



CITY OF STAYTON

MEMORANDUM

TO: Mayor Brian Quigley and the Stayton City Council
FROM: Julia Hajduk, City Manager
DATE: May 5, 2025
SUBJECT: Transportation Maintenance Fee Re-Cap

Introduction

The Transportation Maintenance Fee (TMF) was introduced in Stayton to address the city's street maintenance needs. The chronology of its implementation provides an in-depth look at how this program evolved over the years, highlighting its key decisions, ordinances, and extensions, as well as addressing concerns that have arisen with its long-term application. This fee was initially recommended through the 2006 Pavement Management Study, which called for a dedicated budget to prevent further deterioration of city streets. In subsequent years, the City Council explored various funding options, ultimately opting for the TMF as a sustainable solution.

This document provides a brief history of the program as well as highlights some existing issues and concerns with the program that might warrant an update.

Background

The Transportation Maintenance Fee (TMF) program was introduced as a solution to address the growing needs of Stayton's street maintenance. In 2006, a Pavement Management Study highlighted the city's increasing road deterioration and the necessity for consistent funding to maintain the infrastructure. This led the City Council to consider various funding alternatives, ultimately deciding on the TMF as a long-term solution. The following chronology outlines the key milestones in the development, implementation, and ongoing adjustments of the TMF program, beginning with the initial pavement study and spanning several years of decision-making, reviews, and program extensions. This timeline provides a comprehensive overview of the TMF's evolution and serves as the foundation for ongoing discussions about its future:

2006 - Initial Pavement Management Study: The City of Stayton hired CHEC, Inc. to complete a pavement management inventory for all city streets. The study recommended implementing an annual pavement maintenance program with a budget of \$300,000 to prevent further deterioration of the streets.

2008 - Funding Alternatives Consideration: The City Council began evaluating different funding options to cover the costs of street maintenance. These included discussions on potential solutions such as a local gas tax, general obligation bonds, and a transportation maintenance fee.

2009-2010 - Workshops and Decision on Transportation Maintenance Fee: The City Council held multiple workshops and meetings, reviewing various funding alternatives, including Transportation Maintenance Fees, General Obligation Bonds, serial levies, and ODOT funding.

By September 2010, the City Council directed staff and financial consultants to prepare an ordinance to implement the transportation maintenance fee.

December 2010 - Development of Ordinance and Fee Structure: Ordinance No. 932 was drafted to establish the TMF program, and the City Council Resolution No. 864 set the rates. A detailed fee schedule was also created based on traffic generation data from the Institute of Transportation Engineers (ITE) Manual.

The City Council reviewed the final draft of the ordinance and fee schedule. A key decision included setting residential fees at \$2.00 per month for single-family residences, with varying rates for other types of residential properties (e.g., multi-family, mobile homes). For non-residential properties, fees ranged from \$5.00 to \$20.00 per month, depending on the traffic generation.

December 20, 2010 - Adoption of Ordinance and Resolution: Ordinance No. 932 was officially adopted by the City Council, establishing the TMF program. This ordinance also set up procedures for the collection of fees and administration of the program, with a sunset clause set for June 30, 2013.

February 2011 - First Billing with TMF: The first utility bills including the Transportation Maintenance Fee were scheduled for distribution in February 2011, after finalizing rate codes and billing systems

After the TMF's implementation in early 2011, the City Council reviewed and adjusted the fee categories and customer classifications as necessary. Adjustments were made based on customer feedback and the need for consistency across utility billing practices.

The fee generated \$85,200 at the time.

2013 - Extension Consideration: March 2013: The City Council reviewed the effectiveness of the TMF and considered whether it should be extended. A staff report was issued recommending the extension of the TMF for an additional five years.

Ordinance No. 954 was drafted to extend the TMF until June 30, 2018, with a provision for review every five years.

The City Council adopted Ordinance No. 954, extending the program for another five years, unless extended by the City Council, recognizing the positive impacts of the TMF on street maintenance projects.

2020 Sunset Clause determined to no longer apply: In 2020, City staff and the City Attorney discussed the issue of the sunset clause, which had expired two years prior, yet the fee continued to be collected and adopted in the fee schedule. The discussion centered around the need to formally remove the sunset clause from the street maintenance fee ordinance. The original ordinance, adopted in December 2011, included a sunset provision set to repeal the fee by June 30, 2013. However, the City Council extended the fee for an additional five years in 2013. Since then, the fee has been routinely approved through annual resolutions. It was determined that, despite the initial sunset provision, the Council has continued to approve the street maintenance fee each year, effectively extending the program. The ongoing adoption of the fee rendered the sunset clause redundant and a potential source of confusion.

2023 – By FY23, the fee had not been increased since it was originally adopted. Due to growth in the City, the revenue increased, however it only generated \$93,600, less than \$10,000 more than when the fee was adopted 13 years prior.

Basis of Transportation Maintenance fee

The TMF is charged monthly to every utility customer in Stayton. The key concept of a TMF is that everyone benefits from the transportation system and everyone should pay part of the cost of preserving them. The amount of the fee was based on the impact a property has on the transportation

system, using the ITE manual as the foundation for estimating a uses impact. For example, a single family home generates an average of 10 vehicle trips per day in and out of the house; an apartment generates 6 vehicle trips per day. A typical business would pay more than a residence because it generates more traffic and has more of an impact on the system.

ITE Manual

The Institute of Transportation Engineers (ITE) Manual was a crucial tool in determining the fee structure for the TMF. The manual is widely recognized and used in transportation engineering to guide traffic planning, safety measures, and roadway design. It uses scientifically backed data on traffic flow, accident rates, and other metrics to develop fee categories based on trip generation rates for different land uses.

The ITE Manual is regularly updated to reflect emerging trends and research, which is essential for keeping Stayton's TMF program aligned with the latest data. The current edition is the 11th, which may require adjustments to the fee structure based on changes in trip generation rates since the original fee was established using the 7th edition of the manual.

Use types inform the trip rate and the category

Over time, as staff who were part of the initial development and adoption have left the City, there has been confusion over what the fee is based upon. Some of the confusion was created in how the TMF was codified and the loss of the "Exhibit A" which was reference but not attached to the Ordinance and within the code. Attachment 1 to this report is the document that shows the types of uses that went into each category. These directly correlate to the ITE code and the trip generation rates and should have been better incorporated into the ordinance. Unfortunately, what has carried forward in the code and fee scheduled is only the category number, trip rate ranges and how the vehicle trips are measured creating confusion. Below is what is codified in SMC 3.30.v:

- a) Category 1 shall be a trip rate of 5 trips per 1,000 square feet of building space.
- b) Category 2 shall be a trip rate of 15 trips per 1,000 square feet of building space.
- c) Category 3 shall be a trip rate of 30 trips per 1,000 square feet of building space.
- d) Category 4 shall be a trip rate of 50 trips per 1,000 square feet of building space
- e) Category 5 shall be a trip rate of 80 trips per 1,000 square feet of building space.
- f) Category 6 shall be a trip rate of 140 trips per 1,000 square feet of building space.
- g) Category 7 shall be a trip rate of 800 trips per 1,000 square feet of building space.
- h) Category 8 shall be a trip rate of 4 trips per acre of land used for the state purpose (excluding the vacant portion of a specific parcel).
- i) Category 9 shall be a trip rate of 160 trips per fueling station.
- j) Category 10 shall be a trip rate of 10 trips per rental room.
- k) Category 11 shall be a trip rate of 1.5 trips per student

Unlisted Uses

SMC 3.30.vi. states "Unlisted uses. In the event that a property is occupied by a use that is not expressly listed in Attachment A, the Finance Director shall determine which category the property should be placed in, based on similarity in expected trip generation. If no category is appropriate, the Finance Director shall determine the trips per unit shall be based on a Transportation study, the Trip Generation Manual, or any other method of determining trips. Any determination by the Finance Director under this section may be reviewed under the procedure described in § 3.30.090.2. The result of the review may be appealed to the City Council by filing a notice of appeal within 10 days of the date notice of the result of the review is mailed to the property owner." It is assumed that this section is where we got the other uses listed in the fee schedule:

Issues and considerations

Review the ITE Manual's Latest Edition:

A review of the ITE Manual's 11th edition should be conducted to assess whether the current fee categories need adjustment based on updated traffic generation data. A cost estimate for this review should be included in next year's budget for consideration.

Update Fee Categories and Methodology:

In light of evolving traffic patterns and new data from the ITE Manual, the TMF fee categories should be revisited and updated to ensure that they accurately reflect current traffic generation rates. Public feedback should be incorporated into this process to address any concerns regarding fairness.

Remove the Sunset Clause:

Given the ongoing adoption of the TMF program through annual fee schedule adoption resolutions, it would be appropriate to remove the sunset clause from the ordinance. This would help eliminate potential confusion and create long-term stability for the program.

Update Fee Schedule for Clarity:

The fee schedule between FY 23/24 and 24/25 was modified to combine the categories that were charged the same rate and to include categories that staff had, over time, made determinations on such as mixed uses and multi-tenant uses. (see Attachment 2 for the comparison of the two fee schedule sections)

customers. When we finish with that process, the annual revenues (and billings to) non-residential customers likely will decrease.

Table 1 ITE Codes and Trip Rates

Category	ITE Code	Land Use	Average Vehicle Trip Ends vs, Weekday				Block Trip Rates
			Vehicle Trips Measured by	A-Low	A-Avg	A-High	
Category 1	152	High-Cube Warehouse	1000 Sq Ft GFA	0.20	1.44	2.88	5
	120	General Heavy Industrial	1000 Sq Ft GFA	0.58	1.50	1.84	5
	435	Multipurpose Recreational Facility	1000 Sq Ft GFA		1.99		5
	151	Mini-Warehouse	1000 Sq Ft GFA	2.10	2.50	4.36	5
	150	Warehousing	1000 Sq Ft GFA	1.51	3.56	17.00	5
	140	Manufacturing	1000 Sq Ft GFA	0.50	3.82	52.05	5
	890	Furniture Store	1000 Sq Ft GFA	0.70	5.06	15.35	5
	860	Wholesale Market	1000 Sq Ft GFA		6.73		5
	130	Industrial Park	1000 Sq Ft GFA	0.91	6.96	36.97	5
	110	General Light Industrial	1000 Sq Ft GFA	1.58	6.97	16.88	5
	620	Nursing Home	1000 Sq Ft GFA	5.67	7.58	10.31	5
	714	Corporate Headquarters Building	1000 Sq Ft GFA	5.87	7.98	12.39	5
	760	Research & Development Center	1000 Sq Ft GFA	1.78	8.11	24.95	5
	560	Church	1000 Sq Ft GFA	4.35	9.11	30.20	5
	561	Synagogue	1000 Sq Ft GFA		10.64		15
Category 2	710	General Office Building	1000 Sq Ft GFA	3.58	11.01	28.80	15
	750	Office Park	1000 Sq Ft GFA	7.56	11.42	30.30	15
	715	Single Tenant Office Building	1000 Sq Ft GFA	5.33	11.57	35.68	15
	770	Business Park	1000 Sq Ft GFA	5.56	12.76	27.96	15
	530	High School	1000 Sq Ft GFA	4.00	12.89	34.06	15
	522	Middle School/Junior High School	1000 Sq Ft GFA	3.89	13.78	48.31	15
	520	Elementary School	1000 Sq Ft GFA	4.69	15.43	30.15	15
	610	Hospital	1000 Sq Ft GFA	11.40	16.50	67.52	15
	849	Tire Superstore	1000 Sq Ft GFA	14.06	20.36	27.35	15
Category 3	495	Recreational Community Center	1000 Sq Ft GFA		22.88		30
	875	Department Store*	1000 Sq Ft GFA	16.64	22.88	30.94	30
	848	Tire Store	1000 Sq Ft GFA	19.40	24.87	36.02	30
	823	Factory Outlet Center	1000 Sq Ft GFA	13.78	26.59	50.97	30
	540	Junior/Community College	1000 Sq Ft GFA	12.87	27.49	35.98	30
	936	Coffee/Donut Shop w/o Drive-Thru*	1000 Sq Ft GFA		27.75		30
	733	Government Office Complex	1000 Sq Ft GFA	25.00	27.92	33.97	30
	862	Home Improvement Superstore	1000 Sq Ft GFA	18.35	29.80	39.31	30
	492	Health/Fitness Club	1000 Sq Ft GFA		32.93		30
	841	New Car Sales	1000 Sq Ft GFA	15.64	33.34	79.66	30
	817	Nursery (Garden Center)	1000 Sq Ft GFA	4.06	36.08	233.75	30
	720	Medical-Dental Office Building	1000 Sq Ft GFA	23.16	36.13	50.51	30
Category 4	818	Nursery (Wholesale)	1000 Sq Ft GFA		39.00		30
	857	Discount Club	1000 Sq Ft GFA	25.44	41.80	78.02	50
	493	Athletic Club	1000 Sq Ft GFA		43.00		50
	814	Specialty Retail Center	1000 Sq Ft GFA	21.30	44.32	64.21	50
	863	Electronics Superstore	1000 Sq Ft GFA	33.74	45.04	59.17	50
	812	Building Materials & Lumber Store	1000 Sq Ft GFA	39.17	45.16	56.27	50
	816	Hardware/Paint Store	1000 Sq Ft GFA	43.58	51.29	74.09	50
	813	Free-Standing Discount Superstore	1000 Sq Ft GFA	29.65	53.13	85.01	50
	590	Library	1000 Sq Ft GFA	28.75	56.24	88.25	50

Average Vehicle Trip Ends vs. Weekday							Block Trip Rates
Category	ITE Code	Land Use	Vehicle Trips Measured by	A-Low	A-Avg	A-High	
Category 5	879	Arts & Crafts Store	1000 Sq Ft GFA		56.55		50
	815	Free-Standing Discount Store	1000 Sq Ft GFA	25.53	57.24	106.88	50
	843	Automobile Parts Sales	1000 Sq Ft GFA	42.17	61.91	70.67	80
	730	Government Office Building	1000 Sq Ft GFA		68.93		80
	443	Movie Theater w/o Matinee	1000 Sq Ft GFA		78.06		80
	881	Pharmacy/Drugstore w/ Drive-Thru	1000 Sq Ft GFA	74.95	88.16	99.74	80
	931	Quality Restaurant	1000 Sq Ft GFA	33.41	89.95	139.80	80
	880	Pharmacy/Drugstore w/o Drive-Thru	1000 Sq Ft GFA	81.00	90.01	106.50	80
	854	Discount Supermarket	1000 Sq Ft GFA	68.66	96.82	127.13	80
	850	Supermarket	1000 Sq Ft GFA	68.65	102.24	168.88	80
Category 6	732	United States Post Office	1000 Sq Ft GFA	35.57	108.19	352.42	140
	932	High-Turnover (Sit-Down) Restaurant	1000 Sq Ft GFA	73.51	127.15	246.00	140
	912	Drive-in Bank	1000 Sq Ft GFA	68.23	148.15	407.21	140
	731	State Motor Vehicles Department	1000 Sq Ft GFA	113.23	166.02	272.17	140
	934	Fast-Food Restaurant w/ Drive-Thru	1000 Sq Ft GFA	195.98	496.12	1,132.92	140
Category 7	933	Fast-Food Restaurant w/o Drive-Thru	1000 Sq Ft GFA		716.00		800
	851	Convenience Market (Open 24 Hours)	1000 Sq Ft GFA	330.00	737.99	1,438.00	800
	937	Coffee/Donut Shop w/ Drive-Thru*	1000 Sq Ft GFA	734.34	818.58	869.00	800
	853	Convenience Market w/ Gas Fueling Stations	1000 Sq Ft GFA	578.52	845.60	1,084.72	800
	938	Coffee/Donut Shop w/ Drive-Thru - no indoor seating*	1000 Sq Ft GFA	1,400.00	1,800.00	2,340.00	800
Cat 8	412	County Park	Acres	0.17	2.28	53.41	4
	417	Regional Park	Acres	0.92	4.57	39.07	4
	566	Cemetery	Acres	1.67	4.73	9.40	4
	151	Mini-Warehouse	Acres	14.78	35.43	64.67	
	240	Mobile Home Park	Acres	15.85	39.61	85.89	
	30	Truck Terminal	Acres	66.27	81.90	100.08	
	22	General Aviation Airport	Avg Flights / Day	0.96	1.97	2.81	
	22	General Aviation Airport	Based Aircraft	2.26	5.00	8.30	
	620	Nursing Home	Beds	2.00	2.37	3.03	
	254	Assisted Living	Beds	1.86	2.66	4.14	
	490	Tennis Courts	Courts	20.17	31.04	47.71	
	491	Racquet/Tennis Club	Courts	20.18	38.70	70.25	
	253	Congregate Care Facility	Dwelling Units	1.63	2.02	2.15	3
	260	Recreational Homes	Dwelling Units	3.00	3.16	3.24	3
	251	Senior Adult Housing - Detached	Dwelling Units	2.90	3.71	5.70	3
	270	Residential Planned Unit Development	Dwelling Units	5.79	7.50	14.38	
	488	Soccer Complex	Fields	42.86	71.33	90.81	
Category 9	946	Gasoline/Service Station w/ Convenience Mart & Car Wash	Fueling Stations	97.20	152.84	250.88	160
	945	Gasoline/Service Station w/ Convenience Mart	Fueling Stations	90.67	162.78	299.50	160
	944	Gasoline/Service Station	Fueling Stations	73.00	168.56	306.00	160
	853	Convenience Market w/ Gas Fueling Stations	Fueling Stations	370.25	542.60	701.00	500

Average Vehicle Trip Ends vs. Weekday							Block Trip Rates
Category	ITE Code	Land Use	Vehicle Trips Measured by	A-Low	A-Avg	A-High	
Cat 10	430	Golf Course	Holes	14.50	35.74	54.44	30
	443	Movie Theater w/o Matinee	Movie Screens		220.00		
	253	Assisted Living	Occupied Beds	1.88	2.74	4.14	2
	253	Congregate Care Facility	Occupied Dwelling Units	2.12	2.15	2.15	2
	311	All Suites Hotel	Rooms	4.49	4.90	6.02	10
	320	Motel	Rooms	3.47	5.63	10.04	10
	310	Hotel	Rooms	3.47	8.17	9.58	10
	452	Horse Racetrack	Seats	0.60	0.61	0.61	
	443	Movie Theater w/o Matinee	Seats		1.76		
	947	Self-Service Car Wash	Stalls		8.00		
Category 11	941	Quick Lubrication Vehicle Shop	Stalls		40.00		
	540	Junior/Community College	Students	0.93	1.20	2.16	1.5
	520	Elementary School	Students	0.45	1.29	2.45	1.5
	522	Middle School/Junior High School	Students	0.72	1.62	2.81	1.5
	530	High School	Students	0.71	1.71	3.96	1.5
	550	University/College	Students	2.03	2.38	3.31	1.5
	536	Private School (K-12)	Students	1.74	2.48	3.12	1.5
	565	Day Care Center	Students	2.50	4.48	7.06	4
	432	Golf Driving Range	Tees		13.65		13
	105	Total # of Codes					

Source: Institute of Transportation Engineers, *Trip Generation Manual, 8th ed., 2008***Table 2 Preliminary Forecast of Revenues by Customer Classes**

Class	Number of Accounts	Annual Revenue
Residential		
Single Family	2,221	\$53,304
Multi Family	720	\$9,696
Total Residential	2,941	\$63,000
Non-Residential, By Category		
1	77	\$966
2	20	\$752
3	12	\$903
4	23	\$2,884
5	8	\$1,605
6	-	\$0
7	10	\$20,063
Total Non-Residential	150	\$81,147
Total Accounts	2,371	\$144,148

Attachment 2

FY 23-24 Fee schedule

Street Maintenance Fee		
Residential	Transportation Maintenance Fees by Type of Residence	
	Type of Residential Use	Monthly Fee
	1 Single Family Dwelling	\$4.00
	2 Mobile Home in a MH Park	\$2.08
	3 Apartment (per unit)	\$2.24
	4 Assisted Living Center (per unit)	\$1.00
Commercial and Industrial	See Municipal Code (SMC) 3.30060 for a listing of each category for non-residential developed property.	
	Category	Monthly Fee
	1- 5 trips/1000 sq ft of building space	\$10.00
	2- 15 trips/1000 sq ft of building space	\$10.00
	3- 30 trips/1000 sq ft of building space	\$20.00
	4 – 50 trips/1000 sq ft of building space	\$20.00
	5 – 80 trips/1000 sq ft of building space	\$20.00
	6 – 140 trips/1000 sq ft of building space	\$20.00
	7 – 800 trips/1000 sq ft of building space	\$40.00
	8 – 4 trips per acre of land used for the state purpose	\$40.00
	9 – 160 trips per fueling station	\$40.00
	10 – 10 trips per rental room	\$40.00
	11 – 1.5 trips per student	\$40.00

FY 24-25 Fee schedule

Street Maintenance Fee		
Residential	Transportation Maintenance Fees by Type of Residence	
	Type of Residential Use	Monthly Fee
	Single Family Residence	\$10.00
	Multi Family - Apartment (per unit)	\$5.60
	Mobile Home in a MH Park	\$5.20
	Assisted Living Care Center (per unit)	\$2.50
Commercial and Industrial	See Municipal Code (SMC) 3.30060 for a listing of each category for non-residential developed property.	
	Category	Monthly Fee
	up to 15 trips/1000 sq ft of building space	\$25.00
	16 to 799 trips/1000 sq ft of building space	\$50.00
	800+ trips/1000 sq ft of building space	\$100.00
	4 trips per acre of land used for the state purpose	\$100.00
	160 trips per fueling station	\$100.00
	10 trips per rental room	\$100.00
	1.5 trips per student	\$100.00
	single tenant office with apartment	\$30.60
	in home business	\$35.00
	single business with 2 apartments	\$36.20
	special business with apartment	\$55.60
	multi business with home	\$60.00
	multi business with 2 apartments	\$61.20
	multi business with 2+ apartments	\$105.60