



## Business leaders push for traffic fee hike reprieve

*County committee doubts a transportation fee increase would pass this year*

BY RAY PITZ

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**With a recession looming nationally and trickling down locally, area business leaders and industry representatives continue to push for a temporary reprieve for increasing traffic impact fees as plans for an election on the issue in the fall seems less likely.**

Members of the Washington County Coordinating Committee heard continuing concerns April 21 about the amount of proposed raises in traffic impact fees, which are charged to developers when a new building is constructed. They also questioned the timing of implementing the new charges.

Jonathan Schlueter, executive director of the Westside Economic Alliance, told the committee that Washington County economic indicators aren't positive at the moment, saying that residential homebuilts have declined by 33 percent from December of 2006 to December of 2007.

"Things have not been happening the way we've expected them to happen in Washington County," said Schlueter.

One of the biggest concerns among county business leaders has been the amount of the proposed traffic impact fees, which by one proposal would have jumped by 14-fold for such projects as fast food restaurants.

The fees are determined based on the number of trips a new house or business generates.

Although the committee has generally agreed that those fees will increase, many organizations would delay until an industry stakeholder technical advisory group can get together and give some input on the changes.

"The Hillsboro Chamber would support an increase in the TIF that is determined by the broad input of the business community and that has an effective date no sooner than Jan. 1, 2010," Denzil Scheller, board chairman-elect of the Greater Hillsboro Area Chamber of Commerce, told the committee. "First, you need the time to develop an appropriate TIF that takes into consideration the changes in the formula, but credits will be handled and the opportunity for review."

Although the coordinating committee, composed of area mayors, county commissioners and city officials, has talked about various dates to approach voters on the fee increase, a September special election isn't expected.

Such an election could cost the county \$150,000 to \$170,000, county officials have predicted.

"I think we'd be foolhardy to even accept September under the circumstances," Beaverton Mayor Roy Rogers told the committee, saying there are still too many unanswered questions proposed by the development community.

"I think it would be a waste of money ...to go in September," Drake said. "I wouldn't even set a November election at this point."

Also during last week's meeting, Roy Rogers, a Washington County Commission member and chairman of the coordinating committee, polled mayors and councilors to determine whether their respective cities plan to put their own type of system development charges to address fixing road issues into place before the county could act.

Rogers said his concern was having anywhere from six to eight different jurisdictions going in different directions.

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A consensus showed most were willing to wait.

Sherwood Mayor Keith Mays said his city has already implemented system development charges and plans to ask for more at this point.

Jef Dalin, a member of the Cornelius City Council, said whether a supplemental system development would be needed is something local voters would need to decide, adding that one way or another, "Citizens are excited about getting some streets repaved. We're getting down to the gravel."

Meanwhile, the coordinating committee agreed to move forward with a six percent annual increase in TIF, a measure sent to the Washington County Board of Commissioners for approval April 22.

That's the maximum annual increase allowed under state law without having to approach voters.

"If you don't do anything, it goes up 6 percent automatically (on May 1)," said Steve Kelley, a county transportation planner.

However, it appears that the proposed fee structure will continue to change as county staff takes a look at some fee disparities and methodology factors, officials said.

Following the meeting, the Westside Economic Alliance's Schlueter said his group doesn't have a problem with doubling traffic impact fees but objects to the large increases proposed for some building projects.

"At the rates we are seeing, we'd crimp that development and nothing would get built," he said.

He noted that it's a tough time for Washington County's economy where there have been major cutbacks in the high tech industry and construction work.

He said if a measure is approved by voters in November, implementing it in January 2009 is too soon. Any new impact fee should be phased in depending on how far a developer is in the application, permit building process.