects.

For each credit issued the following information is requested:

- A description of improvement(s) for which the credit was given.
- Was the improvement on the Project List?
- Was the improvement on a list of "high priority collectors?"
- A map of the location for which the credit was given.
- The amount of the credit.
- The properties toward which the credit was initially issued.
- Any transfers of the credit.
- Credit Balance as of June 30.



## **VI.D. PROJECT REPORTING**

The Transportation Development Tax (TDT) contains provisions which limit TDT project expenditures to the eligible components of projects on the Project List. These eligible improvements are listed in Appendix C as amended. Additionally, as part of the annual review, the TDT requires consideration of construction of these facilities from non-TDT revenue sources.

To ensure that the County may review the adequacy of TDT revenues to meet expected growth-related needs, the following information shall be submitted to the County no later than the 15th of October for the preceding fiscal year's activity:

1. A listing of all TDT-funded projects; including facility, total expenditure expected or authorized, the annual expenditure, and the total expenditures to date.
2. A listing of non-TDT capital improvements on eligible facilities funded by federal, state, or other revenue sources, and the dollar amount of those improvements.\*

\* The suggested method to complete this is to assemble a list of all the projects on the Project List and report the amount of non-TDT revenue invested in each during the fiscal year.

## **VI.E. ANNUAL REPORT FORMAT**

### **1. Acceptable Financial Information**

All jurisdictions in the County match the July 1 to June 30 fiscal year of the required annual report. It is expected that "audited" or "closed" financial data will be provided.

### **2. Forms and Format**

All reports to the County may be made in a format of each city's choosing, provided it contains the minimum information necessary and can be readily understood. However, it is recommended that local jurisdiction staff use the spreadsheet provided by the County since it covers all required data needs and for consistency for County staff's preparation of the annual report. There are four worksheets within the spreadsheet, covering the following elements of the TDT:

- Revenue and Expenditures
- Projects
- Credits
- Change-In-Use Discount

Samples of each worksheet are included on the following pages.

This information shall be provided annually (no later than October 15<sup>th</sup>) to:

*Julie Sosnovske  
Washington County Department of Land Use and Transportation, Long Range Planning  
155 N. First Ave., Suite 350, MS 14, Hillsboro, OR 97124  
Phone (503) 846-3847  
E-Mail: julie\_sosnovske@co.washington.or.us*

## Annual Report Forms

<b>TDT Account Balance</b> 7/1/2020 12:00am						<b>Jurisdiction:</b>	
← Should match 6/30/2020							
<b>Revenue</b>							
Month	TDT collected	Interest earned	Transfers, other	Month total	Description of "Transfers, other"		
July 2020				\$ -			
August 2020				\$ -			
June 2021				\$ -			
<b>Item total</b>	\$ -	\$ -	\$ -	\$ -			
<b>Expenditures</b>							
Month	Capital projects	Administration	Other	Month total	Description of "Other"		
July 2020				\$ -			
August 2020				\$ -			
June 2021				\$ -			
<b>Item total</b>	\$ -	\$ -	\$ -	\$ -			
<b>TDT Account Balance</b> 6/30/2021 11:59pm							
	\$ -						
Please also fill out the Projects, Credits and Change-in-Use worksheets.							

Project Expenditures				Jurisdiction:	
Itemized by project					
Project Name	TDT Project ID #	TDT funds spent in FY 20-21	Other funds spent on project in FY 20-21	Source of other funds	Total funds spent on project in FY 20-21
					\$ -
					\$ -
					\$ -
Totals		\$ -	\$ -		\$ -

# Annual Report Forms

TDT Credits										Jurisdiction:		
Credits issued and/or used during FY 20-21.												
Credit number	Property address	Name of development	Issue date	Credit balance 7/1/20	Credit amount issued between 7/1/20 and 6/30/21*	Credit amount transferred between 7/1/20 and 6/30/21**	Credit amount used between 7/1/20 and 6/30/21	Credit remaining on 6/30/21	Last usage date	Transportation improvement for which credit was awarded.	On TDT Project List? (Y/N)	Additional Improvement Value***
Example 01	123 Main	Acme development firm	1/1/1901	\$0.00	\$100.00	\$100.00	\$0.00	\$0.00	1/2/1901	Improvements to Main St	Yes	
transfer example 01A	124 Main	Acme subcontractor 01	1/2/1901	\$50.00	\$0.00	\$100.00	\$50.00	\$150.00	1/3/1901	transferred from: Example 01	NA	
Total					\$0.00	\$0.00	\$0.00	\$0.00				

\*For credits issued during FY 20-21, enter the amount of the credit. For credits that had activity during FY 20-21 but were issued before FY 20-21, enter the credit balance at the start of the fiscal year.

\*\*For transferred credits, enter the amount transferred and provide a new row for the new credit voucher

\*\*\*For transferred credits, please note the credit from which the transfer took place.

\*\*\*\*Include additional cost of non-creditable arterial and collector improvements provided (beyond those credit was issued for)

Change-in-Use Discount				Jurisdiction:	
For reuse of small commercial spaces.					
Property address	Previous use(s)	New use(s)	TDT charge before Change-in-Use Discount	TDT charge after Change-in-Use Discount	TDT savings for applicant
					\$ -
					\$ -
					\$ -
Total			\$ -	\$ -	\$ -

The Change-in-Use Discount is regulated by Washington County Code 3.17.190.

## VII. TDT EXPENDITURE PROCEDURES

### **INTRODUCTION**

This section describes the procedures the County and cities must follow to gain authorization to spend Transportation Development Tax (TDT) proceeds as provided in the Countywide TDT Ordinance. Adherence to these procedures will ensure that TDT expenditures follow the requirements for project eligibility found in section 3.17.100 of the TDT Ordinance.

The Washington County Coordinating Committee (WCCC) is designated as the body responsible for reviewing and making recommendations on the expenditures of TDT funds. The purpose of this review is to promote coordination of expenditures, and to encourage the completion of projects recognized as priorities by the committee, and to minimize inefficiencies in the construction of improvements.

To that end, each jurisdiction shall obtain review and approval of the WCCC prior to authorizing any expenditure of TDT revenues for a capital improvement.

When a jurisdiction has identified a capital improvement on the Project List for expenditure of TDT revenue, the following expenditure authorization requirements apply:

- a. The jurisdiction identifies candidate TDT project from the Project List.
- b. The jurisdiction notifies the Washington County Coordinating Committee, Transportation Advisory Committee (WCCC TAC) of the proposed TDT expenditure. This notification shall include:
  1. Project description and location, including which project on the Project List is being funded,
  2. Estimated total project costs,
  3. Estimated TDT revenue expenditure,
  4. Available TDT revenue,
  5. Estimated non-TDT funding including both amount and source, and
  6. Other information relevant to the improvement.
- c. The WCCC TAC will review the proposed TDT capital improvement for compliance with TDT expenditure requirements (described below) at the next the regular scheduled meeting.
- d. The WCCC TAC will make a recommendation to the Washington County Coordinating Committee.
- e. The Washington County Coordinating Committee will address the request at a meeting subsequent to the WCCC TAC recommendation. Following this review the Washington County Coordinating Committee will approve or deny the request.

## **VII.A. EXPENDITURE CRITERIA**

### **1. Capital Improvements**

The Transportation Development Tax (TDT) is structured as an improvement fee under ORS 223.299. The revenue must be dedicated towards capital improvements. The list of eligible capital improvements is provided in Appendix C of the TDT Ordinance.

#### **3.17.100 Use of TDT Revenues.**

*A. Any capital improvement being funded wholly or in part with revenues from this Transportation Development Tax shall be included in the TDT Capital Improvement Projects List, adopted as Appendix C to this Ordinance, and shall include, for each project, the estimated cost, timing and percentage of costs eligible to be funded with revenues from the TDT. The TDT Capital Improvement Projects List may be modified at any time by resolution and order of the Board of County Commissioners.*

*B. TDT revenues may be used for purposes that include, but are not limited to, the following, for any project on the Projects List:*

- 1. design and construction plan preparation;*
- 2. permitting;*
- 3. land and materials acquisition, including any costs of acquisition or condemnation;*
- 4. construction of transportation capital improvements;*
- 5. design and construction of new streets, transit facilities, sanitary sewers, drainage facilities, or other public improvements required by the construction of transportation capital improvements;*
- 6. relocating utilities required by the construction of improvements, for which the city or county is legally obligated to pay under easement, franchise or law;*
- 7. landscaping required or designed as part of the project;*
- 8. construction management and inspection;*
- 9. surveying, soils and material testing;*
- 10. acquisition of capital equipment that is an intrinsic part of a facility;*
- 11. demolition that is part of the construction of any of the improvements on this list;*
- 12. payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the county to provide money to construct or acquire transportation facilities.*

The TDT revenue must be spent within the boundaries of the Jurisdiction that collected the tax, and for improvements outside the boundary that will directly benefit the jurisdiction.

#### **3.17.100 Use of TDT Revenues.**

*E. TDT revenues shall be spent on improvements within the boundaries of the jurisdiction in which the tax was collected, and for improvements outside the boundaries but which directly benefit the jurisdiction. In those cities which have not opted to administer this tax, taxes collected by the county associated with building permits issued by the cities shall be spent only on projects on the Project List within or directly benefiting the city until such time as the county certifies that all extra capacity needs on such projects have been assured. Upon certification, the county may spend the funds on any project on the Project List.*

## 2. Compliance Costs

The TDT revenue may be spent on compliance with the provisions of the Oregon System Development Charge Statutes and administering the program.

### **3.17.100 Use of TDT Revenues.**

*C. TDT revenue may be spent for direct costs of complying with the provisions of ORS 223.297 to 223.314, including the consulting, legal, and administrative costs required for developing and updating the system development charges methodologies and capital improvement Project List, and the costs of collecting and accounting for system development charges expenditures.*

Eligible compliance expenditures include:

- Consulting costs related to the TDT methodology, or other purpose described below.
- Legal staff time, including creating Intergovernmental Agreements and Resolutions for administering the TDT, responding to appeals, and legal review of other issues directly related to the TDT.
- Administration and collection of the fees, assessing the charge, reviewing credit applications, developing annual reports, and responding to other issues necessary for the TDT.
- Planning and updating the list of eligible projects, including update of transportation plans to the extent the transportation plan is an update to the list of eligible projects.
- Accounting and tracking the TDT revenues.
- Design, permitting and construction costs of projects identified on the Project List.

## 3. Limitations

The TDT revenue may not be used for maintenance, repair, or other non-capital improvements. The TDT may not be used for facilities not associated with transportation systems.

### **3.17.100 Use of TDT Revenues.**

*D. Money on deposit in the TDT fund shall not be used for:*

1. *any expenditure that would be classified as a maintenance or repair expense; or*
2. *costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements.*

## **VII.B. EXPENDITURE APPEALS**

The Transportation Development Tax (TDT) Ordinance allows the appeal of expenditures by any citizen or interested party for a two-year period on the ground that an expenditure has been made in violation of the ordinance. For specific expenditure appeal procedures, see Section V.B. of this manual.

## VIII. TDT TRANSITION PROCEDURES

### **INTRODUCTION**

This section describes the procedures for the transition period from the Countywide Traffic Impact Fee (TIF) to the TDT. Adherence to these procedures will help ensure that the TDT program will be implemented consistent with the Countywide TDT Ordinance.

#### Effective Date

The TDT applies to all land use applications received on or after the effective date of the Ordinance (July 1, 2009).

#### **3.17.160 Transition.**

*All deferrals, credits, and Bancroft payment agreements shall continue and be administered under the terms in existence when issued except that all credits which have not previously expired, shall be valid for a period of ten years from the original date of acceptance of the improvement by the jurisdiction for credits. Only credits issued after the effective date of this ordinance shall be permitted to transfer from the property to which they were originally issued. Enactment of this ordinance shall in no way impact any budget or appropriations, contracts, permits, condemnation proceedings or any other formal actions pursuant to Ordinance No. 310 as amended and Ordinance No. 379 as amended. Enactment of this ordinance shall in no way impact any systems development charge, fee, or tax imposed by any city. This provision does not preclude any city from repealing or amending any such program, except that no credit or offset from the TDT shall be granted against any credit or amount due a city under a preexisting program.*

## IX. ADDITIONAL STAFF GUIDANCE

This section provides general guidance to staff regarding issues that are not directly covered by the TDT code but have come up implementing the TDT. Adherence to these procedures will help ensure that the TDT program will be implemented consistent with the Countywide TDT Ordinance.

### **Credits and Supplemental Transportation System Development Charges**

While this manual refers only to the TDT. It should be noted that Subarea or Supplemental Transportation System Development Charges (SDC) interact with the TDT and particularly with TDT Credits.

- TDT Credits should always be calculated first.
- If the Subarea SDC allows for additional credit, the credit should:
  - Be issued as a separate voucher towards only the SDC.
  - SDC credits cannot be used towards TDT obligations.
- If SDC credits may be transferred within a given subarea, then TDT credits issued within that subarea should be considered as having “impacts and traffic patterns affecting substantially the same facilities as the property that generated the credit.” (3.17.080.G.3.b) In general, if SDC credit transfer is allowed then TDT credit transfer should also be allowed where appropriate.

### **Recommended Practice for Accessory Dwelling Units (ADU's)**

The TDT rate calculation table does not include a rate for ADUs, an increasingly popular housing type. The TDT ordinance requires that the jurisdiction choose a use with the “most similar trip generation.” This is not a simple determination.

**ADU defined:** A single family accessory dwelling unit is a secondary, self-contained dwelling unit that may be allowed in conjunction with a detached single family dwelling. Accessory dwelling units are subordinate in size, location, and appearance to the primary detached single family dwelling. An accessory dwelling unit generally has its own outside entrance and always has a separate kitchen and bathroom. An accessory dwelling unit may be located either within, attached to, or detached from the primary detached single family dwelling unit. Only one accessory dwelling unit may be created in conjunction with a detached single family dwelling unit. (Washington County CDC 430-117).

Staff guidance is to use the condo/townhouse (ITE 230) rate for attached and interior ADUs, and apply the single-family (ITE 210) rate for detached ADU's.

### **Right-of-Way (ROW) Credit Procedures**

Credit for the value of land dedicated as right-of-way for a roadway improvement is provided for projects on the TDT and SDC project lists, as long as it's sufficient to expand the road to the width indicated in the Transportation Plan. The TDT and Washington County SDCs calculate the creditable value based on the market value **as determined by the county tax records**. Note that the value is **not** based on the sale price of the land.

Often, a developer will not deed right-of-way until the end of a project, which means they can't apply for credit until after the ROW is recorded (with the County Assessor's Office), after which they have 90 days to apply. At that point, the actual improvements may have already been built, and they may have already applied for and received some TDT credit.

Therefore, some developers apply for credit twice: Once for constructing the improvements, and then a second time for ROW dedication. The code is silent on the matter, but the intent is to have an applicant



apply for everything at once. The County has approved after-the-fact credits for ROW, as long as they are requested within the 90-day period after acceptance since one could argue that ROW is a separate “improvement” and that there is a separate event where it is “accepted”.

### **Storm Water Facilities**

Washington County does not provide credit for storm water facilities. While many road projects include storm water facilities, these facilities are regulated by Clean Water Services.

### **Median Treatments/Vegetation**

The intent of the TDT is to give credit for required eligible roadway elements beyond those required by a local street cross-section. The median (including landscaping) would meet this intent, following “contiguous or not” and “TDT List or not” criteria.

### **Recommended Practice for Food Carts**

The TDT rate calculation table does not include a rate for Food Carts, an increasingly popular land use. When a development type is missing from the rate table, the TDT ordinance requires that the jurisdiction choose a use that is the “most similar in trip generation,” or consider an alternate rate based on a traffic study.

Fast Food Restaurant is considered to be the closest use. The City of Beaverton conducted a thorough traffic study comparing trip generation rates for three separate food cart pod locations (on Sandy Boulevard and Foster Road in Portland, and on Sunnyside Road in Happy Valley). Using the methodology described in *Appendix A: TDT Methodology Report*, the traffic study estimated a higher rate per unit than Fast Food.

Staff guidance is to use the Fast Food (ITE 933 or 934) rate based on the square footage of the food cart since it is lower than the rate estimated rate using a traffic study.

### **Recommended Practice for Fee-in-Lieu or Pro-Rata Share Contributions**

When determining whether a payment toward an improvement is eligible for TDT credit, it is assumed that the payment (e.g. fee-in-lieu or pro-rata share) is equivalent to construction of the improvement. Therefore, applicable code and staff guidance included elsewhere within this TDT Procedures Manual should be used for determining credit eligibility.

#### ***TDT Credit for Development-Related Mitigation or Frontage Payments***

The TDT code addresses the credit eligibility for improvements made as part of the development review process. The same criteria would apply to payments made in lieu of constructing improvements.

#### ***TDT Credit for Pro-Rata Share Contributions***

Pro-Rata Share Contribution payments related to a condition of development may be eligible for credit towards the TDT charge. Payment of a pro-rata share contribution towards a TDT creditable improvement (e.g. Arterial or Collector or on the TDT Project List) may be eligible for TDT Credit, subject to other credit eligibility criteria documented in the TDT Code and in elsewhere in this Procedures Manual. The need related to the development itself may not be eligible for credit.

In order to receive TDT credit for any payment or contribution, the applicant must provide construction plans to jurisdiction staff to determine estimated project costs and the proportion eligible for credit.

Credit eligibility should follow the same guidelines as if the project plans were “as-builts” from a project that has been completed.

*Best Practice:* Whether a payment is made for a development-related mitigation, a frontage improvement, or a pro-rata share of a larger improvement, it is best practice for the conditions of development approval to specify the reason for the payment and whether the payment (or portion of the payment) may be eligible for TDT credit.

In general, payment of the TDT is preferable to payment of a credit eligible fee-in-lieu charge dedicated towards a particular improvement, because the TDT is more flexible. Fee-in-lieu payments work best when a capital project is planned for the near term or another development-related improvement is required within a defined timeline.

TDT Credit should NOT be allowed for improvements constructed using fee-in-lieu funds provided by a jurisdiction. If TDT Credit is allowed, it would be at the time of initial fee-in-lieu payment.

### **Staff Guidance for TDT Exemption for Federal or State Owned Tax Exempt Facilities**

Washington County assesses TDT for all government uses except for Federal and State government facilities. TDT is assessed at the time of building permit (or deferred to occupancy) and there may not be an opportunity for the County to assess TDT for facilities that are not required to obtain local government approval. Based on a number of inquiries regarding the following code language, the staff guidance clarification below was determined to be necessary:

- 3.17.040 Imposition and Exceptions. B.5. – Construction, remodeling or expansion of Federal or State facilities and uses otherwise exempt from taxation by counties;

#### ***Staff Guidance:***

Only Federal or State-owned facilities (or uses) that are also exempt from taxation qualify for the exemption. No other ownership entity qualifies for exemption, even if the entity is exempt from taxation by counties. Cities, school districts, utilities, and any other ownership entity will be assessed TDT. Further, buildings leased to Federal or State agencies, but owned by other entities will be assessed TDT.

### **Staff Guidance for Exempt Agricultural Building or Equine Facility**

In the rural area, an agricultural building proposed under an Agricultural Exempt Placement Permit in accordance with the criteria for exemption from the State of Oregon Structural Specialty Code (ORS 455.315) or which will otherwise be used exclusively for “farm use” as that term is defined in ORS 215.203(2) shall be exempt from TDT charges. Buildings in the rural area which will not be used exclusively for “farm use” as defined in ORS 215.203(2), and whose use requires approval via a Type II or Type III land use procedure are required to pay TDT charges.

### **Staff Guidance for Temporary Health Hardship Dwellings**

Temporary health hardship dwellings are allowed in Washington County. These are temporary manufactured dwellings or recreational vehicles, serving as a second home on a lot. A doctor's signature is required and must be renewed periodically. Since these dwellings are temporary by definition and require periodic renewal, TDT is not charged for such a dwelling.

**Institute of Traffic Engineers (ITE)  
Trip Generation Manual 7<sup>th</sup> Edition  
Category Descriptions**

**ITE CODE 030 Truck Terminal**

Truck terminals are facilities where goods are transferred between trucks, trucks and railroads, or trucks and ports.

**ITE CODE 110 General Light Industrial**

Light industrial facilities usually employ fewer than 500 persons, they have an emphasis on activities other than manufacturing and typically have minimal office space. Typical light industrial activities include printing, material testing and assembly of data processing equipment. These are free-standing facilities devoted to a single use. General heavy industrial (land use 120), industrial park (land use 130) and manufacturing (land use 140) are related uses.

**ITE CODE 120 General Heavy Industrial**

Heavy industrial facilities have a high number of employees per industrial plant and could also be categorized as manufacturing facilities (land use 140). The distinction between heavy industrial and manufacturing is vague. However, heavy industrial uses are limited to the manufacturing of large items. General light industrial (land use 110), industrial park (land use 130) and manufacturing (land use 140) are related uses.

**ITE CODE 140 Manufacturing**

Manufacturing facilities are areas where the primary activity is the conversion of raw materials or parts into finished products. Size and type of activity may vary substantially from one facility to another. In addition to the actual production of goods, manufacturing facilities generally also have office, warehouse, research and associated functions. General light industrial (land use 110), general heavy industrial (land use 120), and industrial park (land use 130) are related uses.

**ITE CODE 150 Warehousing**

Warehouses are primarily devoted to the storage of materials, but they may also include office and maintenance areas. High-cube warehouse (land use 152) is a related use.

**ITE CODE 151 Mini-Warehouse**

Mini-warehouses are buildings in which a number of storage units or vaults are rented for the storage of goods. They are typically referred to as “self-storage” facilities. Each unit is physically separated from other units, and access is usually provided through an overhead door or other common access point.

**ITE CODE 170 Utilities**

Utilities are free-standing buildings that contain electromechanical or industrial space/equipment. These facilities may also have storage areas and office space.

**ITE CODE 210 Single-Family Detached Housing**

Single-family detached housing includes all single-family detached homes on individual lots. A typically site surveyed is a suburban subdivision.

**ITE CODE 220 Apartment**

Apartments are rental dwelling units that are located within the same building with at least three other dwelling units, for example quadraplexes and all types of apartment buildings. The studies included in this land use did not identify whether the apartments were low-rise, mid-rise, or high-rise. Low-rise apartment (land use 221), high-rise apartment (land use 222) and mid-rise apartment (land use 223) are related uses.

**ITE CODE 230 Residential Condominium / Townhouse**

Residential condominiums / townhouses are defined as ownership units that have at least one other owned unit within the same building structure. Both condominiums and townhouses are included in this land use. The studies in this land use did not identify whether the condominiums / townhouses were low-rise or high-rise. Low-rise residential condominiums / townhouse (land use 231), high-rise residential condominiums / townhouse (land use 232) and luxury condominiums / townhouse (land use 233) are related land uses.

**ITE CODE 240 Mobile Home Park**

Mobile home parks generally consist of manufactured homes that are sited and installed on permanent foundations and typically have community facilities such as recreational rooms, swimming pools and laundry facilities. Many mobile home parks restrict occupancy to adults.

**ITE CODE 254 Assisted Living**

Assisted living complexes are residential settings that provide either routine general protective oversight or assistance with activities necessary for independent living to mentally or physically limited persons. They commonly have separate living quarters for residents and services include dining, housekeeping, social and physical activities, medication administration and transportation. Alzheimer's and ALS care are commonly offered by these facilities, though the living quarters for these patients may be located separately from the other residents. Assisted care commonly bridges the gap between independent living and nursing homes. In some areas of the country, assisted living residences may be called personal care, residential care, or domiciliary care. Staff may be available at an assisted care facility 24 hours a day, but skilled medical care – which is limited in nature – is not required. Continuing care retirement community (land use 255) and nursing home (land use 620) are related uses.

**ITE CODE 255 Continuing Care Retirement Community (CCRC)**

CCRCs are land uses that provide multiple elements of senior adult living. CCRCs combine aspects of independent living with increased care, as lifestyle needs change with time. Housing options may include various combinations of senior adult detached, senior adult attached, congregate care, assisted living and skilled nursing care – aimed at allowing the resident to live in one community as their medical needs change. The communities may also contain special services such as medical, dining, recreational and some limited, supporting retail facilities. CCRC's are usually self-contained villages. Senior adult housing – detached (land use 251), senior adult housing – attached (land use 252), congregate care facility (land use 253), assisted living (land use 254) and nursing home (land use 620) are related uses.

**ITE CODE 310 Hotel/Motel**

Hotels are places of lodging that provide sleeping accommodations and supporting facilities such as restaurants, cocktail lounges, meeting and banquet rooms or convention facilities, limited recreational facilities (pool, fitness room) and/or other retail and service shops. Some of the sites included in this land use category are actually large motels providing the facilities of a hotel noted above. All suites hotel (land use 311), business hotel (land use 312), motel (land use 320) and resort hotel (land use 330) are related uses.

**ITE CODE 411 Park**

City parks are owned and operated by a city. The city parks surveyed vary widely as to location, type and number of facilities, including boating or swimming facilities, ball fields, campsites and picnic facilities. Seasonal use of the individual sites differs widely as a result of the varying facilities and local conditions, such as weather. For example, some of the sites are used primary for boating or swimming, while others are used for softball games.

**ITE CODE 430 Golf Course**

The golf courses contained in this land use include 9-, 18-, 27-, and 36-hole municipal courses and private country clubs. Some sites having driving ranges and clubhouses with a pro shop and/or restaurant, lounge and banquet facilities. Many of the municipal courses do not have any of these facilities. Miniature golf course (land use 431), golf driving range (land use 432) and multipurpose recreational facility (land use 435) are related uses.

**ITE CODE 432 Golf Driving Range**

Golf driving ranges are outdoor facilities containing driving tees for golfers to practice. These facilities may also provide individual or small group lessons. Some sites have pro shops and/or small refreshment facilities. Driving ranges affiliated with full-sized golf courses are included in golf course (land use 430). Golf course (land use 430), miniature golf course (land use 431) and multipurpose recreational facility (land use 435) are related uses.

**ITE CODE 435 Multipurpose Recreational Facility**

Multipurpose recreational facilities contain two or more of the following land uses combined at one site: miniature golf, batting cages, video arcade, bumper boats, go-carts and golf-driving ranges. Refreshment areas may also be included. Golf course (land use 430), miniature golf course (land use 431), golf driving range (land use 432) and batting cages (land use 433) are related uses.

**ITE CODE 437 Bowling Alley**

Bowling alleys are recreational facilities that include bowling lanes. A small lounge, restaurant and/or snack bar, video games and pool tables may also be available.

**ITE CODE 445 Movie Theater**

A multiplex movie theater consists of audience seating, a minimum of ten screens, a lobby and a refreshment area. The development generally has one or more of the following amenities: digital sound, tiered stadium seating and movable or expandable walls. Theaters included in this category are primary stand-alone facilities with separate parking and dedicated driveways. All theaters in the category show only first-run movies not previously seen through any other media. They may also have matinee showings. Movie theater without matinee (land use 443) and movie theater with matinee (land use 444) are related uses.

**ITE CODE 492 Health / Fitness Club**

Health / fitness clubs are privately owned facilities that primary focus on individual fitness or training. Typically they provide exercise classes, weightlifting and gymnastic equipment; spas; locker rooms; and small restaurants or snack bars. This land use may also include ancillary facilities, such as swimming pools, whirlpools, saunas, tennis, racquetball and handball courts and limited rental. These facilities are membership clubs that may allow access to the general public for a fee. Racquet/tennis club (land use 491), athletic club (land use 493) and recreation community center (land use 495) are related land uses.

**ITE CODE 495 Recreational Community Center**

Recreational community centers are stand-alone public facilities similar to and including YMCAs. These facilities often include classes and clubs for adults and children; a day care or nursery school; meeting rooms; swimming pools and whirlpools; saunas; tennis, racquetball, handball, gymnastics equipment; locker rooms; and a restaurant or snack bar. Typically public access is allowed, but a fee may be charged. Racquet/tennis club (land use 491), health/fitness club (land use 492) and athletic club (land use 493) are related land uses.

**ITE CODE 520 Elementary School**

Elementary schools typically serve students attending kindergarten through the fifth or sixth grade. Elementary schools are usually centrally located in residential communities in order to facilitate student access and there are no student drivers. This land use consists of schools where bus service is usually provided to students living beyond a specified distance from the school. Both public and private schools are included in this land use. Middle school/junior high school (land use 522), high school (land use 530), private school – K-8 (land use 534) and private school – K-12 (land use 536) are related uses.

**ITE CODE 522 Middle / Junior High School**

Middle or junior high schools serve students who have completed elementary school and have not yet entered high school. Both public and private middle schools/ junior high schools are included in this land use. Elementary school (land use 520), high school (land use 530), private school – K-8 (land use 534) and private school – K-12 (land use 536) are related uses.

**ITE CODE 530 High School**

High schools serve students who have completed middle or junior high school. Both public and private high schools are included in this land use. Elementary school (land use 520), middle school/junior high school (land use 522), private school – K-8 (land use 534) and private school – K-12 (land use 536) are related uses.

**ITE CODE 536 Private School K-12**

Private schools in this land use primarily serve students attending kindergarten through the 12<sup>th</sup> grade, but may also include those beginning with pre-K classes. These schools may also offer extended care and day care. Students may travel a long distance to get to private schools. Elementary school (land use 520), middle school/junior high school (land use 522), high school (land use 530), private school – K-8 (land use 534) are related uses.

**ITE CODE 540 Junior / Community College**

This land use includes two-year junior, community, or technical colleges. Four-year (or more) colleges or universities are described in university/college (land use 550). A number of two-year institutions have sizable evening programs.

**ITE CODE 550 University / College**

This land use includes four-year universities or colleges that may or may not offer graduate programs. Two-year junior, community, or technical colleges are described in junior/community college (land use 540).

**ITE CODE 560 Church**

A church is a building in which public worship services are held. A church houses an assembly hall or sanctuary; it may also house meeting rooms, classrooms and occasional dining, catering, or party facilities. Synagogue (land use 561) is a related use.

**ITE CODE 565 Day Care Center / Preschool**

A day care center is a free-standing facility where care for pre-school aged children is provided, normally during the daytime hours. Day care facilities generally include classrooms, offices, eating areas and playgrounds. Some centers also provide after-school care for children.

**ITE CODE 590 Library**

A library can be either a public or private facility that consists of shelved books, reading rooms or areas and sometimes meeting rooms.

### **ITE CODE 610 Hospital**

A hospital is any institution where medical or surgical care and overnight accommodations are provided to non-ambulatory and ambulatory patients. However, the term “hospital” does not refer to medical clinics (facilities that provide diagnoses and outpatient care only) or nursing homes (facilities devoted to the care of persons unable to care for themselves), which are covered elsewhere in the report. Clinic (land use 630) is a related use.

### **ITE CODE 620 Nursing Home**

A nursing home is a facility whose primary function is to care for persons who are unable to care for themselves. Examples of such facilities include rest homes and chronic care and convalescent homes. Skilled nurses and nursing aids are present 24 hours a day at these sites. Nursing homes are occupied by residents who do little or no driving; traffic is primarily generated by employees, visitors and deliveries. Assisted living (land use 254) and continuing care retirement community (land use 255) are related uses.

### **ITE CODE 630 Clinic**

A clinic is any facility that provides limited diagnostic and outpatient care, but is unable to provide prolonged in-house medical and surgical care. Hospital (land use 610) is a related use.

### **ITE CODE 710 General Office Building**

A general office building houses multiple tenants; it is located where affairs of businesses, commercial or industrial organizations, or professional persons or firms are conducted. An office building or buildings may contain a mixture of tenants including professional services; insurance companies; investment brokers; and tenant services, such as a bank or savings and loan institution, a restaurant or cafeteria and service retail facilities. Nearly all of the buildings surveyed were in suburban locations. Corporate headquarters (land use 714), single tenant office building (land use 715), office park (land use 750), research and development center (land use 760) and business park (land use 770) are related uses.

If information is known about individual buildings it is suggested that the general office building category be used rather than office parks when estimating trip generation for one or more office buildings in a single development. The office park category is more general and should be used when a breakdown of individual or different uses is not known. If the general office building category is used and if additional buildings, such as banks, restaurants, or retail stores are included in the development, then the development should be treated as a multiuse project. On the other hand, if the office park category is used, internal trips are already reflected in the data and do not need to be considered.

When the buildings are interrelated (defined by shared parking facilities or the ability to easily walk between buildings) or house one tenant, it is suggested that the total area or employment of all buildings be used for calculating the trip generation. When the individual buildings are isolated and not related to one another, it is suggested that trip generation be calculated for each building separately and summed.



**ITE CODE 720 Medical-Dental Office Building**

A medical-dental office building is a facility that provides diagnoses and outpatient care on a routine basis, but is unable to provide prolonged in-house medical and surgical care. This type of facility is generally operated by one or more private physicians or dentists.

**ITE CODE 730 Government Office Building**

A government office building is an individual building containing either the entire function or simply one agency of a city, county, state, federal, or other governmental unit. This type of building differs from a government office complex (land use 733) in that it is not a group of buildings that interconnected by pedestrian walkways.

**ITE CODE 732 United States Post Office**

A U.S. Post Office is a federal building that contains service windows for mailing packages and letters, post office boxes, offices, sorting and distributing facilities for mail and vehicle storage areas.

**ITE CODE 750 Office Park**

Office parks are usually suburban subdivisions or planned unit developments containing general office buildings and support services, such as banks, savings and loan institutions, restaurants and service stations arranged in a park- or campus-like atmosphere. General office building (land use 710), corporate headquarters building (land use 714), single tenant office building (land use 715), research and development center (land use 760) and business park (land use 770) are related uses.

**ITE CODE 812 Building Materials and Lumber Store**

A building materials and lumber store is a free-standing building that sells hardware, building materials and lumber. The lumber may be stored in the main building, yard, or storage shed. The buildings contained in this land use are less than 25,000 gross square feet in size. Hardware/paint store (land use 816) and home improvement superstore (land use 862) are related uses.

**ITE CODE 813 Free-Standing Discount Superstore**

The discount superstores in this category are similar to the free-standing discount stores described in land use 815, with the exception that they also contain a full service grocery department under the same roof that shares entrances and exits with the discount store area. The stores usually offer a variety of customer services, centralized cashiering and a wide range of products. They typically maintain long store hours 7 days a week. The stores included in this land use are often the only ones on the site, but they can also be found in mutual operation with a related or unrelated garden center and/or service station. They also are sometimes found as separate parcels within a retail complex with their own dedicated parking area. Free-standing discount store (land use 815) is a related use.

**ITE CODE 814 Specialty Retail Center**

Specialty retail centers are generally small strip shopping centers that contain a variety of retail shops and specialize in quality apparel; hard goods; and services, such as real estate offices, dance studios, florists and small restaurants. Shopping center (land use 820) is a related use.

**ITE CODE 815 Free-Standing Discount Store**

The discount stores in this category are free-standing stores with off-street parking. They usually offer a variety of customer services, centralized cashiering and a wide range of products. They typically maintain long store hours 7 days a week. The stores included in this land use are often the only ones on the site, but they can also be found in mutual operation with a related or unrelated garden center and/or service station. Free-standing discount stores are also sometimes found as separate parcels within a retail complex with their own dedicated parking. Free-standing discount superstore (land use 813) is a related use.

**ITE CODE 816 Hardware / Paint Store**

Hardware/paint stores are generally free-standing buildings with off-street parking. Building materials and lumber store (land use 812) and home improvement superstore (land use 862) are related uses.

**ITE CODE 817 Nursery (Garden Center)**

A nursery or garden center is a free-standing building with a yard of planting or landscape stock. The nurseries surveyed primarily serve the general public. Some have large greenhouses and offer landscape services. Most have office, storage and shipping facilities. Nurseries are characterized by seasonal variations in trip characteristics. Nursery – Wholesale (land use 818) is a related use.

**ITE CODE 820 Shopping Center**

A shopping center is an integrated group of commercial establishments that is planned, developed, owned and managed as a unit. A shopping center's composition is related to its market area in terms of size, location and type of store. A shopping center also provides on-site parking facilities sufficient to serve its own parking demands. Specialty retail center (land use 814) and factory outlet center (land use 823) are related uses.

**ITE CODE 823 Factory Outlet Center**

A factory outlet center is a shopping center that primarily houses factory outlet stores, attracting customers from a wide geographic area, very often from a larger area than a regional shopping center. Shopping centers (land use 820) is a related use.

**ITE CODE 841 New Car Sales**

New car sales dealerships are typically located along major arterial streets characterized by abundant commercial development. Automobile services, parts sales and substantial used car sales may also be available. Some dealerships also include leasing options, truck sales and servicing.

**ITE CODE 843 Automobile Parts Sales**

Automobile parts facilities specialize in the sale of automobile parts for do-it-yourself maintenance and repair. Items sold at these facilities include spark plugs, oil, batteries and a wide range of automotive parts. These facilities are not equipped for on-site vehicle repair. Tire store (land use 848), tire superstore (land use 849) and automotive parts and service center (land use 943) are related uses.

**ITE CODE 849 Tire Superstore**

Tire superstores are warehouse-like facilities with the primary function of selling and installing tires for automobiles and small trucks. Other services provided may include automotive maintenance functions, such as wheel alignment or shock and brake service and customer services. A tire display, customer waiting lounge, restroom facilities, staff office space and significant storage areas are also provided. General mechanical repairs and bodywork are usually not conducted at these facilities. Automotive parts sales (land use 843), tire store (land use 848) and automotive parts and service center (land use 943) are related uses.

**ITE CODE 850 Supermarket**

Supermarkets are free-standing retail stores selling a complete assortment of food, food preparation and wrapping materials and household cleaning items. Supermarkets may also contain the following products and services: ATMs, automobile supplies, bakeries, books and magazines, dry cleaning, floral arrangements, greeting cards, limited-service banks, photo centers, pharmacies and video rental areas. Some facilities may be open 24 hours a day. Discount supermarket (land use 854) is a related use.

**ITE CODE 851 Convenience Market (Open 24 Hours)**

The convenience markets in this classification are open 24 hours per day. These markets sell convenience foods, newspapers, magazines and often beer and wine; they do not have gasoline pumps. Convenience markets – open 15-16 hours (land use 852), convenience market with gasoline pumps (land use 853), gasoline/service station with convenience market (land use 945) and gasoline/service station with convenience market and car wash (land use 946) are related land use.

**ITE CODE 853 Convenience Market with Gasoline Pump**

The convenience markets surveyed sell gasoline, convenience foods, newspapers, magazines and often beer and wine. This land use includes convenience markets with gasoline pumps where the primary business is the selling of convenience items, not the fueling of motor vehicles. Convenience market – open 24 hours (land use 851), convenience market – open 15-16 hours (land use 852), gasoline/service station (land use 944), gasoline/service station with convenience market (land use 945) and gasoline/service station with convenience market and car wash (land use 946) are related uses.

**ITE CODE 860 Wholesale Market**

Wholesale markets generally include large storage and distribution area for receiving goods and shipping these goods to place such as grocery stores and restaurants. Generally, these markets are characterized by little drive-in business and truck deliveries and pick-ups at all hours of the day.

**ITE CODE 861 Discount Club**

A discount club is a discount store or warehouse where shoppers pay a membership fee in order to take advantage of discounted prices on a wide variety of items such as food, clothing, tires and appliances; many items are sold in large quantities or bulk.

**ITE CODE 862 Home Improvement Superstore**

Home improvement superstores are free-standing facilities that specialize in the sale of home improvement merchandise. These stores generally offer a variety of customer services and centralized cashiering. Home improvement superstores typically maintain long store hours 7 days a week. Examples of items sold in these stores include lumber, tools, paint, lighting, wallpaper and paneling, kitchen and bathroom fixtures, lawn equipment and plant and garden accessories. The stores included in this land use are often the only ones on the site, but they can also be found in mutual operation with a related or unrelated garden center. Home improvement superstores are sometimes found as separate parcels within a retail complex with their own dedicated parking. The buildings contained in this land use usually range in size from 50,000 to 200,000 square feet of gross floor area. This land use does not include interior design stores. Building materials and lumber store (land use 812) and hardware/paint store (land use 816) are related uses.

**ITE CODE 863 Electronics Superstore**

Electronics superstores are free-standing facilities that specialize in the sale of electronic merchandise. These facilities generally offer a variety of customer services and centralized cashiering. Electronics superstores typically maintain long store hours 7 days a week. Examples of items sold in these stores include televisions; audio and video players and recorders; software; telephones; computers; and general electronic accessories. Major home appliances may also be sold at these facilities. Electronics superstores are sometimes found as separate parcels within a retail complex with their own dedicated parking.

**ITE CODE 867 Office Supply Superstore**

Office supply superstores are free-standing facilities that specialize in the sale of office equipment and supplies, including computers, paper, furniture and desk accessories. These facilities may offer a variety of business services, including administrative, communications, custom printing and Internet services. The stores generally have centralized cashiering and maintain long store hours 7 days a week. Office supply superstores are sometimes found as separate parcels within a retail complex with their own dedicated off-street parking.

**ITE CODE 880 Pharmacy / Drugstore without Drive-Through Window**

Pharmacies/drugstores are retail facilities that primary sell prescriptive and non-prescriptive drugs. These facilities may also sell cosmetics, toiletries, medications, stationery, personal care products, limited food products and general merchandise. The drug stores in this category do not contain drive-through windows. Pharmacy/drugstore with a drive-through window (land use 881) is a related use.

**ITE CODE 881 Pharmacy / Drugstore with Drive-Through Window**

Pharmacies/drugstores are retail facilities that primarily sell prescriptive and non-prescriptive drugs. These facilities may also sell cosmetics, toiletries, medications, stationery, personal care products, limited food products and general merchandise. The drug stores in this category contain drive-through windows. Pharmacy/drugstore without a drive-through window (land use 880) is a related use.

**ITE CODE 890 Furniture Store**

A furniture store is a full-service retail facility that specializes in the sale of furniture and often carpeting. Furniture stores are generally large and may include storage areas. The sites surveyed include both traditional furniture stores and warehouse stores with showrooms. Although some home accessories may be sold, furniture stores primarily focus on the sale of pre-assembled furniture. A majority of items sold at these facilities must be ordered for delivery. Discount home furnishing superstore (land use 869) is a related use.

**ITE CODE 911 Walk-in Bank**

Walk-in banks are generally free-standing buildings with their own parking lots. These banks do not have drive-in lanes and may or may not contain automatic teller machines (ATMs). Drive-in bank (land use 912) is a related use.

**ITE CODE 912 Drive-in Bank**

Drive-in banks provide banking facilities for motorists who conduct financial transactions from their vehicles; many also serve patrons who walk into the building. The drive-in lanes may or may not provide automatic teller machines (ATMs). Walk-in bank (land use 911) is a related land use.

**ITE CODE 931 Quality Restaurant**

This land use consists of high quality, full-service eating establishments with turnover rates usually of at least one hour or longer. Quality restaurants generally do not serve breakfast; some do not serve lunch; all serve dinner. This type of restaurant usually requires reservations and is generally not part of a chain. High-turnover (sit-down) restaurant (land use 932) is a related use.

**ITE CODE 932 High-Turnover (Sit-Down) Restaurant**

This land use consists of sit-down, full-service eating establishments with turnover rates of approximately one hour or less. This type of restaurant is usually moderately priced and frequently belongs to a restaurant chain. Generally, these restaurants serve lunch and dinner; they may also be open for breakfast and are sometimes open 24 hours per day. These restaurants typically do not take reservations. Some facilities contained within this land use may also contain a bar area for serving food and alcoholic drinks. Quality restaurant (land use 931), fast food restaurant without drive-through window (land use 933), fast food restaurant with drive-through window (land use 934) and fast food restaurant with drive-through window and no seating (land use 935) are related uses.

**ITE CODE 933 Fast-Food Restaurant without Drive-Through Window**

This land use includes fast-food restaurants without drive-through windows. This type of restaurant is characterized by a large carryout clientele; long hours of service (some are open for breakfast, all are open for lunch and dinner, some are open late at night or 24 hours); and high turnover rates for eat-in customers. These limited service eating establishments do not provide table service. Patrons generally order at a cash register and pay before they eat. High-turnover (sit-down) restaurant (land use 932), fast food restaurant with drive-through window (land use 934), and fast food restaurant with drive-through window and no seating (land use 935) are related uses.

**ITE CODE 934 Fast-Food Restaurant with Drive-Through Window**

This category includes fast-food restaurants with drive-through windows. This type of restaurant is characterized by a large carryout clientele; long hours of service (some are open for breakfast, all are open for lunch and dinner, some are open late at night or 24 hours); and high turnover rates for eat-in customers. These limited service eating establishments do not provide table service. Patrons generally order at a cash register and pay before they eat. High-turnover (sit-down) restaurant (land use 932), fast food restaurant without drive-through window (land use 933), and fast food restaurant with drive-through window and no seating (land use 935) are related uses.

**ITE CODE 935 Fast-Food Restaurant with Drive-Through Window and No Indoor Seating**

This category includes fast-food restaurants with drive-through service only. These facilities typically have very small building areas and may provide a limited amount of outside seating. These limited service eating establishments usually do not provide table service. Patrons generally order at a cash register and pay before they eat. High-turnover (sit-down) restaurant (land use 932), fast food restaurant without drive-through window (land use 933), and fast food restaurant with drive-through window (land use 934) are related uses.

**ITE CODE 936 Drinking Place**

A drinking place contains a bar where alcoholic beverages and snacks are served and possibly some type of entertainment such as music, television screens, video games, or pool tables.

**ITE CODE 941 Quick Lubrication Vehicle Shop**

A quick lubrication vehicle shop is a business where the primary activity is to perform oil change services for vehicles. Other ancillary services provided may include preventative maintenance, such as fluid and filter changes. Automobile repair service is generally not provided. Automobile care center (land use 942) and automobile parts and service center (land use 943) are related uses.

**ITE CODE 942 Automobile Care Center**

An automotive care center houses numerous businesses that provide automotive-related services, such as repair and servicing, stereo installation and seat cover upholstery. Quick lubrication vehicle shop (land use 941) and automotive parts and service center (land use 943) are related uses.

**ITE CODE 944 Gasoline/Service Station**

This land use includes gasoline/service stations where the primary business is the fueling of motor vehicles. These service stations may also have ancillary facilities for servicing and repairing motor vehicles. Service stations are generally located at intersections or interchanges. Service stations with convenience stores and car washes are not included in this land use. Convenience market with gasoline pumps (land use 853), gasoline/service station with convenience market (land use 945) and gasoline/service station with convenience market and car wash (land use 946) are related uses.

**ITE CODE 946 Gasoline/Service Station with Convenience Market and Car Wash**

This land use includes gasoline/service stations with convenience markets and car washes where the primary business is the fueling of motor vehicles. They may also have ancillary facilities for servicing and repairing motor vehicles. These service stations are generally located at intersections or interchanges. Convenience market – open 24 hours (land use 851), Convenience market – open 15-16 hours (land use 852), Convenience market with gasoline pumps (land use 853), gasoline/service station (land use 944), and gasoline/service station with convenience market (land use 945) are related uses.

## **ATTACHMENT B**

### **ALTERNATIVE TDT CALCULATION**

(For uses not listed only)

An alternative Transportation Development Tax (TDT) rate calculation is allowed only in cases where the use is not listed on Table II. If an alternative TDT is calculated it must follow the calculation methodology for other uses in the TDT ordinance. This section will provide details on how to use data from an approved traffic study for a use not otherwise listed in Appendix B into an alternative TDT rate. This rate calculation methodology may not be used if the use is listed – even if a traffic study has been completed for the project.

Any alternative TDT calculation undertaken as described in 3.17.050.B shall use a procedure consistent with the methodology described in Appendix A to Ordinance 691-A. The alternative TDT calculation must be based on a traffic study approved by the Director.

Normally a traffic study will report the average weekday vehicle trips. The TDT rate however is assessed based on person trips. Therefore, the TDT rate must account for total person trip-end similar to table 4 (vehicle trip rate x 1.4875), and modified by primary (non-pass-by or diverted) trips. Modifications for diverted and pass-by trips are allowed if documented as part of the approved traffic study. The total primary trips equals the total vehicle trips per unit, minus the percent pass-by, and percent diverted trips. New person trips shall be considered 100% primary trips unless specific travel characteristics have been identified by the traffic study.

Trip length factors shall be assumed to be 1.00 unless additional data is established and approved within the traffic study. Residential trips lengths of 1.00, alternative trip lengths must be calculated with documented evidence that the vehicle trips associated with the new use are different than the trip lengths for residential.

After these steps, costs per new person trip-end shall be the basis for resulting TDT rate.

By way of example, the 2021/22 rate shall be assumed to be \$653.30 per trip (current rates are at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)).

#### **Alternative TDT Calculation Process**

- Step 1) Determine # of trips per day per unit:
- Step 2) Trip rate X person trips X percent new trips = new person trip-ends
- Step 3) Apply trip length factor
- Step 4) Determine current cost per unit\*
- Step 5) Calculate interim year

Use the form on the following page to calculate the TDT rate based on information from a traffic study. \* Current cost per unit available on [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt)



# COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX TRAFFIC STUDY RATE CALCULATION WORKSHEET

## For Staff Use Only

Based on Methodology Report – Appendix A

### Data

Row	Data Needed	Data
A	Number of Weekday Vehicle Trips per Unit <ul style="list-style-type: none"> <li>Be sure to convert to units</li> <li>May Use total average daily vehicle trips / TSFGFA or other unit measure</li> <li>Unit measures need to be consistent with ITE methodology</li> </ul>	
B	Primary Trip Percent: <ul style="list-style-type: none"> <li>Use 100% if information is not provided as part of the traffic study</li> <li>Pass-by &amp; Diverted Vehicle trips only</li> </ul>	
C	Trip Length Adjustment: <ul style="list-style-type: none"> <li>Use 1.00 if information is not provided as part of the traffic study</li> <li>Only vehicle trip lengths may be applied (walk / bicycle and/or transit trips cannot be used)</li> </ul>	

### Rate per Unit Calculation

Row	Calculations	Result
D	Number of Person Trips per Unit Multiply row A (Daily Vehicle Trips) x 1.4875	
E	New Person Trip-Ends per Unit Multiply row B (Primary Trip Percent) x result of row D (Person Trips)	
F	Net Adjusted Trip-Ends per Unit Multiply row C (Trip Length Adjustment Factor) x result of row E (New Person Trip-Ends)	
G	<b>Rate Per Unit:</b> Multiply result of row F (Net Adjusted Trip-Ends) x Effective Average Rate of \$653.30*	

\*Effective Average Rate per Net Adjusted Person Trip-End: July 1, 2021 - June 30, 2022 (see [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt) for current rate)

## **ATTACHMENT C**

### **TDT FORMS**

(Most forms are available at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt))

#### ***TDT Calculation/Payment/Appeal***

- Transportation Development Tax (TDT) Unincorporated Washington County Process: Chronological Checklist of Steps: For Applicant's Use
- Transportation Development Tax (TDT) Estimate
- Rate Table
- Application for Change-In-Use Discount on the Transportation Development Tax (TDT)
- Transportation Development Tax Installment Payment Application
- Notice of Right to Cancel Installment Payment of Transportation Development Tax
- Countywide Transportation Development Tax Appeal Information
- Countywide Transportation Development Tax Payment Option Form
- Countywide Transportation Development Tax Staff Traffic Study Review Form
- Countywide Transportation Development Tax Staff Traffic Study Rate Calculation Worksheet

#### ***TDT Credits***

- Credit Submittal Assistance Guide
- Request for Transportation Development Tax (TDT) Credits
- Request for North Bethany Transportation System Development Charge (NBTSDC) Credits
- Request for Bonny Slope West Transportation System Development Charge (BSWTSDC) Credits
- Credit Estimate Form
- Transportation Development Tax Credit Approval
- Transportation Development Tax (TDT) Credit Voucher Template
- TDT Credit Transfer Request
- Sample Transfer Response Letter



## TRANSPORTATION DEVELOPMENT TAX (TDT) Unincorporated Washington County Process

### Chronological Checklist of Steps: For Applicant's Use

**Applicant:** \_\_\_\_\_ **Project:** \_\_\_\_\_

The TDT is a tax that applies to all development within Washington County. *(This checklist does not address TDT procedures of incorporated cities: contact city staff for particulars of TDT processing within any incorporated area of Washington County).* This is a basic checklist to assist applicants within unincorporated Washington County in estimating the tax, making payment arrangements, obtaining credits where available, and obtaining further information. Applicants should review Washington County Code Chapter 3.17 or contact staff listed below with questions.

**Contacts: Current Planning:**

Single Family Dwelling (SFD): [Cetera\\_Heino@co.washington.or.us](mailto:Cetera_Heino@co.washington.or.us) (Teri) 503-846-3834

Commercial and Residential other than One SFD: [Eileen\\_Cunningham@co.washington.or.us](mailto:Eileen_Cunningham@co.washington.or.us) 503-846-3828

Development Services Accounting: [BLDG\\_Finance@co.washington.or.us](mailto:BLDG_Finance@co.washington.or.us) 503-846-3677

Engineering: [ENG\\_Review@co.washington.or.us](mailto:ENG_Review@co.washington.or.us) 503-846-7900

Assurances: [LUTassurances@co.washington.or.us](mailto:LUTassurances@co.washington.or.us) Assurance Coordinator 503-846-3843

**NOTE: If Building Permits aren't needed (e.g. for certain golf course/park proposals, etc.) disregard "When" column below – all TDT requirements must instead be completed prior to Final Land Use Approval.**

#### For any Project

##### Preliminary

What (Document/Action)	Who	When
Complete <b>TDT Estimate</b> form (Available in PSB-350 lobby and online at <a href="http://www.co.washington.or.us/TDT">http://www.co.washington.or.us/TDT</a> )	<b>Applicant</b> obtains (for self-calculation)	First contact (via Pre-Application Conference, lobby visit, web search, etc.)

#### For One Single Family Detached Dwelling (SFD) Only

##### Prior to issuance of Building Permit

What (Document/Action)	Who	When
If applicable, submit <b>Credit Voucher</b> (if any TDT credit approved for the underlying development, via steps in the table below, is to be applied to the SFD lot)	<b>Applicant:</b> Credit Voucher to <b>Current Planning</b>	Prior to issuance of Building Permit (WCC 3.17.080.H) and prior to TDT Payment
Pay TDT due (or submit Bancroft/Installment Agreement)	<b>Applicant</b> (at <b>Building Services Counter</b> )	Prior to issuance of Building Permit (WCC 3.17.060.A). NOTE: WCC 3.17.060.B precludes payment deferral for SFDs. See WCC 3.17.060 for Bancroft/Installment Agreements.

#### For Commercial and Residential Other than One SFD

##### After Land Use Review: If Conditions of Approval Require a Facility Permit (If not, skip to Page 2 )

What (Document/Action)	Who	When
Obtain <b>Public Improvement Plan Approval Letter</b> (Generally includes note as to whether improvements <u>may</u> qualify for TDT credit. See note at top of Page 2)	<b>Engineering</b> sends to <b>Applicant</b>	After Engineering Division review and approval of Applicant's submitted plans (for public improvements required via land use review)
Request <b>Final Inspection</b> of constructed public improvements	<b>Applicant</b> contacts <b>Assurances</b>	After Applicant constructs required public improvements
Receive <b>Acceptance Letter</b> (accepting construction of required public improvements as consistent with Road Standards and final approved plan)	<b>Assurances</b> sends to <b>Applicant</b>	After County inspection and acceptance of required public improvement construction

## For Commercial and Residential Other than One SFD (Continued from Page 1)

### After Land Use Review: Whether or Not Conditions of Approval Require a Facility Permit

What (Document/Action)	Who	When
<p><i>NOTE: For projects requiring a Facility Permit, the Credit Request Form noted below, a <u>courtesy</u> notice of eligibility to apply for credit, and a <u>courtesy</u> notice of the 90-day application window are generally sent with the aforementioned Public Improvement Acceptance Letter; but <b>in all cases it is the applicant's responsibility to obtain, complete, and submit the Credit Request Form in accord with time limitations under WCC 3.17.080.A</b>. The request form is also available in the PSB-350 lobby and at: <a href="http://www.co.washington.or.us/TDT">http://www.co.washington.or.us/TDT</a></i></p>		
<p>If constructed <b>improvements</b> and/or dedicated <b>right-of-way</b> may qualify* for TDT credit (per WCC 3.17.070.A through C):</p> <p>Submit <b>Credit Request Form</b> (and supporting documentation)</p> <p><i>*Note: Contact Engineering with credit eligibility questions. See Also, <a href="http://www.co.washington.or.us/TDT">http://www.co.washington.or.us/TDT</a> - "Procedures Manual" [flow chart (page 34) &amp; associated "Project List" (Appendix C)].</i></p>	<p><b>Applicant</b> prepares and submits to <b>Engineering Division</b></p>	<p>Within <b>90 days</b> after County acceptance of required completed public improvements. (WCC 3.17.080.A); OR</p> <p>In cases where no Facility Permit has been required <u>and</u> only right-of-way dedication may be eligible for credit, within <b>90 days</b> of dedication recording date.</p>
<p>Obtain <b>Credit Voucher</b> (if any requested TDT credit approved)</p>	<p><b>Development Services Accounting</b> sends to <b>Applicant</b> (if any TDT credit approved)</p>	<p>Within <b>30 days</b> after Engineering receives technically complete Credit Request from Applicant (WCC 3.17.080.B)</p>

### During Building Permit Application Process: Whether or Not Conditions of Approval Require a Facility Permit

<p>Submit completed, signed <b>TDT Estimate Form</b> (see first entry on Page 1 of this checklist)</p>	<p><b>Applicant</b> submits to <b>Current Planning</b></p>	<p>When Applicant submits <b>Building Permit Application</b></p>
<p>Receive formal <b>TDT Payment Option Notice</b> [showing calculation, approved deductions for prior uses, approved credits (if available), payment and deferral options, and appeal information]</p>	<p><b>Current Planning</b> sends to <b>Applicant</b></p>	<p>During <b>Building Permit Application</b> review</p>
<p>Submit <b>Credit Voucher</b> (if approved credit voucher was granted) with a <b>letter</b> requesting that credit be applied</p>	<p><b>Applicant</b> submits to <b>Current Planning</b></p>	<p><b>Prior to issuance of Building Permit</b> and within <b>10 years</b> from date of voucher issuance (WCC 3.17.080.H and I)</p>
<p>Complete, sign and return <b>TDT Payment Option Notice</b> with selected payment method marked (and if Bancroft/installment agreement marked, attach copy of recorded agreement processed by Assessment &amp; Taxation)</p>	<p><b>Applicant</b> submits to <b>Current Planning</b></p>	<p><b>Prior to issuance of Building Permit</b></p>
<p>Pay full <b>TDT</b> (if total is \$8,706 [2018-19] or less, or if full payment option marked within above TDT Payment Option Notice)</p>	<p><b>Applicant</b> (Make payment at <b>Building Services Counter</b>)</p>	<p><b>Prior to issuance of Building Permit</b> (WCC 3.17.060.A)</p>
<p>Pay any deferred <b>TDT</b> (unless otherwise approved through recorded Bancroft installment agreement)</p>	<p><b>Applicant</b> (Make payment at <b>Building Services Counter</b>)</p>	<p><b>Prior to issuance of Occupancy Permit</b> (WCC 3.17.060.B)</p>

Note: Washington County Code (WCC) citations in this checklist denote mandatory deadlines and requirements. County staff may provide additional written or verbal notice, but it is the applicant's responsibility to comply with all WCC requirements relating to TDT.

**WASHINGTON COUNTY**

Dept. of Land Use & Transportation  
Development Services Division  
Current Planning Section  
155 N. 1<sup>st</sup> Avenue, #350-13  
Hillsboro, OR 97124  
Ph. (503) 846-8761 Fax (503) 846-2908  
<http://www.co.washington.or.us>

Applicant Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

**TRANSPORTATION DEVELOPMENT TAX (TDT) ESTIMATE****(To be completed by Applicant)**

Name/Title/Description of Project:	Map and Tax Lot:
Site Address:	Land use Casefile #:

**Using the TDT RATE TABLE**, please complete the calculation below, entering the Land Use Category that is most similar to your proposed project, and the corresponding "ITE Code," "unit," and "rate." (If multiple uses are proposed on the site, use a separate line for each).

Proposed Land Use Category:	ITE Code #:	Unit* (Quantity):	X	Rate:	=	Estimated TDT
			X		=	
			X		=	
			X		=	
<b>Total Estimated TDT =</b>						

\* Note: If the "Unit" for your use is shown as "TSFGFA" or "TSFGLA" you will need to divide your proposed square footage by 1,000 before you enter it above. For example: For a total of 3,200 Square Feet of Gross Floor Area, divide by 1,000, then enter "3.2" above under the "Unit" column; or for a total of 900 Square Feet of Gross Leasable Area, divide by 1,000, then enter ".9" above under the "Unit" column.

**APPLICANT'S STATEMENT: I have completed the above calculation and understand it to represent my estimated TDT, and that the amount due may change based on inaccuracies in the calculation, changes to my square footage or use(s), or due to any other circumstances, including but not limited to TDT increases.**

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**STOP HERE if your site DID NOT previously include a use that is being replaced by another use.**

If the subject site previously included a use that is being replaced by another use, you may be able to deduct TDT previously paid for the former use. First calculate estimated TDT for the previous use(s) below; then complete the calculation in the second table to find your prospective reduced TDT.

Previous Land Use Category:	ITE Code #:	Unit* (Quantity):	X	Rate:	=	Estimated Past TDT
			X		=	
			X		=	
			X		=	
<b>Total TDT for Proposed Use(s)</b>		<b>- (Less) Total Previous TDT</b>		<b>= Estimated TDT Due after Reduction</b>		

**APPLICANT'S STATEMENT: I have completed the above calculation and understand that it may represent an estimated reduction to my TDT, but that reduction amounts may vary or be determined inapplicable subject to review by County staff.**

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Disclaimer: This is a basic worksheet to assist applicants in estimating the Transportation Development Tax (TDT) applicable to a development project. Users of this worksheet should review the provisions of Washington County Code chapter 3.17 and its appendices. Applicants are encouraged to consult with county staff regarding TDT prior to requesting final TDT assessment or submitting a building permit application.

**RATE TABLE** July 1, 2021 through June 30, 2022 (see current rates at [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt))

ITE CODE	LAND USE CATEGORY	UNIT	RATE 7/1/21 – 6/30/22	ITE CODE	LAND USE CATEGORY	UNIT	RATE 7/1/21 – 6/30/22
RESIDENTIAL				COMMERCIAL / SERVICE			
210	Single Family Detached	dwelling	\$9,623	310	Hotel/Motel	room	\$2,732
220	Apartment (per unit)	dwelling	\$6,296	812	Building / Lumber	TSFGFA	\$9,606
230	Condo/Townhouse	dwelling	\$5,756	813	Superstore w/ Groceries	TSFGFA	\$18,362
240	Mobile Home Park	dwelling	\$4,815	814	Specialty Retail	TSFGFA	\$12,770
254	Assisted Living	bed	\$2,975	815	Superstore No Groceries	TSFGFA	\$19,704
255	Retirement Care	unit	\$3,008	816	Hardware/Paint Store	TSFGFA	\$16,033
RECREATIONAL				817	Nursery/Garden Center	TSFGFA	\$11,353
411	Park	acre	\$1,614	820	Shopping Center	TSFGFA	\$13,215
430	Golf Course	hole	\$17,106	823	Factory Outlet Center	TSFGFA	\$10,366
432	Driving Range	tee	\$13,534	841	New Car Sales	TSFGFA	\$14,882
435	Multipurpose/arcade	TSFGFA	\$3,013	843	Automobile Parts Sales	TSFGFA	\$14,333
437	Bowling Alley	lane	\$980	849	Tire Superstore	TSFGFA	\$11,261
445	Movie Theater	screen	\$135,158	850	Supermarket	TSFGFA	\$26,640
492	Health Club	TSFGFA	\$9,477	851	Convenience Market	TSFGFA	\$31,391
495	Community Center	TSFGFA	\$11,177	853	Convenience Market w/ Fuel	VFP	\$30,143
INSTITUTIONAL / MEDICAL				860	Wholesale Market	TSFGFA	\$7,662
520	Elementary School	student	\$464	861	Discount Club	TSFGFA	\$20,686
522	Middle School	student	\$526	862	Home Improvement Superstore	TSFGFA	\$7,706
530	High School	student	\$724	863	Electronics Superstore	TSFGFA	\$10,661
536	Private School (K-12)	student	\$537	867	Office Supply Superstore	TSFGFA	\$14,333
540	Junior College	student	\$757	880	Pharmacy / Drugstore without Drive-Thru Window	TSFGFA	\$14,333
550	University	student	\$1,254	881	Pharmacy / Drugstore with Drive- Thru window	TSFGFA	\$14,333
560	Church	TSFGFA	\$3,986	890	Furniture Store	TSFGFA	\$1,809
565	Day Care / Preschool	student	\$1,484	911	Bank Walk-in	TSFGFA	\$29,674
590	Library	TSFGFA	\$18,699	912	Bank Drive-in	TSFGFA	\$31,391
610	Hospital	bed	\$3,791	931	Quality Restaurant	TSFGFA	\$28,492
620	Nursing Home	bed	\$1,303	932	High Turnover Restaurant	TSFGFA	\$23,901
630	Clinic	TSFGFA	\$27,044	933	Fast Food Restaurant (No Drive-Thru)	TSFGFA	\$31,391
OFFICE				934	Fast Food Restaurant (With Drive-Thru)	TSFGFA	\$31,391
710	General Office Building	TSFGFA	\$10,100	935	Drive-Thru Restaurant (No Seating)	TSFGFA	\$31,391
720	Medical Office Building	TSFGFA	\$34,220	936	Drinking Place / Bar	TSFGFA	\$25,681
730	Government Office Building	TSFGFA	\$67,011	941	Quick Lubrication Vehicle Shop	Stall	\$21,956
732	US Post Office	TSFGFA	\$85,907	942	Automotive Care Center	TSFGFA	\$14,917
750	Office Park	TSFGFA	\$13,356	944	Gasoline/Service Station (No Market or Car Wash)	VFP	\$18,835
INDUSTRIAL				946	Gasoline/Service Station (with Market and Car Wash)	VFP	\$18,835
030	Truck Terminal	TSFGFA	\$5,134	Abbreviations used in the "Unit" Column: T.S.F.G.F.A. = Thousand Square Feet Gross Floor Area T.S.F.G.L.A. = Thousand Square Feet Gross Leasable Area V.F.P. = Vehicle Fueling Position			
110	General Light Industrial	TSFGFA	\$6,827				
120	General Heavy Industrial	TSFGFA	\$1,469				
140	Manufacturing	TSFGFA	\$3,756				
150	Warehouse	TSFGFA	\$4,822				
151	Mini-Warehouse	TSFGFA	\$2,500				
170	Utilities	TSFGFA	\$6,489				





**WASHINGTON COUNTY**  
Dept. of Land Use & Transportation  
Development Services Division  
Current Planning  
155 N. 1<sup>st</sup> Avenue, #350-13  
Hillsboro, OR 97124  
Ph. (503) 846-8761 Fax (503) 846-2908  
<http://www.co.washington.or.us/lut/>

# Application for Change of Use Discount

on the Transportation Development Tax (TDT)

*Note: Attachments are required for items in shaded boxes.*

## 1. Application Date: (Date when form is submitted to County)

Month:	Day:	Year:
--------	------	-------

**2. Applicant:** Contact information is required for all parties in the table below. If any of the below is duplicative, write "S/A property owner," etc. If proposed occupant is not known, write "not known."

Property Owner	Development Applicant	Occupant or Proposed Occupant
Name/entity:	Name/entity:	Name/entity:
Owner address:	Applicant address:	Current address of occupant:
City/State/ZIP:	City/State/ZIP:	City/State/ZIP:
Phone:	Phone:	Phone:
Email:	Email:	Email:

## 3. Project and Site Information:

Project Title:	Map and Tax Lot:
Site Address:	Land Use Case File #:
	Building Permit #:
Check one: <input type="checkbox"/> Site is in unincorporated Washington County <input type="checkbox"/> Site is within the City of: _____	
Is this the first time a TDT Change of Use Discount is being requested for this site?	
<input type="checkbox"/> Yes <input type="checkbox"/> No (attach a copy of the previous Change of Use Discount Application)	

**4. Building Age:** To be eligible for a discount, the building must be at least three years old, and lawfully built and occupied. Please provide the following information and attach evidence of building age:

Date when the building <u>first</u> received a certificate of occupancy (MM/DD/YYYY): If this date is not known, please provide the estimated year when the building was completed.	
<input type="checkbox"/> The following evidence is attached to show building age:	
As of the submittal date of this form, the building is (check one): <input type="checkbox"/> Less than 3 years old <input type="checkbox"/> 3 years old or older, but less than 20 years old <input type="checkbox"/> 20 years old or older <input type="checkbox"/> A mix of ages (describe in the space below)	

**5. Previous Use:** *To be eligible for a discount, the previous land use must have been lawfully established with a certificate of occupancy and payment of TDT or Traffic Impact Fee (if established after 1990). Please provide information and attach evidence for each of the following:*

Date when the building received a certificate of occupancy for the most recent use:

☐ Copy of certificate of occupancy is attached. ☐ Alternative evidence is attached. Describe:

TDT or Traffic Impact Fee (TIF) paid for the previous use: Amount: \$ Payment date:  
*Note: This amount does not enter into discount calculations.*

☐ Copy of check or other proof of payment is attached, showing TDT or TIF paid.

Name of previous occupant(s):

Land use category of previous occupant, as categorized in the TDT Rate Table:	ITE code of previous land use, as shown in the TDT Rate Table:	Gross floor area of previous use (square feet):
---	--	---

**6. Proposed Use:** *To be eligible for a discount, the proposed land use must be one for which TDT is calculated by thousand square feet gross floor area (TSFGFA) or thousand square feet gross leasable area (TSFGLA) in the TDT Rate Table. A maximum of 5,000 square feet is eligible for a discount. Newly constructed buildings or additions are not eligible. Please provide the following details and attachments regarding the proposed use.*

Name of proposed occupant(s):

Land use category of proposed occupant, as categorized in the TDT Rate Table:	ITE code of proposed use, as shown in the TDT Rate Table:	Gross floor area of proposed use (square feet):
---	---	---

Does any part of the proposed use consist of new construction? ☐ Yes: \_\_\_\_\_ square feet ☐ No

Please attach a drawing depicting the building and the premises within the building to which the change of discount will apply.

☐ Drawing is attached.

**7. Discount Calculation:** *If the change of use applies to a building or space with 5,000 or fewer square feet of gross floor area, proceed to step A below. If the change of use applies to a building or space with greater than 5,000 square feet gross floor area, skip to step B. Both options require information from the TDT Rate Table.*

**A. 5,000 s.f. or smaller:** *The entire change of use area may be eligible for a discount.*

Land Use Category	ITE Code	TSFGFA or TSFGLA (Gross square feet ÷ 1,000)	X	TDT Rate	=	TDT Calculation
i. Proposed Use			X	\$	=	\$
ii. Previous Use			X	\$	=	\$
Line i minus line ii:						\$
Multiply by 0.5 for buildings 3 years old or older, but less than 20 years old; or Multiply by 0.25 for buildings 20 years old or older:						x 0.5 or x 0.25 (circle one)
Discounted TDT Due:						\$



**B. Larger than 5,000 s.f.:** For buildings/spaces larger than 5,000 square feet, calculate the discounted TDT for the first 5,000 square feet, then calculate the non-discounted TDT for the remaining square footage, then add the two calculations together.

Discounted TDT (first 5,000 s.f.)

Land Use Category	ITE Code	Discounted TSFGFA or TSFGLA (5,000 s.f. gross floor area ÷ 1,000)	X	TDT Rate	=	TDT Calculation
i. Proposed Use		5	X	\$	=	\$
ii. Previous Use		5	X	\$	=	\$
Line i minus line ii:						\$
Multiply by 0.5 for buildings 3 years old or older; multiply by 0.25 for buildings 20 years old or older:						x 0.5 or x 0.25 (circle one)
Discounted portion of TDT:						\$

Non-Discounted TDT (remaining square footage beyond 5,000 s.f.)

Land Use Category	ITE Code	Remaining TSFGFA or TSFGLA (Gross floor area minus 5,000, then divided by 1,000)	X	TDT Rate	=	TDT Calculation
iii. Proposed Use			X	\$	=	\$
iv. Previous Use			X	\$	=	\$
Line iii minus line iv: Non-discounted portion of TDT:						\$

Discounted portion of TDT:	+	Non-discounted portion of TDT:	=	<b>Total TDT due:</b>
----------------------------	---	--------------------------------	---	-----------------------

**8. Additional Attachments:** List any other attachments that are included with this application:

**9. Applicant Statement and Signatures:** We have completed the above calculation and understand that it may represent an estimated reduction to our TDT, but that reduction amounts may vary or be determined inapplicable subject to review by County staff.

<b>Property Owner</b>	<b>Development Applicant</b>	<b>Occupant or Proposed Occupant</b>
Signature:	Signature:	Signature:
Date:	Date:	Date:



Washington County  
Department of Land Use and  
Transportation  
Land Development Services Division  
155 North First Avenue  
Hillsboro, Oregon 97124

# TRANSPORTATION DEVELOPMENT TAX INSTALLMENT PAYMENT APPLICATION

In the matter of the Transportation Development Tax for \_\_\_\_\_

Tax Map \_\_\_\_\_ Lot Number(s) \_\_\_\_\_ Building Permit No. \_\_\_\_\_

Site Address \_\_\_\_\_ Subdivision \_\_\_\_\_

Case File No. \_\_\_\_\_

(Description of Property)

To the Washington County Department of Land Use and Transportation:

In accordance with Washington County Code Chapter 3.17, the transportation development tax code, I HEREBY APPLY AND AGREE, JOINTLY AND SEVERALLY, to pay my transportation development tax, as has been determined by Washington County in \_\_\_\_\_ semi-annual equal installments of the amount financed together with one-half of one year's interest thereon at a rate of \_\_\_\_\_ annual percentage rate on the unpaid amount owed. The first payment is due six months thereafter and at six (6) month intervals thereafter for a period of \_\_\_\_\_ years. Each installment payment will include principal and interest.

I hereby irrevocably waive any and all irregularities, defects or claims, jurisdictional or otherwise, in the proceedings to determine and charge the transportation development tax amount due, any credits or offsets, or any other matters relating to application of the transportation development tax code.

If I neglect or refuse to pay any part of the installments provided herein, including interest, within one (1) year after the same shall have become due and payable, then the whole amount of the unpaid assessment shall become due and payable at once and shall be collected in any manner provided by law, including as provided in Washington County Code Section 3.17.130.

The transportation development tax, annual percentage rate of interest (\_\_\_\_%) and finance charges which I agree to pay are as follows:

	AMOUNT
1) Amount of transportation development tax .....	_____
2) Amount Financed.....	_____
3) Finance Charge (if paid in _____ semi-annual installments).....	_____
4) TOTAL AMOUNT TO BE PAID.....	_____
5) EQUAL SEMI-ANNUAL PAYMENTS.....	_____

I understand use of the installment payment option means that the transportation development tax due shall be a lien on the above-described property pursuant to Washington County Code Section 3.17.060 and ORS 223.230. I acknowledge receipt of a Notice of Right to Cancel This Application.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Property Owner(s)

\_\_\_\_\_  
Signature of Property Owner(s)

STATE OF OREGON )  
 ) ss

Name (Please Print): \_\_\_\_\_  
Address: \_\_\_\_\_

County of Washington )

SUBSCRIBED AND SWORN TO BEFORE me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Notary Public for Oregon \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

White to Assessment and Taxation

(Verification of Ownership Required)

**NOTICE OF RIGHT TO CANCEL  
INSTALLMENT PAYMENT OF TRANSPORTATION DEVELOPMENT TAX  
UNDER ORS CHAPTER 223 AND WASHINGTON COUNTY CODE CHAPTER 3.17  
15 USC 1601 et seq. AND 12 CFR 226 et seq.**

Your Right to Cancel

You are entering a transaction that may result in a lien or security interest on your property. You have a legal right under Federal Law to cancel this transaction, without cost, within three business days from whichever of the following events occurs last:

1. The date of the transaction, which is \_\_\_\_\_; or  
(Date you signed the Installment Payment Application)
2. The date on which the material Truth in Lending Act disclosures were given to you, which is \_\_\_\_\_; or
3. The date on which this notice of right to cancel was given to you, which is \_\_\_\_\_.

This right to cancel applies to you if the property affected by this transaction includes your principal dwelling.

If you cancel this transaction, any lien or security interest is also canceled. Within 20 calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the lien or security interest in your property has been canceled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction. This right to cancel allows you to cancel the installment payment contract. It does not cancel your obligation to pay the Transportation Development Tax (TDT).

How to Cancel

If you decide to cancel this transaction, you may do so by notifying us in writing at:

Director of Land Use and Transportation  
155 North First Avenue, Suite 350  
Hillsboro, OR 97124

You may use any written statement identifying the transaction and stating your intentions to cancel, that is signed and dated by you, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, the notice must be sent no later than midnight of the third business day following the latest of the three events listed above, which is \_\_\_\_\_. If you send or deliver your written notice some other way, it must be delivered to the above address no later than that time.

I HEREBY CANCEL THIS TRANSACTION

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Account No. \_\_\_\_\_

## COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX

### APPEAL INFORMATION

Attached is a copy of the Director's decision on this Transportation Development Tax assessment or Transportation Development Tax Credit request.

This decision may be appealed and a public hearing held by filing a signed petition for review (appeal) within fourteen (14) calendar days of the date written notice is provided (date mailed).

APPEAL PERIOD: Date mailed: \_\_\_\_\_ to 5:00PM on \_\_\_\_\_.  
Appeal Due Date

This decision will be final if an appeal is not filed by the due date(s).

The complete file is available at \_\_\_\_\_ for review.

A petition for review (appeal) must contain the following:

1. The name of the applicant and the relevant casefile/building permit/other department permit number;
2. The name and signature of the petitioner filing the petition for review (appeal). If a group consisting of more than one person is filing a single petition for review, one individual shall be designated as the group's representative for all contacts with the Department. All Department communications regarding the petition, including correspondence, shall be with this representative;
3. A statement of the interest of the petitioner;
4. The date the notice of decision was sent as specified in the notice;
5. The petition for review (appeal) shall state the relevant facts, applicable ordinance provisions, and relief sought; and
6. The fee of **\$3,544** (effective January, 2021), or the current fee, as amended by the Board) for Director's decisions being appealed to the Washington County Hearings Officer.

For further appeal information contact: \_\_\_\_\_

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# COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX PAYMENT OPTION FORM

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\_\_\_\_\_  
Building Permit No.

\_\_\_\_\_  
Planning File No.

\_\_\_\_\_  
Tax Map & Lot No.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Project Name

I realize that I must make a decision on payment of the Transportation Development Tax (TDT) at this time. Therefore I request the following (Choose whichever option or options are applicable):

☐

Cash or Check

☐

Credit Voucher

☐

Bancroft or Installment Payments

and/or

☐

The Ordinance allows for deferral of payment of the TDT until issuance of the occupancy permit if the TDT is greater than a SINGLE FAMILY RESIDENCE (ITE CODE 210), currently **\$9,623.00** (2021/22, see [www.co.washington.or.us/tdt](http://www.co.washington.or.us/tdt) for current rate). If the TDT meets this requirement, I also request this option. I understand the TDT must be paid prior to issuance of an occupancy permit.\*

\* The owner/applicant agree(s) to provide written notification to any prospective purchaser or tenant that TDT is not paid, but deferred to occupancy.

\_\_\_\_\_  
OWNER-APPLICANT

\_\_\_\_\_  
OWNER-APPLICANT

C: Building Permit File  
Payment Option Notebook

---

# COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX STAFF TRAFFIC STUDY REVIEW FORM

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*For Staff Use Only*

Date: \_\_\_\_\_

Project: \_\_\_\_\_

Tax Map: \_\_\_\_\_

Lot No.: \_\_\_\_\_

File No.: \_\_\_\_\_

## PROJECT SUMMARY

Proposed Use: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project Size: \_\_\_\_\_

Estimated Number of Deliveries: \_\_\_\_\_

Estimated Number of Customers: \_\_\_\_\_

Projected Project Trip Generation: \_\_\_\_\_

Average Daily Vehicle Trips: \_\_\_\_\_

Examples of Similar Projects (Note: This can be in another jurisdiction if applicable. Please include location): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## RATE CALCULATION

UNITS (consistent with ITE methodology)	X	RATE Per Unit (see back of from for details)	=	AMOUNT
	X		=	
	X		=	
	X		=	
	X		=	

NOTES:


## PAYMENT METHOD

<input type="checkbox"/>	CASH/CHECK	NOTES:
<input type="checkbox"/>	CREDIT	
<input type="checkbox"/>	BANCROFT AGREEMENT	
<input type="checkbox"/>	DEFER TO OCCUPANCY	

# COUNTYWIDE TRANSPORTATION DEVELOPMENT TAX STAFF TRAFFIC STUDY RATE CALCULATION WORKSHEET

Date: \_\_\_\_\_

Project: \_\_\_\_\_

Based on Methodology Report – Appendix A

## Data

Row	Data Needed	Data
A	Number of Daily Vehicle Trips per Unit <ul style="list-style-type: none"> <li>Be sure to convert to units</li> <li>May Use total average daily vehicle trips / TGSF or other unit measure</li> <li>Unit measures need to be consistent with ITE methodology</li> </ul>	
B	Primary Trip Percent: <ul style="list-style-type: none"> <li>Use 100% if information is not provided as part of the traffic study</li> <li>Pass-by &amp; Diverted Vehicle trips only</li> </ul>	
C	Trip Length Adjustment: <ul style="list-style-type: none"> <li>Use 1.00 if information is not provided as part of the traffic study</li> <li>Only vehicle trip lengths may be applied (walk / bicycle and/or transit trips cannot be used)</li> </ul>	

## Rate per Unit Calculation

Row	Calculations	Result
D	Number of Person Trips per Unit <i>Multiply row A (Daily Vehicle Trips) x 1.4875</i>	
E	New Person Trip-Ends per Unit <i>Multiply row B (Primary Trip Percent) x result of row D (Person Trips)</i>	
F	Net Adjusted Trip-Ends per Unit <i>Multiply row C (Trip Length Adjustment Factor) x result of row E (New Person Trip-Ends)</i>	
G	<b>Rate Per Unit:</b> <i>Multiply result of row F (Net Adjusted Trip-Ends) x Effective Average Rate of \$653.30*</i>	

\*Effective Average Rate per Net Adjusted Trip-End: July 1, 2021 - June 30, 2022



# Credit Submittal Assistance Guide

Transportation Development Tax Credits /  
Supplemental Transportation System Development Charge Credits

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An applicant for a building permit (or occupancy permit, if deferred) may receive credit against the Transportation Development Tax (TDT), North Bethany Transportation System Development Charge (NBTSDC) or Bonny Slope West Transportation System Development Charge (BSWTSDC) for constructing eligible capital improvements as defined by county regulations. This unofficial guide is intended to help applicants through the process of submitting for credits.

## Step#1

Go to the Washington County's TDT webpage; links below are resources, but do not include all information needed to submit for credit.

- [Washington County TDT Webpage](#)
- [TDT Code \(County Code Chapter 3.17\)](#)
- TDT Procedures Manual see [TDT Webpage](#)
- [North Bethany Transportation System Development Charge](#)
- [Bonny Slope West Transportation System Development Charge](#)

## Step#2

Check the credit eligibility chart to see whether your project qualifies for credits. Questions should be directed to your engineering plan reviewer.

- [Credit Eligibility Chart](#)

## Step#3

Verify as-builts have been submitted and approved. The project must be in maintenance phase.

- Prior to submitting any paper work to request credit, confirm project as-builts have been SUBMITTED and APPROVED. Engineering staff can review credit requests only when the project as-builts are considered submitted and approved.
- To receive credit for work performed, County engineering staff will review and verify quantities. Ensure that as-builts accurately reflect work performed and are up-to-date. If item(s) is(are) not reflected in the drawings or otherwise verifiable, the County will be unable to grant credit for work performed.

## Step#4

Download the appropriate credit request form (TDT/NBTSDC/BSWTSDC). In some cases, projects may qualify for two forms.

- [TDT Credit Request Form](#)
- [NBTSDC Credit Request Form](#)
- [BSWTSDC Credit Request Form](#)

## Step#5

Download TDT/NBTSDC/BSWTSDC Credit Estimate Form(s).

- [Credit Estimate Form](#) (PDF) available online; Excel version available upon request from Engineering & Construction Services at 503-846-7900.
- [TDT Road Project List](#) – If your roadway improvements are on the project list, this may change the credit determination.
- Transportation System Plan (TSP) Functional Classification Map – Credit eligibility is limited to Principal Arterials, Arterials and Collectors. View an [interactive map](#) of TSP Functional Classification.





## Credit Submittal Assistance Guide

Transportation Development Tax Credits /  
Supplemental Transportation System Development Charge Credits

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### Step#6

Submit a credit request with copies of invoiced work completed.

- NOTE: Prices must be a reasonable market price per TDT / NBTSDC / BSWTSDC Ordinances. Bids and estimates are not accepted; these documents do not reflect actual investment incurred by development.

### Step#7

Submit a copy of the Plat.

- If requesting credit for right-of-way, submit a copy of the plat and the tax assessed market value of land.

### Step#8

Submit a packet with the following documentation:

- Credit Voucher Request – Filled-in/Completed
- Credit Estimate Form – Filled-in/Completed
- Copy of Invoices
- Copy of Plat and Tax Records
- Must have As-Builts deemed submitted & approved (project must be in maintenance status)

#### **Submit packet to:**

Department of Land Use & Transportation – Assurances Office  
155 N. First Avenue, MS-16  
Hillsboro, OR 97124

Note: Following the submission of your packet, you will receive notice as to whether the County deems your submittal complete. When deemed complete, the 30-day clock begins for the County to return a determination of credit.

## **QUESTIONS**

Questions regarding TDT / NBTSDC / BSWTSDC credit can be directed to Department of Land Use & Transportation staff in these two Divisions:

- Engineering & Construction Services, Engineering section: 503-846-7900
- Planning & Development Services, Long Range Planning section: 503-846-3519



**WASHINGTON COUNTY**  
Department of Land Use & Transportation  
Engineering and Construction Services  
1400 SW Walnut Street, MS #17  
Hillsboro, OR 97123  
Ph. (503) 846-7900 Fax (503) 846-7910  
[www.co.washington.or.us/LUT](http://www.co.washington.or.us/LUT)

## Request for Transportation Development Tax (TDT) Credits

Date Received (County/City Use Only):

DATE STAMP

Received by: \_\_\_\_\_

I, \_\_\_\_\_, acting as representative of \_\_\_\_\_,  
do hereby request [choose one:] (Washington County) (the City of \_\_\_\_\_)  
make a determination of eligibility for Transportation Development Tax (TDT) Credits. I believe the  
improvements described below meet all applicable TDT credit requirements as provided in the TDT  
ordinance.

TDT credits are requested for the following eligible improvements:

---

---

---

The total cost of such improvements is \$\_\_\_\_\_. I have attached construction contract  
documents or other appropriate information from which a determination can be made of the  
reasonableness of the costs. This information has been submitted within ninety days of acceptance of  
the subject improvements. I have also attached a copy of the letter of facility acceptance.

The legal description of the applicable land parcels whose development-related transportation impacts  
warranted the eligible improvements is as follows:

---

---

---

I request that the TDT credits be apportioned proportionate to anticipated average weekday trips  
generated by the respective parcels unless otherwise indicated as follows:

---

---

The credits should be issued to:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_



**WASHINGTON COUNTY**  
Department of Land Use & Transportation  
Engineering and Construction Services  
1400 SW Walnut Street, MS #17  
Hillsboro, OR 97123  
Ph. (503) 846-7900 Fax (503) 846-7910  
[www.co.washington.or.us/LUT](http://www.co.washington.or.us/LUT)

## **Request For North Bethany Transportation System Development Charge (NBTSDC) Credits**

*Date Received (County Use Only):*

DATE STAMP

*Received by:* \_\_\_\_\_

I, \_\_\_\_\_, acting as representative of \_\_\_\_\_,  
do hereby request Washington County make a determination of eligibility for North Bethany  
Transportation System Development Charge (NBTSDC) Credits. I believe the improvements described  
below meet all applicable NBTSDC credit requirements as provided in the [NBTSDC ordinance](#).

NBTSDC credits are requested for the following eligible improvements:

---

---

---

The total cost of such improvements is \$\_\_\_\_\_. I have attached construction contract  
documents or other appropriate information from which a determination can be made of the  
reasonableness of the costs. This information has been submitted within ninety days of acceptance of  
the subject improvements. I have also attached a copy of the letter of facility acceptance.

The legal description of the applicable land parcels whose development-related transportation impacts  
warranted the eligible improvements is as follows:

---

---

---

I request that the NBTSDC credits be apportioned proportionate to anticipated average weekday  
trips generated by the respective parcels unless otherwise indicated as follows:

---

---

The credits should be issued to:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_



**WASHINGTON COUNTY**  
Department of Land Use & Transportation  
Engineering and Construction Services  
1400 SW Walnut Street, MS #17  
Hillsboro, OR 97123  
Ph. (503) 846-7900 Fax (503) 846-7910  
[www.co.washington.or.us/LUT](http://www.co.washington.or.us/LUT)

**Request For Bonny Slope West  
Transportation System Development  
Charge (BSWTSDC) Credits**

*Date Received (County Use Only):*

DATE STAMP

*Received by:* \_\_\_\_\_

I, \_\_\_\_\_, acting as representative of \_\_\_\_\_,  
do hereby request Washington County make a determination of eligibility for Bonny Slope West  
Transportation System Development Charge (BSWTSDC) Credits. I believe the improvements  
described below meet all applicable BSWTSDC credit requirements as provided in the [BSWTSDC  
ordinance](#).

BSWTSDC credits are requested for the following eligible improvements:

---

---

---

The total cost of such improvements is \$ \_\_\_\_\_. I have attached construction contract  
documents or other appropriate information from which a determination can be made of the  
reasonableness of the costs. This information has been submitted within ninety days of acceptance of  
the subject improvements. I have also attached a copy of the letter of facility acceptance.

The legal description of the applicable land parcels whose development-related transportation impacts  
warranted the eligible improvements is as follows:

---

---

---

I request that the BSWTSDC credits be apportioned proportionate to anticipated average weekday  
trips generated by the respective parcels unless otherwise indicated as follows:

---

---

The credits should be issued to:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_



WASHINGTON COUNTY, OREGON  
 Department of Land Use and Transportation  
 Engineering/Surveying Division  
 1400 SW Walnut St., MS 17A, Hillsboro, Oregon 97123  
 (503) 846-7900 • FAX: (503) 846-7910

## Credit Estimate Form

TDT Credit Analysis For: (Project Name and Case File Number)  
 Date Submitted for review: (County Staff)  
 Date Reviewed: (County Staff)  
 Estimate Performed By: (Applicant/Estimate preparer)  
 Estimate Reviewed: (County Staff)

ITEM #	ITEM DESCRIPTION	UNIT	REQUESTED QTY.	APPROVED QTY.	REQUESTED UNIT PRICE	APPROVED UNIT PRICE	REQUESTED CREDIT	APPROVED CREDIT
				County Staff		County Staff		County Staff
1			-		\$ -	\$ -	\$ -	\$ -
2			-		\$ -	\$ -	\$ -	\$ -
3			-		\$ -	\$ -	\$ -	\$ -
4			-		\$ -	\$ -	\$ -	\$ -
5			-		\$ -	\$ -	\$ -	\$ -
6			-		\$ -	\$ -	\$ -	\$ -
7			-		\$ -	\$ -	\$ -	\$ -
8			-		\$ -	\$ -	\$ -	\$ -
9			-		\$ -	\$ -	\$ -	\$ -
10			-		\$ -	\$ -	\$ -	\$ -
11			-		\$ -	\$ -	\$ -	\$ -
12								
13								
	SUBTOTAL						\$ -	\$ -
	ENGINEERING/SURVEYING COSTS (UP TO 13.5% OF CONSTRUCTION COSTS)		0.000				\$ -	\$ -
	RIGHT-OF-WAY COST	ACRE	0.000	0.000	\$ -		\$ -	\$ -
	ELIGIBLE CREDITS						\$ -	\$ -

### NOTE #

- County Staff to fill in the shaded boxes (yellow boxes)
- Transportation Development Tax credit will be given in accordance with Ordinance # 793-A Section 3.17.070.
- North Bethany Transportation System Development Charge credit will be given in accordance with Ordinance # 712-A & # 730-A
- Please include invoices and documentation for requested quantities and unit prices.
- Right of way credits will be based on county tax records
- Electronic version of this form may be requested from county staff

TDT CREDIT ELIGIBILITY MATRIX					
Classification	Contiguous	On Project List	Credit %	Local St. Standard	ROW
Collector	No	No	50%	Yes	Yes
Collector	Yes	No	50%	No	No
Collector	No	Yes	100%	Yes	Yes
Collector	Yes	Yes	100%	No	Yes*
Arterial	No	No	75%	Yes	Yes
Arterial	Yes	No	75%	No	No
Arterial	No	Yes	100%	Yes	Yes
Arterial	Yes	Yes	100%	No	Yes*

Please highlight the appropriate credit eligibility fields in the matrix

\*Portion above local standard only

(Letterhead)

Date: \_\_\_\_\_

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

RE: TRANSPORTATION DEVELOPMENT TAX CREDIT APPROVAL

This is to inform you that your request for Transportation Development Tax (TDT) Credits for \_\_\_\_\_ has been approved by the Director. The total credit amount is \$ \_\_\_\_\_.

I have enclosed a copy of the credit voucher. A copy of this voucher must be included with the building permit application at the time of submittal, or if deferral has been granted, upon issuance of an occupancy permit, as defined in Section 3.17.030 of the TDT Ordinance. Please refer to the back of the credit voucher for credit restrictions. If you have questions regarding the use or status of this credit, contact this office at \_\_\_\_\_.

City TDT Coordinator

c: TDT Credit Notebook



WASHINGTON COUNTY  
OREGON

Transportation Development Tax  
(TDT) Credit Voucher

Credit voucher number: \_\_\_\_\_ Date Issued: \_\_\_\_\_

Land Use case file number: \_\_\_\_\_

Engineering authorization date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Expiration: \_\_\_\_/\_\_\_\_/\_\_\_\_

In accordance with the Transportation Development Tax Ordinance,

\_\_\_\_\_ is entitled to  
Name of developer

\$ \_\_\_\_\_ in Transportation Development Tax credits that can be  
applied to TDT charges for development on lot(s) \_\_\_\_\_ of the  
\_\_\_\_\_ development. The use of a

TDT credit is subject to the rules and limitations of the TDT Ordinance.

**IMPORTANT:** This voucher must be presented at the time of application submittal for Building Permit(s), or if deferral was granted, at application of the Occupancy Permit.

This credit expires 10 years after Washington County's acceptance of the applicable public improvement.

\_\_\_\_\_  
Current Planning

\_\_\_\_\_  
LUT Director

Date \_\_\_\_\_

Date \_\_\_\_\_

Remaining balance transferred to TDT Credit No. \_\_\_\_\_ on \_\_\_\_/\_\_\_\_/\_\_\_\_ upon  
written instructions from developer and LUT Director approval.

Development Services – Current Planning  
155 N First Ave., Suite 350 MS 13, Hillsboro, OR 97124-3072  
Phone: 503-846-8761 – Fax: 503-846-2908 – [www.co.washington.or.us/LUT](http://www.co.washington.or.us/LUT)

## TDT CREDIT VOUCHER REASSIGNMENT AND/OR TRANSFER FORM

Date: \_\_\_\_\_

WASHINGTON COUNTY, OREGON  
Department of Land Use and Transportation  
c/o Development Services Accounting  
155 N First Avenue, Suite 350 - MS12  
Hillsboro, OR 97124  
(503) 846-3470

### Voucher to be reassigned/transferred FROM:

Request credit voucher #: \_\_\_\_\_ (one voucher per form)  
Amount of credit voucher to transfer is: \$ \_\_\_\_\_  
Credit voucher currently owned by: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email address: \_\_\_\_\_  
Property at: \_\_\_\_\_  
(Plat, Parcel number(s) or Subdivision & Lot #s)

**COMPLETE SECTION I. (OWNERSHIP Reassignment) or SECTION II. (LOCATION Transfer) OR BOTH SECTIONS (if changing BOTH Owner and Location)**

### SECTION I: REASSIGNMENT OF TDT CREDIT VOUCHER TO NEW OWNER

#### Voucher to be Reassigned TO:

Name: \_\_\_\_\_ (authorized representative)  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Signature of owner of **ORIGINAL credit voucher** (or authorized company representative),

Signature \_\_\_\_\_  
Printed name of signer \_\_\_\_\_  
Title of signer \_\_\_\_\_  
Phone # \_\_\_\_\_  
Email address \_\_\_\_\_



**SECTION II: TRANSFER OF TDT CREDIT VOUCHER TO *DIFFERENT PROPERTY/SUBDIVISION***

**Voucher to be Transferred TO:**

Property at: \_\_\_\_\_

(Plat, Parcel number(s) or Subdivision & Lot #(s))

If the credit voucher is being transferred to a different property/subdivision than the one to which it is currently assigned, describe how such a reassignment is allowable per the [TDT code](#) (Ordinance 691-A Section 3.17.080) or [North Bethany TSDC code](#) (Resolution & Order 2010-098 Section 080) or [Bonny Slope West TSDC code](#) (Resolution & Order 2016-08) **AND** attach a map showing locations credits are being transferred **FROM** and **TO**.

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Information described above will be subject to review and approval by LUT Long Range Planning:

Approved by \_\_\_\_\_

Date \_\_\_\_\_

Signature of owner of **ORIGINAL credit voucher** (or authorized company representative),

Signature \_\_\_\_\_

Printed name of signer \_\_\_\_\_

Title of signer \_\_\_\_\_

Phone number \_\_\_\_\_

Email \_\_\_\_\_

**Washington County Transportation Development Tax Code\***  
Exhibit 'A' to A-Engrossed Ordinance 691  
as Modified by Ordinances 729, 741, 746-A, 751 and 793-A  
Effective October 1, 2014

Chapter 3.17 Transportation Development Tax

**3.17.010 Short Title.**

This chapter shall be known, and may be pleaded as, the Washington County transportation development tax ordinance.

**3.17.020 Purpose and Scope.**

- A. This tax is adopted to ensure that new development contributes to extra capacity transportation improvements needed to accommodate additional vehicle traffic and demand for transit facilities generated by such development.
- B. This tax shall provide funds for extra capacity improvements to county and city arterials, certain collectors, certain state facilities, and transit facilities, as listed in the Capital Improvements Project List, attached hereto as Appendix C. The tax applies throughout the county, including within incorporated cities.
- C. This ordinance is intended to adopt a countywide tax that complies with the provisions of ORS 223.297-223-314. Any reference to SDCs or System Development Charges in this ordinance, its exhibits or appendices, shall be deemed to refer to both the TDT, and to the equivalent provision under the above-cited statutes, unless the context requires otherwise.

**3.17.030 Definitions.**

As used in this chapter unless the context requires otherwise:

- A. "Applicant" means the person seeking to obtain a building permit.
- B. "Application" means an application for a building permit.
- C. "Arterial" means a roadway or street that has the functional classification of "arterial" in a city or county comprehensive plan or transportation plan.
- D. "Board" means the Board of County Commissioners of Washington County, Oregon.
- E. "Building official" means that person, or his designee, licensed by the state and designated as such to administer the State Structural Specialty Code for the county or city.
- F. "Building permit" means that permit issued by the county or city building official pursuant to the International Building Code. In addition, "building permit" means the mobile home placement permit issued by the Director, or his representative, on a form approved by the Department of Commerce of the state and relating to the placement of mobile homes in the county. For those uses for which no building permit is provided, the final approval granted by the jurisdiction approving the use shall be deemed a building permit for purposes of this chapter.
- G. "City" means each incorporated city within the boundaries of the county.
- H. "City Council" means the governing body of each incorporated city having jurisdiction over property within the boundaries of the county.

- I. "Collector" means a roadway or street that has the functional classification of "collector" in a city or county comprehensive plan or transportation plan.
- J. "Comprehensive plan" means the comprehensive plan, transportation plan, capital improvements plan, public facilities plan or equivalent plan adopted by ordinance by the applicable jurisdiction.
- K. "Condition of Development Approval" means any requirement imposed on an applicant by a county or city land use or limited land use decision, or site plan approval.
- L. "Construction cost index" means the adjustment to the TDT calculated as set forth in section 3.17.050F and Appendix D.
- M. "Contiguous" means that a property and an improvement or portion thereof share a common boundary line. Determination of what is contiguous shall include the area of all property subject to the development approval. The boundary lines and area of an improvement shall be determined by the right of way and easement areas for the improvement. In addition, multiple properties under common ownership separated by one or more of the following: common area, non-motorized vehicle or pedestrian way, creek, wetland, park, or similar areas; shall be deemed to include the boundary of such additional area in their boundary line, up to 100 feet between the properties at the boundary with the improvement. Any portion of an improvement that is located beyond the frontage of a property, as determined by the extension of boundary lines perpendicular to the frontage of the property, shall not be contiguous to that property. An intersection improvement shall be deemed contiguous to all property with frontage on the intersection, or that touches the intersection at a point.
- N. "County" means Washington County, Oregon.
- O. "Credit" means the amount by which an applicant may be able to reduce the TDT as provided in this Ordinance.
- P. "Department" means the County Department of Land Use and Transportation, or, in those cities that have opted to collect and administer this tax, the department charged with those duties.
- Q. "Development" means any man-made change to improved or unimproved real estate, including a building or other land construction, or making a physical change in the use of a structure or land, in a manner that increases the usage of transportation capital improvements or which may contribute to the need for additional or enlarged transportation capital facilities as determined in this chapter. "Development" includes "New Development".
- R. "Director" means the director of the Department of Land Use and Transportation, or in those cities that have opted to collect and administer this tax, the person designated by the city to so act.
- S. "Extra capacity facilities or improvements" means those transit, arterial and collector improvements that are necessary in the interest of public health, safety and welfare to increase traffic capacity to address new development. Such improvements include, but are not limited to, signalization, channelization, widening, drainage work, pedestrian safety, lighting, acquisition of right-of-way and necessary easements, street extensions, railroad crossing protective devices, bridges and bike paths, and transit.
- T. "Improvement Fee" means an SDC for costs associated with capital improvements to be constructed after the effective date of this Ordinance.
- U. "ITE Trip Generation Manual" means that publication entitled "Trip Generation, 7<sup>th</sup> Edition" (2001) published by the Institute of Transportation Engineers.

- V. "Minimum Standard Facility" for roads means facilities to meet the adopted standards for a local public street or road applicable in the location of the subject development. For transit, "minimum standard facility" means the capital facilities necessary to provide standard transit service.
- W. "New Development" means development for which a Building permit is required, and which occurs on or after the effective date of this Ordinance.
- X. "Occupancy permit" means the occupancy permit provided for in the International Building Code or other ordinance of the applicable jurisdiction. If no occupancy permit is provided for a particular use, the final inspection and approval shall serve as the occupancy permit.
- Y. "Over-capacity" means that portion of an improvement that is built larger or with greater capacity than is necessary to serve the applicant's new development or mitigate for transportation system impacts attributable to the applicant's new development.
- Z. "Permit" means a Building Permit.
- AA. "Previous use" means the most intensive lawful, permitted use existing at a particular property on or after January 1, 2005, but not more than ten years prior to the date of application for a building permit. Where the site was used simultaneously for several different uses (mixed use) then, for the purposes of this Chapter, all of the specific use categories shall be considered. Where the previous use is composed of a primary use with one or more ancillary uses that support the primary use and are owned and operated in common, that primary use shall be deemed to be the sole use of the property.
- AB. "Proposed use," means the use proposed by the applicant for the new development. Where the applicant proposes several different uses (mixed use) for the new development then, for purposes of this Chapter, all of the specific use categories shall be considered. Where the proposed use is composed of a primary use with one or more ancillary uses that support the primary proposed use and are owned and operated in common, that primary use shall be deemed to be the sole proposed use of the property.
- AC. "Qualified Public Improvement" means any transportation system capital facility or conveyance of an interest in real property that increases the capacity of the county or city transportation system, and is:
1. Required as a condition of development approval;
  2. Identified in the Washington County Transportation TDT Capital Improvement Projects List; and
  3. (a) Not located on or contiguous to property that is the subject of development approval, or (b) located on or contiguous to property that is the subject of development approval and, in the opinion of the Director, is required to be built larger or with greater capacity (overcapacity) than is necessary for the applicant's new development or to mitigate for transportation system impacts attributable to the applicant's new development.
- AD. "Reimbursement charge" means an SDC for costs associated with capital facilities that have already been constructed which have been determined to have capacity available to serve new development.
- AE. "Road" means a county road, city street, or state highway.
- AF. "Transportation Development Tax Capital Improvement Projects List" or "Project List" means the program set forth in the Appendix C attached hereto that identifies facility improvements projected to be funded with transportation TDT revenues, and includes the estimated cost, timing, and percentage of costs eligible for funding from TDT revenues for each project.

- AG. "TDT Methodology Report" means the report entitled "Washington County Transportation System Development Tax Methodology Report", dated August 2008, attached hereto as Appendix A.
- AH. "Temporary construction facility" means those facilities needed on an interim basis for construction of specific uses, structures or road improvements, and which are intended to be discontinued when construction is complete. Such facilities include, but are not limited to, accessory construction structures, staging areas, parking, and park-and-ride lots in conjunction with construction of a facility.
- AI. "Temporary use" means a use or structure on improved or unimproved real estate which is of impermanent nature, and is used for less than ninety days in a calendar year.
- AJ. "Transportation Development Tax" or "TDT" means a reimbursement charge, an improvement charge or a combination thereof assessed or collected at the time of increased usage of transportation capital facilities or issuance of a development permit or building permit. "TDT" also means the tax imposed under this chapter.

### **3.17.040 Imposition and Exceptions.**

- A. A transportation development tax is imposed on all development in the county, including inside cities, as provided for herein. The amount of the tax shall be calculated according to section 3.17.050.
1. Except as otherwise provided in this Chapter, a TDT shall be imposed upon all Development for which an Application is filed, or was required to be filed, after the effective date of this ordinance, and for which a building permit is issued.
  2. The Applicant shall at the time of Application provide the information requested on a TDT application form regarding the proposed use(s) and the previous use (if any), of the property, including the following:
    - a. A description of each of the previous and proposed uses for the property for which the Permit is being sought with sufficient detail to allow calculation of trip generation for the entire property under the previous use and for the proposed use(s) of the Development.
    - b. For residential uses, the number of residential dwellings, including type (i.e., single family, multi-family, manufactured housing, etc.).
    - c. For non-residential uses, the number of units (i.e., number of square feet, students, movie screens, vehicle fueling positions, beds, etc.) for the land use as listed in Appendix B (i.e., office, shopping center, etc.) included in the Development.
- B. The uses listed and described in this subsection are exempt, either partially or fully, from payment of the TDT. Any Applicant seeking an exemption under this Section shall request that exemption, in writing, no later than the time of application for the Building Permit. Where Development consists of only part of one or more of the uses described in this Section, only that/those portion(s) of the Development that qualify under this Section are eligible for an exemption. The balance of the Development that does not qualify for any exemption under this Section shall be subject to the full TDT.
1. Remodeling or replacement of existing structures (including mobile homes) except to the extent that the remodeling or replacement creates demands on the transportation system greater than those of the existing use of the property;
  2. Temporary uses which do not exceed ninety days in a calendar year;
  3. Temporary construction facilities as determined by the Director;

4. A transit improvement which has the impact of removing vehicle trips or reducing vehicle miles of travel on the county's major roadway system, as approved by the Director;
5. Construction, remodeling or expansion of federal or state facilities and uses otherwise exempt from taxation by counties;
6. Relocation due to government acquisition of the entire previous use as part of a project listed in Appendix C, to the extent the use at the new site does not exceed the size or impact of the previous use. Any additional size or impact shall be subject to the tax.

**3.17.050 Amount.**

- A. Except as otherwise provided in this Chapter, the amount of the TDT due shall be calculated by: 1) determining the category of the proposed use from the list in Appendix B; 2) determining the TDT rate per unit for that use in Appendix B; and 3) determining the number of units for the proposed use. The TDT rate per unit, multiplied by the number of units for the use, shall be the TDT charge.
- B. For new development for which a previous use existed on the property, the amount of the TDT due shall be determined by calculating the TDT of the previous use(s) on the property and subtracting that sum from the TDT for all of the proposed use(s) as provided in Paragraph A above. Except as provided for in subsection C of this section, the proposed use and the previous use shall be determined based on the rates listed in Appendix B.
- C. In the event the Director determines that a particular use does not have a basis for TDT calculation stated in Appendix B the Director shall either:
  1. Determine the TDT based on the use listed in Appendix B most similar in trip generation; or
  2. At the election (and expense) of the applicant, consider an alternate TDT based on a traffic study to estimate the weekday average person trip generation of a same or similar use verified by a registered traffic engineer. In the event an alternate TDT is utilized, the Director may make such adjustments as deemed applicable in consideration of location, size and other appropriate factors.
    - a. The applicant's traffic study methodology must be consistent with Appendix A and follow standard professional traffic engineering practice.
    - b. The applicant's study must provide complete and detailed documentation, including verifiable data. Supporting documentation must rely upon generally accepted sampling methods, sources of information, demographics, growth projections, and techniques of analysis.
    - c. The TDT shall be determined according to the methodology set forth in Appendix A, applied to the trip generation determined by the traffic study.
  3. If all of the above criteria are not met, the Director shall provide the Applicant a written decision explaining the basis for rejecting the proposed study, and shall determine the TDT according to subsection C.1 above.
- D. It is recognized that single structures may include more than one use. In such event the Director for purposes of establishing the TDT shall proportion the uses accordingly.
- E. The tax rates per unit for each land use set forth in Appendix B to this Ordinance shall on July 1 of each succeeding year be adjusted automatically based on a five-year moving average of the TDT index described in Appendix D. A final product ending in \$0.49 or less shall be rounded down to the nearest

dollar, \$0.50 or more up to the next dollar. The TDT index shall be calculated based on a combination of the following indices:

1. The National Highway Construction Cost Index reflecting the cost of materials (weighted 50%),
2. The U.S. Bureau of Labor Statistics Employment Cost Index for Private Industry Workers, by Occupational Group and Industry, Construction Group reflecting the cost of labor (weighted 30%), and;
3. The average annual change in total real market value of Washington County real property as estimated from data published by the Washington County Department of Assessment and Taxation reflecting the cost of right-of-way (weighted 20%).

In the event the above index factors use a different base year (i.e., calendar year or fiscal year), the most recent year with complete data shall be used. In the event any of the index factors set forth in this section and Appendix D are no longer available, the Board may by Resolution and Order adopt a replacement index factor that meets the requirements of ORS 223.304(8) for the same type of cost information.

- F. Beginning April 1, 2013, and not later than April 1 of each succeeding year, the Director shall calculate the index adjustment as provided in the section for the preceding five-year period. In the event the TDT rates in Ordinance 691-A Engrossed, as adjusted by this index calculation, are greater than the TDT rates set forth in Appendix A to his Ordinance, then the lower set of TDT rates shall apply as provided in subsection H below. In the event the TDT rates in Ordinance 691-A Engrossed, as adjusted by this index calculation, are less than the TDT rates set forth in Appendix A to his Ordinance, then the lower set of TDT rates shall apply as provided in subsection H below. This subsection G shall apply only for the duration of the revised rate phase-in.
- G. The Board of Commissioners of the County shall implement the adjustment annually by resolution and order adopted by May 1 of each year, to take effect on July 1 of that year, including a revised rate table showing adjusted rates for all land uses. In no event shall there be an increase of over ten percent (10%) per year.
- H. Washington County shall promptly notify each city in writing of the increase or decrease. The adjustment to the dollar amount as described above shall apply to all building permit applications accepted for review on or after July 1, by the county or city having jurisdiction over the development.

### **3.17.060 Payment.**

- A. Unless deferred, the tax imposed is due and payable at the time of issuance of a building permit by the county or city. Except as otherwise provided in this chapter, no building permit shall be issued for a development subject to this tax unless the tax is first paid in full.
- B. Notwithstanding subsection A of this section, in those cases where the amount due exceeds the amount of TDT on a single family detached residence (ITE Code 210), the applicant may request a payment deferral. The request must be made in writing to the Director no later than the time of application for a building permit. The Director shall grant deferral of the transportation development tax, however, any deferred charge shall be paid in full prior to the issuance of an occupancy permit. The amount of TDT due on deferred obligations shall be the amount in effect at the time of issuance of the building permit. Deferred TDT obligations shall not be eligible for internal financing or bancrofting as provided in subsection C unless so requested at the time of application for deferral.
- C. Any TDT may be eligible for internal financing or a bancrofting agreement pursuant to ORS 223.205 through 223.785, the Bancroft Bonding Act or any adopted city process. Any installment or bancroft agreement provided by this section shall have an interest rate as determined, at the time of the application, by the chief county or city financial officer and in recognition of the then current market rates and costs

associated with the administration of such agreements. Applications for an agreement, as provided in this chapter, must be made at the time of building permit application, or occupancy permit if permitted pursuant to subsection B of this section. No applications made subsequent to issuance of the building permit, or occupancy permit if allowed by subsection B of this section, shall be considered. Any TDT using a financing agreement may be filed as a lien pursuant to ORS 223.230 or applicable city provision.

- D. Any application to defer TDT to occupancy, or for a Bancroft or similar financing agreement allowed in this section, shall be signed by the owner of the subject real property, in addition to the application. The Director may prescribe a form of application for deferral, and a form for any notice required by this subsection. The application for deferral to occupancy shall require the following conditions for approving deferral:
1. Agreement by the applicant and owner to provide written notice to any prospective purchaser or tenant that TDT has not been paid but is deferred to occupancy;
  2. A statement from the applicant and owner of the proposed use of the property. This proposed use information shall not be binding on the application, owner, the County of City in assessing the TDT.

### **3.17.070 Credit.**

An applicant for a building permit, or occupancy permit if deferral has been granted, shall be entitled to a credit against the tax for constructing eligible capital improvements as defined in this section. Credit eligibility shall be determined by the Director.

- A. A transportation capital improvement constructed on a public road or transit facility, and accepted by the jurisdiction operating the facility, is eligible for credit provided it meets all the following criteria, and the requirements of either 3.17.070(B) or (C):
1. The Director determines that the timing, location, design and scope of the improvement is consistent with and furthers the objectives of the capital improvement program of the jurisdiction issuing the credit.
  2. The improvement is required to fulfill a condition of development approval issued by the jurisdiction with land use decision making authority.
  3. The improvement must provide additional capacity to meet future transportation needs, or be constructed to address an existing safety hazard. Improvements to mitigate a safety hazard created primarily by the development are not eligible.
  4. Improvements which primarily function as access to a private street, driveway or development parcel are not eligible.
  5. The applicant shall have the burden of demonstrating in its application for credit that a particular improvement qualifies for credit.
  6. Improvements, including travel lanes and bike lanes, must be at ultimate alignment, line and grade.
  7. New roads are eligible projects as long as they meet the remaining project eligibility criteria. An existing dirt or gravel road is deemed new if its daily traffic volume is below two hundred vehicles per day.
  8. Bike lanes are eligible if required pursuant to applicable street or road standards.
  9. No credit shall be granted for utility relocation except for that portion which otherwise would have been the legal obligation of the jurisdiction pursuant to a franchise, easement or similar relationship.



10. No credit shall be granted for minor realignments not designated on the comprehensive plan.
  11. No more than 13.5 percent of the total eligible construction cost shall be creditable for survey, engineering, and inspection.
  12. No credits shall be granted for storm sewer improvements that are also eligible for stormwater SDC credits.
- B. The Director shall provide credit for the documented, reasonable cost of construction of all or part of a qualified public improvement listed in Appendix C, based on the following criteria:
1. Transportation improvements located neither on nor contiguous to the property that is the subject of development approval shall be eligible for full credit.
  2. Transportation improvements located on or contiguous to the property that is the subject of development approval, and required to be built larger, or with greater capacity than is necessary for the particular development project shall be eligible. Credit for these improvements may be granted only for the cost of that portion of the improvement that a) exceeds the local government's minimum standard facility size; or b) exceeds the capacity needed to serve the particular development project or property.
  3. Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development conditions is eligible as follows:
    - a. To the extent an improvement is located neither on nor contiguous to the property that is the subject of development approval, the reasonable market value of land purchased by the applicant from a third party and necessary to complete that improvement is creditable.
    - b. Road right-of-way located on or contiguous to the property that is the subject of development approval shall be eligible for credit to the extent necessary to construct the facility in excess of the local government's minimum standard facility needed to serve the particular development project or property. Credit for such right of way shall be allowed based on market value as determined by the county tax records.
- C. The Director shall provide credit for a transportation capital improvement to a facility that is not a qualified public improvement. Such improvements shall be eligible for credit for a portion of the cost of the improvement as follows:
1. The improvement was made to a roadway designated as an arterial or collector in the adopted transportation plan of the county or city issuing the credit.
  2. Transportation improvements located neither on nor contiguous to the property that is the subject of development approval shall be eligible for 75% credit for arterials, and 50% for collectors.
  3. Transportation improvements located on or contiguous to the property that is the subject of development approval, and required to be built larger, or with greater capacity than is necessary for the particular development project shall be eligible for 75% credit for arterials, and 50% for collectors. Such credit may be granted only for the cost of that portion of the improvement that exceeds the local government's minimum standard facility size or capacity needed to serve the particular development project or property.
  4. The county or city governing body may adopt a list of "high priority collectors" within its jurisdiction. Upon adoption of such a list, improvements to the designated high priority collectors shall be eligible for a total credit of 75% of the costs otherwise allowed under this subsection. Placement of a collector on a

high priority list is for credit purposes only, does not amend the Project List, and does not authorize expenditure of TDT funds for that facility.

5. Road right-of-way required to be dedicated pursuant to the applicable comprehensive plan or development conditions is not creditable. The reasonable market value of land purchased by the applicant from a third party and necessary to complete an improvement under section 3.17.070C2 is creditable. Credit for right of way acquired from a third party shall be for the portion of the improvement for which credit is allowed, and for the percent of costs eligible for credit.

### **3.17.080 Credit Application and Administration.**

- A. All requests for credit vouchers must be in writing and filed with the Director not more than ninety days after acceptance of the improvement. Improvement acceptance shall be in accordance with the practices, procedures and standards of the applicable jurisdiction. The amount of any credit shall be determined by the Director and based upon the subject improvement contract documents, and other appropriate information, provided by the applicant for the credit. In the request, the Applicant must identify the improvement(s) for which credit is sought and explain how the improvement(s) meet the requirements of this section. The Applicant shall also document, with credible evidence, the value of the improvement(s) for which credit is sought. If, in the Director's opinion, the improvement(s) meets the requirements of this section and the Director concurs with the proposed value of the improvement(s), a TDT Credit shall be granted for the eligible amount. The value of the TDT Credits under this Section shall be determined by the Director based on the actual cost of construction and right of way, as applicable, as verified by receipts and other credible evidence submitted by the Applicant. Upon a finding by the Director that the contract amounts, including payments for right of way, exceed prevailing market rates for a similar project, the credit shall be based upon market rates.
- B. The Director shall respond to the Applicant's request in writing within 30 days of receipt of a technically complete request. The Director shall provide a written explanation of the decision on the TDT Credit request.
- C. Upon approval, the Director shall provide the applicant with a credit voucher, on a form provided by the department. The original of the credit voucher shall be retained by the department. The credit voucher shall state a dollar amount that may be applied against any TDT imposed against the subject property. In no event shall a subject property be entitled to redeem credit vouchers in excess of the TDT imposed. Credits are limited to the amount of the charge attributable to the development of the specific lot or parcel for which the credit is sought and shall not be a basis for any refund.
- D. A credit shall have no cash or monetary value. A credit shall only apply against the TDT and its only value is to be used to reduce the TDT otherwise due, subject to all conditions, limitations, and requirements of this chapter.
- E. When issued by the Director, a credit shall be the personal property of the applicant. Credits shall remain the personal property of the applicant unless transferred by the applicant or its authorized agent as transferor. Any person claiming the right to redeem a credit shall have the burden of demonstrating that any credit issued to another person has been transferred to him or her.
- F. Credits shall be apportioned against the property that was subject to the requirement to construct an improvement eligible for credit. Unless otherwise requested by the applicant, apportionment against lots or parcels constituting the property shall be proportional to anticipated average weekday trips generated by the respective lots or parcels. Upon written application to the Director, however, credits shall be reapportioned from any lot or parcel to any other lot or parcel within the confines of the property originally eligible for the credit. In the case of multi-phase development, excess credit generated in one phase may be applied to reduce the TDT in subsequent phases of the original development project. Reapportionment shall be noted on the original credit voucher retained by the department.

- G. Credits may be reassigned from a property to another property if all the following conditions are met.
1. A request for reassignment of a credit voucher must be made in writing to the Director signed by the person who owns the credit. The request for reassignment of a credit voucher shall contain all the information necessary to establish that such a reassignment is allowable under this subsection. The burden of proof that a reassignment is allowable is on the applicant. The Director shall respond in writing to the applicant's request for reassignment within 30 days of receipt of the request.
  2. A credit voucher may not be reassigned to a property within any jurisdiction other than the jurisdiction issuing the initial credit unless the transfer is authorized by both the issuing Director and the Director receiving the credit. The transfer may be reassigned only upon a finding by both directors that development of the property using the credit would have similar specific transportation impacts to the same transportation facility or local area as the property development that generated the credit.
  3. Credits may be reassigned within a single jurisdiction if the Director determines that either:
    - a. the lot or parcel that is to receive the credit is adjacent to and served by the transportation improvements that generated the credits, or
    - b. the development on property receiving the credit would have impacts and traffic patterns affecting substantially the same facilities as the property that generated the credit.
  4. When a credit voucher or portion of a credit voucher is reassigned a notation shall be placed on the initial credit voucher that a reassignment has been made. The amount reassigned shall be deducted from the credit voucher.
  5. When a reassignment occurs a new credit voucher shall be issued for the reassigned credit amount.
    - a. The new credit voucher shall note the property to which the initial credit was assigned, subsequent reassignments shall also note the property to which the initial credit was assigned.
    - b. The new credit voucher shall note the credit voucher number from which it was reassigned, if multiple reassignments occur each credit voucher number shall be noted.
    - c. The new credit voucher shall have the same expiration date as the initial credit voucher.
    - d. Apportionment against lots or parcels constituting the property to which a reassignment has been made is allowed as described in subsection F of this section.
  6. A reassigned credit voucher shall follow all rules regarding redemption of credits.
  7. The County or City may charge a fee for administering the reassignment of credits.
- H. Any credit must be redeemed not later than the issuance of the building permit or, if deferral was permitted pursuant to Section 3.17.060, issuance of the occupancy permit. The applicant is responsible for presentation of any credit prior to issuance of the building or occupancy permit. Except as provided in Section 3.17.110, under no circumstances shall any credit redemption be considered after issuance of a building permit or, if deferral was granted, issuance of an occupancy permit.
- I. Credit vouchers shall expire on the date ten years after the acceptance of the applicable improvement by the appropriate jurisdiction. No extension of this deadline shall be granted.

- J. Upon annexation, credits previously issued by the county shall be honored by the jurisdiction collecting the tax provided they are redeemed timely.
- K. TIF credits shall be valid to satisfy TDT obligations, subject to the original credit expiration date.

**3.17.090 Dedicated fund.**

The county and each city shall create a dedicated fund entitled "transportation development tax fund," herein "fund." All moneys derived from this tax shall be placed in the fund. TDT revenue, including interest on the fund, shall be used for no purpose other than those activities described as, or for the benefit of, extra capacity facilities as defined herein.

**3.17.100 Use of TDT Revenues.**

- A. Any capital improvement being funded wholly or in part with revenues from this Transportation Development Tax shall be included in the TDT Capital Improvement Projects List, adopted as Appendix C to this Ordinance, and shall include, for each project, the estimated cost, timing and percentage of costs eligible to be funded with revenues from the TDT. The TDT Capital Improvement Projects List may be modified at any time by resolution and order of the Board of County Commissioners.
- B. TDT revenues may be used for purposes that include, but are not limited to, the following, for any project on the Projects List:
  - 1. design and construction plan preparation;
  - 2. permitting;
  - 3. land and materials acquisition, including any costs of acquisition or condemnation;
  - 4. construction of transportation capital improvements;
  - 5. design and construction of new streets, transit facilities, sanitary sewers, drainage facilities, or other public improvements required by the construction of transportation capital improvements;
  - 6. relocating utilities required by the construction of improvements, for which the city or county is legally obligated to pay under easement, franchise or law;
  - 7. landscaping required or designed as part of the project;
  - 8. construction management and inspection;
  - 9. surveying, soils and material testing;
  - 10. acquisition of capital equipment that is an intrinsic part of a facility;
  - 11. demolition that is part of the construction of any of the improvements on this list;
  - 12. payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the county to provide money to construct or acquire transportation facilities.
- C. TDT revenue may be spent for direct costs of complying with the provisions of ORS 223.297 to 223.314, including the consulting, legal, and administrative costs required for developing and updating the system development charges methodologies and capital improvement project list, and the costs of collecting and accounting for system development charges expenditures.

D. Money on deposit in the TDT fund shall not be used for:

1. any expenditure that would be classified as a maintenance or repair expense; or
2. costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements.

E. TDT revenues shall be spent on improvements within the boundaries of the jurisdiction in which the tax was collected, and for improvements outside the boundaries but which directly benefit the jurisdiction. In those cities which have not opted to administer this tax, taxes collected by the county associated with building permits issued by the cities shall be spent only on projects on the Project List within or directly benefiting the city until such time as the county certifies that all extra capacity needs on such projects have been assured. Upon certification, the county may spend the funds on any project on the Project List.

**3.17.110 Refunds.**

Refunds of the TDT may be made upon initiation of the Director or upon written application filed with the Director. Refunds shall be allowed upon a finding by the Director that there was clerical error in the calculation of the TDT. Refunds shall be allowed for failure to redeem a credit voucher or offset provided the claim for refund is in writing and actually received by the appropriate jurisdiction within thirty days of the date of issuance of the building permit or occupancy permit if deferral was granted. No refund shall be granted for any reason other than those expressly provided for herein.

**3.17.120 Administration.**

- A. Except as provided in subsection B below, proof of payment of the TDT to the county or city shall be required prior to issuance of a building permit or occupancy permit if deferred, for any development in the county, including any incorporated city.
- B. Each city shall be entitled to collect the tax and administer this chapter within its city limits provided it files with the Board of County Commissioners a resolution or ordinance approved by the city council and containing the following:
1. Agreement to administer the tax in full compliance with its terms;
  2. Acceptance of full and sole responsibility for proper administration in accordance with this chapter, including for any fund deficiencies notwithstanding termination;
  3. A provision for ninety days' written notice of termination by city and an agreement to transition administration to the county in a reasonable and good faith manner;
  4. Adoption of an intergovernmental agreement including the above terms, and such other terms to which the parties mutually agree.
- C. Upon filing the ordinance or resolution, and execution of the intergovernmental agreement, the city shall be entitled to retain one hundred percent of all tax revenues it collects to be used pursuant to this chapter.

**3.17.130 Collection.**

- A. Notwithstanding issuance of a building or occupancy permit without payment, the TDT tax liability shall survive and be a personal obligation of the permittee.
- B. Intentional failure to pay the tax within sixty days of the due date shall result in a penalty equal to fifty percent of the tax. Interest shall accrue from the sixty-day point at the legal rate established by statute.
- C. In addition to an action at law and any statutory rights, the jurisdiction due the tax may:

1. Refuse to issue any permits of any kind to the delinquent party for any development;
  2. Refuse to honor any credits held by the delinquent party for any development;
  3. Condition any development approval of the delinquent party on payment in full, including penalties and interest;
  4. Revoke any previous deferrals issued to the delinquent party, in which case the amount immediately shall be due, and refuse to issue any new deferrals;
  5. Withdraw the amount due, including penalties and interest, from any offset account held by the jurisdiction for the delinquent party.
- D. For purposes of this section, delinquent party shall include any person controlling a delinquent corporate permittee, including but not limited to any partnership, limited liability company or joint venture and, conversely, any corporation or entity controlled by a delinquent individual permittee.
- E. The Director is authorized to take the following actions with respect to TDT taxes, penalties, and interest:
1. To take any action described in this section to collect and enforce the tax, penalties, and interest.
  2. To initiate legal action or exercise any other statutory right to collect any delinquent tax, penalties and interest under this chapter upon approval of the Board of Commissioners or City Council, as applicable, or in accordance with any general county of city collection policy.
  3. If the Director and the county or city attorney for the entity administering the tax, determine that the delinquent taxes for any development are for any reason wholly uncollectible, the director and attorney may request, in writing, of the governing body for an order directing that the taxes be cancelled. The governing body, when so requested, may in its discretion order and direct the Director to cancel such uncollectible TDT taxes. The order shall be entered in the records of the county or city, as applicable.

**3.17.140 Annual review.**

- A. The county and each city administering the tax shall provide an annual accounting and review of the transportation development tax. This annual report shall be completed by January 1 of each year, and account for the previous fiscal year. The annual accounting shall include:
1. A list of the amount spent on each project funded, in whole or in part, with TDT revenues;
  2. The amount of revenue collected from jurisdictions TDT;
  3. The costs of complying with the System Development Charge provisions (ORS 223.297 to 223.314, as described in ORS 223.307) and/or other administrative expenses; and
  4. The annual accounting for fiscal years 2009 and beyond shall also include the amount of Traffic Impact Fee revenue collected, and Traffic Impact Fee revenue spent. Traffic Impact Fee funds shall be accounted for separately from the Transportation Development Tax funds.
- B. Each city administering the TDT shall deliver a copy of its annual accounting report to the county, and the county shall prepare a summary report including city and county information.
- C. This review shall consider whether additional tax revenues should be generated to provide extra capacity improvements needed to address new development and ensure that revenues due not exceed identified demands. In so doing, the county shall consider:

1. Construction of facilities by federal, state or other revenue sources;
  2. Receipt of unanticipated funds from other sources for construction of facilities;
  3. New information provided by the Institute of Transportation Engineers adjusting trip rates; and
  4. The impact of credits.
- D. Upon completion of this review the county shall consider such amendments, including adjustment to the tax imposed herein, as are necessary to address changing conditions.

**3.17.150 Review of Decisions; Appeals.**

**A. Review of Expenditures.**

1. Any citizen or other interested person may challenge an expenditure of TDT revenues as being in violation of this chapter provided a written petition for review is filed with the Board of Commissioners of the County within two years of the expenditure. The petition shall identify with reasonable certainty the expenditure, the relevant facts and the specific provision alleged to have been violated.
2. The Board shall order an investigation and direct that within sixty days of receipt of the petition a written report be filed recommending appropriate action. Within thirty days of receipt of the report, the Board shall conduct a hearing to determine whether the expenditure was proper. At least ten days notice of the hearing, including a copy of the report, shall be mailed to the petitioner. Petitioner shall have a reasonable opportunity to present his or her position at the hearing.
3. The Board may adopt rules of procedure governing the hearing including that the hearing may be continued if necessary to further address the issues.
4. The petitioner shall have the burden of proof. Evidence and argument shall be limited to grounds specified in the petition. The Board shall issue a written decision stating the basis for its conclusion and directing appropriate action be taken.
5. Review of the Board decision shall be as provided in ORS 34.010 to 34.100.
6. For purposes of this section, "city council" shall be substituted for "Board of Commissioners" if the petition arises from expenditures made by a city which opted to collect and administer this tax as provided in Section 3.17.120.

**B. Review of decisions of the Director:**

1. Discretionary decisions of the Director shall be in writing and mailed by regular mail to the last known address of the applicant.
2. Any person aggrieved by a discretionary decision of the Director may appeal the decision to the county hearings officer. The appeal shall be in writing and must be filed with the Director within fourteen days of the date the Director's decision was mailed.
3. The appeal shall state the relevant facts, applicable ordinance provisions and relief sought. The appeal shall be heard by the county hearings officer in the same manner as provided for development permit applications. The county may by resolution establish a reasonable appeal fee.

4. The appellant shall have the burden of proving that an error was committed resulting in substantial prejudice.
  5. In an appeal of a decision to deny a credit, the applicant shall have the burden of demonstrating that the particular improvement qualified for the credit under Section 3.17.070. The Director may deny the credit requested, in whole or in part, if it is determined that the credit application does not meet the requirements of Section 3.17.070 or that the improvement for which the credit is requested is not on the Project List in Appendix C, for credits allowed under Section 3.17.070B. An appeal from the Director's decision shall be heard by the county hearings officer in the manner provided in this section.
- C. The county shall have the right, but not the obligation, to participate in any appeal that, in the county's judgment, involves a significant issue or interpretation under this Chapter. The decision of the hearings officer shall be reviewable solely under ORS 34.010 through 34.100 in the Circuit Court of the county.

**3.17.160 Transition.**

All deferrals, credits, and bancroft payment agreements shall continue and be administered under the terms in existence when issued except that all credits which have not previously expired, shall be valid for a period of ten years from the original date of acceptance of the improvement by the jurisdiction for credits. Only credits issued after the effective date of this ordinance shall be permitted to transfer from the property to which they were originally issued. Enactment of this ordinance shall in no way impact any budget or appropriations, contracts, permits, condemnation proceedings or any other formal actions pursuant to Ordinance No. 310 as amended and Ordinance No. 379 as amended. Enactment of this ordinance shall in no way impact any systems development charge, fee, or tax imposed by any city. This provision does not preclude any city from repealing or amending any such program, except that no credit or offset from the TDT shall be granted against any credit or amount due a city under a preexisting program.

**3.17.170 Temporary Discount.**

- A. All TDT rate phase-ins, revised phase-ins and temporary discounts established in Ordinance 691-A-Engrossed, Ordinance 729 and A-Engrossed Ordinance 746 shall expire at the close of business on September 30, 2014.
- B. On or after October 1, 2014, the TDT rate shall be as stated in Appendix B to this Ordinance as adjusted by the index and shall be determined without regard to any discount, except as allowed by section 3.17.190.

**3.17.190 Discount for Change-In-Use Developments**

- A. The purpose of this section is to provide a TDT discount to a defined group of new or altered uses within existing structures. This tax benefit is targeted to developments that reuse or redevelop existing structures, as defined. To receive a Change in Use discount under this section, the building and the proposed change in use must meet all applicable TDT code provisions, and a complete application must be timely filed with the Department, and approved by the Director.
- B. For developments eligible for a Change in Use discount under this section, the applicable TDT shall first be calculated as otherwise provided in this Chapter. The Change in Use discount, if applicable, shall be applied to the TDT as so calculated, following the Director's decision on the application.
- C. Developments eligible for a Change in Use discount shall include all developments, as defined in 3.17.030Q, except those that construct a new building. Demolition of an existing structure followed by construction of a new building is deemed to be construction of a new building, and is not eligible. For any development that adds net square footage to an existing building, the added square footage shall not be eligible for the discount. For purposes of this section, "change in use" is defined as the development or redevelopment of an existing building for which a TDT is required to be paid, and for which a previous



lawful use existed and paid TDT or TIF, or was lawfully established prior to the adoption of countywide TIF in 1990.

- D. To receive a Change In Use Discount, the development also must meet the following requirements:
1. The development is a physical alteration to an existing building, or change in use of the building, for which a Transportation Development Tax is otherwise due according to this chapter 3.17, and for which a change in TDT land use category under Appendix A, occurs.
  2. Prior to the Change in Use, the building was lawfully built and occupied with a previous use. The first use or occupancy of a building, regardless of the age of the building, shall not be eligible for a change of use discount.
  3. The TDT or TIF for the previous use was paid, or the previous use was lawfully established prior to the adoption of countywide TIF in 1990.
  4. The proposed use must be one of the land use categories listed in Appendix A to this Chapter that are calculated based on Total Square Foot Gross Floor Area or Total Square Foot Gross Leasable Area. Other land use categories shall not be eligible.
- E. Change in Use developments in the following buildings are eligible for a Change in Use discount:
1. Category 1 is a building that is three years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.
  2. Category 2 is a building that is twenty years old or older, based on the date of the certificate of occupancy of the building, as of the date of submittal of a discount application.
- F. The temporary discount for Change in Use Developments is as follows:
1. Category 1: Fifty percent of the TDT that would otherwise be due; and
  2. Category 2: Seventy-five percent of the TDT that would otherwise be due.
- If a building includes a portion that is Category 1, and a portion that is Category 2, and the change in use premises is located in both portions, the discount shall be determined by the square footage within each section of the building.
- G. The discount shall be applied to the first five thousand square feet of gross floor area of the proposed use that constitutes a change in use. For any change in use development that exceeds five thousand square feet of gross floor area, the TDT applicable to the remaining square footage shall be calculated as otherwise provided in this Chapter.
- H. No more than one Change-in-Use discount shall be allowed within a single building, within any two-year period. A discount may be allowed for multiple changes in use within a single building, so long as they are submitted as part of the same application. In the event multiple discount applications are submitted within the same building, the application submitted first shall receive the discount.
- I. Application
1. The Director may adopt an application form for the Change in Use discount.
  2. A complete application must be submitted, signed by the property owner, development applicant, and occupant or proposed occupant of the structure or portion thereof, for which a discount is requested.

The Director shall have sixty (60) days in which to render a decision on an application. It is the applicant's responsibility to submit an application in sufficient time to allow for a decision prior to issuance of a building or occupancy permit. Submittal of an application shall constitute consent by the applicant that a building or occupancy permit will not be issued for sixty (60) days from the date of the discount application or the date of the Change in Use discount decision, if earlier. The application shall state the name of the person or entity who will be paying the TDT. No application for the TDT Change in Use discount shall be accepted or acted upon after the TDT has been paid. An application for Change in Use discount may be withdrawn at any time by written notice to the Director, signed by the applicant, owner, and proposed occupant.

3. The application must include all information required in this section 3.17.190 to make a determination of applicability of the change in use discount. It shall provide satisfactory evidence of each fact relating to the eligibility of the development for the discount, including but not limited to building age, payment of prior TIF or TDT, and the nature and extent of the previous use and the proposed use. The applicant has the burden of proof as to every fact necessary to make a determination as to eligibility for the Change in Use discount under this section.
4. If an application is incomplete, the Director shall notify the applicant within ten (10) days. The applicant shall have ten (10) days from the date the notice was sent to provide additional information needed to complete the application. If the applicant does not submit sufficient information following notice, the Director may deny the application.
5. The application shall include a drawing depicting the building and the premises within the building to which the Change In Use discount will apply.
6. The application shall state the TDT use category for the previous use and for the proposed use, and the names of the occupants of the previous use and proposed use.
7. The application shall include a statement of the square footage of the proposed use. If the proposed use is part of a building alteration that increases the net square footage, the application shall indicate if the proposed use is to be located in whole or in part within the newly built portion of the building.
- J. The Director shall consider the information in the application, and may review additional information relating to the application, including records of building permits, tax records, and any other information that he or she deems credible to determine or verify any matter required for his or her decision.
- K. If the Director finds that an application for the Change in Use discount includes a material misstatement of fact, that determination shall be grounds for denial of the application.
- L. The Director shall render a decision on an application for the Change in Use Discount in writing within sixty (60) days. The Director shall approve the application in whole or in part, or deny the application. If the decision is to approve in part or deny the application, the decision shall state the reasons for the denial. An applicant who disagrees with the Director's decision may appeal as provided in Section 3.17.150B.
- M. If the Director's decision is to approve, in whole or in part, the application for the Change in Use discount, the approved discount as stated in subsections F and G above shall be applied to the TDT assessment as otherwise calculated in this Chapter 3.17.