

## Portland SMSF Rate Calculation Methodology

19 Cities have imposed Street Maintenance Fees to address their infrastructure funding shortfall. Oregon cities have employed a variety of methods to calculate street fees. Portland is adopting the method used most pervasively: fee calculation based on trip generation.

Trip generation is based on two factors: property use, and extent of development. For residential property uses, development is measured by the number of dwelling units. For these types, a fixed rate per dwelling unit is applied to calculate the fee. In Portland, the residential fee would be \$4.54 for single-family residences, and \$3.07 per unit for multi-family residences.

For most non-residential property use types, development is measured by building square footage; a few are measured by property acreage, fueling stations, or other factors.

The algorithm outlined below demonstrates how to calculate fees for a given property use. The attached table contains the rates to use for the various property types in the City.

Utility customers who disagree with their property's use classification, square footage, the number of dwelling units may appeal. The City will provide simple forms and processes to enable appeals.

### Fee Calculation Formula

Monthly Fees are calculated as follows.

(1) Single-Family residences (detached or row houses, some condos): \$4.54 per month.

(2) Multi-Family residences (apartments, most condos):

$$\text{Fee} = (\$3.07 * \text{number of dwelling units}) + \$0.25$$

(3) Non-residential properties

a) First calculate trips

$$\text{Trips} = (\text{Trips per Unit} * \text{Number of Units} * 365/12)$$

b) Calculate fee, based on trips and cost per trip. Cost per trip is on a sliding scale, as follows:

- The first 10,000 trips cost 1.525¢ (\$0.01525) per trip
- Trips 10,001 – 25,000 cost 1.078¢ per trip (\$0.01078)
- Trips 25,001 – 75,000 cost 0.5008¢ per trip (\$0.005008)
- Trips 75,001 – 150,000 cost 0.253 ¢ per trip (\$0.00253)
- Trips 150,001 – 250,000 cost 0.101 ¢ per trip (\$0.00101)
- Trips 250,001 and up cost \$0.00005 per trip