



Southwest Neighborhoods, Inc.

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March 29, 2016

Mayor Charlie Hales and members of the Portland City Council
City of Portland
1221 SW 4th Avenue
Portland, OR 97204

Re: Council Agenda Items 293 and 294
Local Transportation Infrastructure Charge

Southwest Neighborhoods, Inc. (SWNI) conditionally supports the proposed Local Transportation Infrastructure Charge (LTIC).

Southwest Portland within the SWNI boundaries has the least improved street network within the City of Portland. Only one-third of the busy streets within the SWNI boundaries have a sidewalk and 71% of the sidewalk network is missing on all streets. The LTIC Technical Memo #1 notes that although the west side makes up 28% of the city's land area, it contains 45% of all mileage for problem streets.

SWNI was one of three neighborhood stakeholders in the small LTIC stakeholder group. SWNI raised a number of concerns about the proposal. It is expensive to build local street improvements in SW Portland because these improvements also trigger the city's Stormwater Manual requirements, adding costs that may not be required in other parts of the city (as noted in Ordinance Finding #12 but ignored when setting the fee). Too often, the City issues waivers of remonstrance (in essence, requiring a "yes" vote on a future Local Improvement District to improve the infrastructure at some point in the future), leaving SW without sidewalks, bike lanes and paved roads that would help people walk, bike or take transit to meet their daily needs.

Over the years, the current waiver system has led to a huge influx of residents in our neighborhoods without the infrastructure needed to support alternative transportation and the stormwater management system. The City's current practice of issuing "waivers of remonstrance" has transferred responsibility for infrastructure development from the property developer to future homeowners and/or taxpayers.

Because of the failure of the current system to build needed infrastructure, we conditionally support the LTIC. We believe the program will not work unless the following changes are made:

1. Amend draft City Code Chapter 17.88, section 020B, last sentence, to read, "The payment of a Local Transportation Infrastructure Charge and issuance of a Waiver of Remonstrance will satisfy the requirements of this subsection." The intent is that future property owners will be obliged to support a Local Improvement District. The next

phase could discuss whether the cost of the LTIC would be subtracted from future LID assessments.

2. Amend draft City Code Chapter 17.88, section 0090A, after the word "zone" to insert "or are issued a Waiver of Remonstrance for required street improvements." The intent is that developers along collectors or arterials that are issued a Waiver, like the recent waivers issued for infill homes on SW Capitol Highway, also pay the LTIC. Ordinance Finding #13 implies that these developers will build the required street improvements but reality tells us this may not happen.
3. LTIC funds must be spent within the district coalition areas in which they have been collected. The intent is that the areas that are not getting the required local street improvements must benefit from the fees that are collected in their area, and the local residents have a say in where and how the fees are spent.
4. PBOT must reach out to local residents, neighborhood associations and community organizations and consider local transportation priorities before determining how funds will be spent in the district coalition area. The proposed scope of work with ECONorthwest describes a process for determining how the LTIC funds are spent, but local decisions need local decision making.
5. SWNI supports Ordinance Finding #17 that allows funds to be used on "adjacent or related transportation facilities" and not just on local streets. In SW Portland, only 33% of our busy streets have sidewalks. These LTIC funds might more effectively achieve City goals for walkable neighborhoods if there is flexibility in targeting street improvements on busy streets where they are most needed.
6. Because the proposed initial LTIC fee does not include the cost of stormwater improvements (as noted in the Kittelson & Associates, Inc. Engineering Review of Historical LID construction costs), within the MS4 areas, the Bureau of Environmental Services must fund the stormwater management components of street improvements that also require stormwater improvements.

SWNI agrees that it would be beneficial to begin collecting fees from property developers that are not building required street improvements. SWNI has raised several concerns that are not addressed in this proposal, and recommends revisions to Code 17.88 and other changes that would result in more fair improvements citywide.

Sincerely,



Sam Pearson
President
Southwest Neighborhoods, Inc.

Cc: Christine Leon, PBOT Development Committee and Transit Group Manager
Bill Hoffman, PBOT Project Manager
Roger Averbeck, SWNI Transportation Chair
Marianne Fitzgerald, SWNI Transportation Vice Chair