



CITY OF SWEET HOME CITY COUNCIL AGENDA (REVISED)

March 09, 2021, 6:30 PM
Sweet Home City Hall, 3225 Main Street
Sweet Home, OR 97386

WIFI Passcode: guestwifi

PLEASE silence all cell phones – Anyone who wishes to speak, please sign in.

Mission Statement

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

Meeting Information

The City Council will hold a Regular City Council meeting at 6:30 p.m. in the City Council Chambers at City Hall, 3225 Main Street. In order to protect residents, staff, and elected officials due to the novel COVID-19 virus, the frequency and length of public meetings, including the City Council, boards and commissions, will be minimized. Non-urgent and non-essential City business with expected public feedback will be postponed whenever possible. Individuals attending public meetings in person will be required to maintain appropriate social distancing, (6-ft.) and be free of symptoms related to COVID-19. The City of Sweet Home City Council is streaming the meeting via the Microsoft Teams platform and asks the public to consider this option. There will be opportunity for public input via the live stream. To view the City Council meeting live, online visit live.sweethomeor.gov. If you don't have access to the internet you can call in to 541-367-5128 and you'll be asked to choose option #1 to be logged in to the call. Meeting ID 473 954 605#

This video stream and call in options are allowed under Council Rules, meet the requirements for Oregon public meeting law, and has been approved by the Mayor as Chairperson of the meeting.

Cell phones should not be used in the Council Chambers by city staff or Council during this meeting for any reason, including text messages, emails, or phone calls. If a member of the public needs to utilize their cell phone for a call, please exit the Council Chambers.

Call to Order and Pledge of Allegiance

Roll Call

Consent Agenda:

- a) [Request for Council Action – Appointment to the Charter Review Committee \(pg. 3\)](#)

Approval of Minutes:

- a) [2021-02-23 City Council Meeting Minutes \(pg. 7\)](#)

Recognition of Visitors and Hearing of Petitions:

Old Business:

New Business:

- a) Status update on City Engineer projects

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-367-8969.

- b) [Request for Council Action - Resolution No. 7 for 2021 - System Development Charge Methodology \(pg. 13\)](#)
- c) [Request for Council Action - Resolution No. 8 for 2021- System Development Charge Capital Projects List \(pg. 60\)](#)
- d) [Request for Council Action - Resolution No. 9 for 2021 - System Development Charge Fee Schedule \(pg. 67\)](#)
- e) [Request for Council Action - Resolution No. 10 for 2021 - Disposal of City Vehicles \(pg. 76\)](#)

Ordinance Bills

Request for Council Action and First Reading of Ordinance Bills

Second Reading of Ordinance Bills

Third Reading of Ordinance Bills (Roll Call Vote Required)

- a) [Ordinance No. 2 for 2021 - Ordinance No. 1294 - Sweet Home Ordinance Pertaining to System Development Fees \(pg. 80\)](#)

Reports of Committees:

Administrative and Finance/Property

Park and Tree Committee

Library Advisory Board

Youth Advisory Council

Chamber of Commerce

Charter Review Committee

Council of Governments

Area Commission on Transportation

Solid Waste Advisory Council

Ad Hoc Committee on Health

Legislative Committee

Reports of City Officials:

Mayor's Report

City Manager's Report

Department Director's Reports (1st meeting of the Month)

Library Services Director

Community and Economic Development Director

- a) [Community and Economic Development Department - February 2021 \(pg, 97\)](#)

Public Works Director

- a) [Public Works Department Monthly Report of Activities - February 2021 \(pg. 102\)](#)

City Attorney

Council Business for Good of the Order

- a) [Revised Willamette Basin Mercury Total Maximum Daily Levels - DEQ Letter to Council \(pg. 105\)](#)

Adjournment



REQUEST FOR COUNCIL ACTION

Title: Request for Council Action – Appointment to the Charter Review Committee

Preferred Agenda: March 9, 2021

Submitted By: Julie Fisher, Administrative Assistant

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion X Roll Call ____ Other ____

Relevant Code/Policy: [SHMC Chapter 2.10 City Committees](#)

Towards Council Goal: Vision Statement II. WE ASPIRE to have an effective and efficient local government

Attachments: Application for Boards, Commissions, and Committees

Purpose of this RCA:

Appointment to the Charter Review Committee

Background/Context:

There is currently one vacancy on the Charter Review Committee. This position may only be filled by a past City Councilor. Cortney Nash has volunteered to fill the vacancy. This vacancy may be filled by appointment by the Mayor.

The Challenge/Problem:

Vacancy on the Charter Review Committee

Stakeholders:

- City of Sweet Home Staff – Staff benefits by having full committees that provide direction and recommendations that are consistent with law.
- City of Sweet Home Management - Management is more effective and efficient with clear, updated, best practices for policy as recommended by committees.
- Sweet Home Residents – Residents and taxpayers essentially pay the price when policies lead to inefficient operations or practices.

Issues and Financial Impacts:

None known

Elements of a Stable Solution:

Appoint committee members to vacancies who are willing to serve a full term and available for scheduled meetings of the committee.

Options:

1. Option #1 – Do nothing
2. Option #2 – Seek additional applicants
3. Option #3 – Make a motion to appoint Cortney Nash to the Charter Review Committee

Recommendation:

Option #3 – Make a motion to appoint Cortney Nash to the Charter Review Committee.



CITY MANAGER'S OFFICE

3225 Main Street
Sweet Home, OR 97386
541-367-8969 541-367-1215 FAX
Jfisher@sweethomeor.gov

BOARD/COMMITTEE/COMMISSION APPLICATION

Applicant Information (Please type/print clearly):

Name: Cortney Nash
Permanent Address: 5013 Osage Street
Mailing Address: _____
Contact Phone Number: 541-409-6700
E-Mail Address: 77hossnash@gmail.com
Preferred method of contact Mail Phone Email
Occupation: Driver Employer: Tristan Nichols

Please mark the Board, Commission or Committee in which you are interested in serving:

Budget Committee Planning Commission Library Board
 Board of Appeals Park and Tree Committee
 Charter Review Committee All Hazard Mitigation Committee

Are you applying for reappointment Yes No

If yes, how long have you served in this capacity: _____ Year(s) _____ Month(s)

- How long have you lived in the area: 43 Year(s) _____ Month(s)
- Please give a brief description of your experiences or training that you feel qualifies you for this particular position.
Past City Council Member, Budget Committee Member,
- List current involvement in other community groups and/or activities.
Sweet Home Sweet Ride
Sweet Home Elks Club
Cascade Ridge Runners
- What special contribution do you feel you can make to the group/position you are applying for?
I am familiar with the Sweet Home Charter and a past City Councilor.

RESIDENCY:

The following applies for appointments that require residency and elector status:

I, Cortney Nash, certify that I currently reside within the corporate limits of the City of Sweet Home and am an eligible elector as defined by ORS 246.012(5). I further acknowledge that should either my residency or my eligibility as an elector change I will notify the City of Sweet Home immediately.

CRIMINAL HISTORY BACKGROUND CHECK (CCH):

A Criminal History Check (CCH) may be performed as part of the City of Sweet Home appointment process for City Boards, Committees, and Commissions. I acknowledge that a refusal to allow the CCH to be performed, when required, will cause my application to no longer be considered.

PUBLIC DISCLOSURE:

The City sometimes receives requests for contact information for members serving on City boards, commissions and committees. As an appointed public body volunteer serving the City of Sweet Home, the information provided on this application is considered public record.

My signature acknowledges that the information I have provided on the application is true and complete to the best of my knowledge and I understand that a CCH may be performed, when required, and that the information provided on this application is considered public record.

Cortney Nash
Signature of Cortney Nash

3/3/2021
Date of Signature



CITY OF SWEET HOME CITY COUNCIL MINUTES

February 23, 2021, 6:30 PM
Sweet Home City Hall, 3225 Main Street
Sweet Home, OR 97386

WIFI Passcode: guestwifi

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Mission Statement

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This video stream and call in options are allowed under Council Rules, meet the requirements for Oregon public meeting law, and has been approved by the Mayor as Chairperson of the meeting. All votes will be conducted by Roll Call Vote.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:30 PM.

Mayor Mahler called for a Moment of Silence for past Mayor and Council-member Tim McQueary.

Roll Call

PRESENT

Mayor Greg Mahler
President Pro Tem Diane Gerson
Councilor Dave Trask
Councilor Lisa Gourley
Councilor Susan Coleman
Councilor Angelita Sanchez
Councilor Dylan Richards

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-367-8969.

STAFF

City Manager Ray Towry
Finance Director Brandon Neish
Administrative Assistant Julie Fisher
Public Works Director Greg Springman
Community and Economic Development Director Blair Larsen
Staff Engineer Joe Graybill
Utility Manager Steven Haney
City Attorney Robert Snyder
Maintenance Supervisor Dominic Valloni
Chief of Police Jeff Lynn
Communications Officer Lagea Mull

MEDIA

Alex Paul, Democrat Herald
Benny Westcott, The New Era

Consent Agenda:

Motion to approve the Consent Agenda made by Councilor Trask, Seconded by Councilor Gourley.
Roll Call Vote:

Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards

Approval of Minutes:

- a) 2021-01-26 City Council Minutes (pg. 1)
- b) 2021-02-05 City Council Training Minutes (pg. 8)
- c) 2021-02-06 City Council Training Minutes (pg.10)
- d) 2021-02-07 City Council Training Minutes (pg. 13)
- e) 2021-02-09 City Council Special Meeting (pg. 15)
- f) 2021-02-09 City Council Minutes (pg. 18)
- g) 2021-02-16 City Council Special Meeting (pg. 22)

Recognition of Visitors and Hearing of Petitions:

None

Old Business:

- a) PUBLIC HEARING & Request for Council Action – Ordinance No. 3 for 2021 – Willow Street Neighborhood Local Improvement District (LID) (pg. 24)

The Public Hearing was opened at 6:36 PM.

Mayor Mahler read the explanation on how to participate for those in the building and/or attending online. Mayor Mahler read the Public Meeting Hearing Disclosure.

The Mayor asked of each Councilor if they have had Bias, Conflict of Interest, or Experte. There was none.

Staff Report: City Attorney Robert Snyder explained the Public Hearing was to allow for Public Comment on the Local Improvement District (LID). City Attorney explained the Cost Chart Breakdown which was provided in the packet. City Attorney Snyder noted the process for a Local Improvement District is set out in Oregon State Law and City Code. The

Viewers' Report was presented and was included in the Council Packet January 12, 2021, discussed during the Viewers' meetings and brought forward for the Public Hearing.

The Viewers' made a recommendation to the City Council regarding the Willow Street LID. They made a recommendation on the methodology and to proceed with the water and street improvements. The Viewers' recommended the City pay for a portion of the water system upgrades and to supplement the cost with any available grant funding. City Attorney Snyder explained System Development Fees (SDC) are not charged during a Local Improvement District (LID).

City Attorney explained the options to the Council of either moving forward with a water LID only, or a water and street improvement LID. Per City Charter, if 2/3 of the effected property owners do not agree with the LID, then it will not move forward.

City Attorney explained the process and next steps on the Local Improvement District including the introduction of an ordinance and three readings during City Council meetings prior to a vote.

There were questions of the Council regarding the Public Notice received by property owners and what type of responses were received. City Attorney explained over 50% of properties have petitioned for the LID. There was a question on existing wells and the cost imposed on property owners whether they connect to City services or not.

Joe Graybill, Staff Engineer, presented to the Council the cost related to the project and explained some terminology found in the LID. There was a question from the Council about property loss due to development. Joe Graybill explained that the development would not be on private property, but existing ROW. Staff Engineer Graybill also addressed draining issues specifically on the east end of 19th Avenue, 20th Avenue, and Willow Street.

Finance Director Neish was available for questions on financing and bonds.

Testimony in Favor: None

Neutral Testimony: Dave Holley, 607 7th Avenue, reported he served on the Viewers Committee at the request of the Council. He was in favor of the water LID, but not in favor of the street LID due to the cost. Mr. Holley felt the imposed fees would be more than some of the property values. Mr. Holley suggested the City, using existing fund, do an overlay on streets that would suffice. Although the overlay would not be as good as the LID proposal, it would be a huge improvement to the current situation. Mr. Holley also suggested removing the SDCs from contingency funds.

Testimony in Opposition: Several members of the public came forward to oppose the LID: Carlene White -1803 Yucca Street, David Jones - 1803 Yucca Street, Carmen Espinoza - 2009 18th Avenue, and Mr. Kimbrell whose daughter lives at 2009 Willow. All were opposed to the financial burden it would cause, although there was no opposition to extending water to the area.

The Public Hearing was closed at 7:56 PM.

Council Deliberation: There was deliberation regarding the amount of property owners who were either for or against the LID. Councilor Gerson suggested the project is one that Council should consider being heavily involved in.

Motion to research cost savings methods and bring back a proposal that would include water only and reconsider the methodology. Motion made by Councilor Gourley, Seconded by President Pro Tem Gerson.

Roll Call Vote: Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman

Voting Nay: Councilor Sanchez, Councilor Richards

New Business:

- a) Request for Council Action – Resolution No. 4 for 2021- Library Board Liaison (pg. 45)
Motion made to approve Resolution No. 4 for 2021 by Councilor Coleman, Seconded by Councilor Sanchez.
Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards
- b) Request for Council Action - Resolution No. 5 for 2021 - Water and Wastewater Utility Rates (pg. 48)
City Manager Towry introduced the Request for Council Action to review the Water and Wastewater Utility Rates.
Public Works Director Greg Springman and Finance Director Brandon Neish spoke to some of the projects that need funding to complete. They talked about the lack of emergency power at the water plant and the vulnerability of the water system as a result. There was discussion on new in-house operators taking over the plant in July.
Finance Director Neish reviewed the history of water rates, reviewed proposed rates for commercial and residential and compared rates with neighboring cities.
Motion to approve Resolution No. 5 for 2021 by Councilor Trask. Motion dies for lack of a second.
- c) Request for Council Action - First Avenue Easement Release (pg. 62)
Motion to approve the proposed release of easement on First Avenue made by Councilor Coleman, Seconded by Councilor Gourley.
Roll Call Vote: Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards
- d) Request for Council Action – Resolution No. 6 for 2021- City Council Goals for 2021-2022 (pg. 65)
Motion made to approve Resolution No. 6 for 2021 by Councilor Gourley, Seconded by Councilor Coleman.
Roll Call Vote: Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards
- e) Q2 Update - Fiscal Year 2021 (pg. 70)
Finance Director Brandon Neish provided the Council with a detailed quarterly update of the City's financial status. Most of the funds were slightly higher than from the previous quarters.

Ordinance Bills

Request for Council Action and First Reading of Ordinance Bills

None

Second Reading of Ordinance Bills

- a) Ordinance No. 2 for 2021- Sweet Home Ordinance Pertaining to System Development Charges (pg. 76)

Ordinance No. 2 for 2021 was read by title only.

Motion to move Ordinance No. 2 for 2021 to third and final reading Motion made by Councilor Coleman, Seconded by President Pro Tem Gerson.

Roll Call Vote: Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards

Third Reading of Ordinance Bills (Roll Call Vote Required)

- a) Ordinance No. 1 for 2021 - Ordinance No. 1293 - An Ordinance Amending the Official Zoning Map (pg. 93)

Ordinance No. 1 for 2021 was read by title only as the third and final reading.

Motion to approve Ordinance No. 1 for 2021- Ordinance No. 1293 - An Ordinance Amending the Official Zoning Map by Councilor Coleman, Seconded by Councilor Gourley.

Roll Call Vote: Voting Yea: Mayor Mahler, President Pro Tem Gerson, Councilor Trask, Councilor Gourley, Councilor Coleman, Councilor Sanchez, Councilor Richards

Reports of Committees:

Administrative and Finance/Property

Park and Tree Committee

Youth Advisory Council

Councilor Gerson stated the YAC will be offering input on the Lewis Creek Project.

Chamber of Commerce

Councilor Richards announced the Chamber has a new Executive Director and has also adopted a new vision and goals.

Charter Review Committee

Councilor Gerson announced the committee met prior to the Council meeting. Former Councilor Nash joined the meeting and may join the committee.

Council of Governments

Area Commission on Transportation

Solid Waste Advisory Council

Ad Hoc Committee on Health

Councilor Gourley announced James Page of CHANCE will give a program update in March and in April Western University Medical Students will give a presentation.

Legislative Committee

Reports of City Officials:

Mayor's Report

Mayor Mahler acknowledged Alex Paul, and his good relationship with the City of Sweet Home. Mayor Mahler announced Alex will become the new Communications Officer for Linn County.

City Manager's Report

City Manager Towry reported trees on Evergreen Loop have become a safety concern. Cascade Timber Consulting and the Park and Tree Committee evaluated the trees and thought it would be prudent to remove those trees. The tree removal project will soon be started. Additionally, several trees at Sankey Park were also inspected and deemed as needing to be removed.

City Manager Towry announced several recruitments open in Public Works to fill new positions in Operations of the Water and Wastewater Treatment Plants.

City Manager Towry reported on the Library Director position update and recruitment

City Manager Towry will be out of town Friday and Monday.

Department Director's Reports (2nd meeting of the Month)

Finance Director

- a) January 2021 Monthly Report (pg. 107)

Finance Director Brandon Neish announced positive news regarding debt refunding. The City's debt rating was reviewed and Sweet Home was rated AA rating which is in the top 15% of municipalities in Oregon. The City's process, procedures, rules and policies, and adequate reserves all helped to obtain that rating.

Police Chief

- a) Police Department Monthly Report (pg. 116)

There were no questions on the report provided by the Police Department.

City Attorney

- a) 2021-01-18 Viewers' Report Minutes (pg. 117)
- b) 2021-01-21 Viewers' Report Minutes (pg. 119)

Council Business for Good of the Order

Adjournment

The City Council meeting adjourned at 9:26 PM.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder



REQUEST FOR COUNCIL ACTION

Title: System Development Charge Methodology

Preferred Agenda: March 9, 2021

Submitted By: Blair Larsen, Community & Economic Development Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution X Motion ____ Roll Call ____ Other ____

Relevant Code/Policy: SHMC Chapter 13.12: Water and Sewer Hookup Fees and System Development Charges

Towards Council Goal: Aspiration III: Viable and Sustainable Infrastructure; Goal 1: Infrastructure

Attachments: Resolution No. 7 for 2021, Adopting a Methodology for Calculating System Development Charges
Exhibit A Sweet Home SDC Methodology Report

Purpose of this RCA:

The purpose of this RCA is to adopt the recently completed System Development Charge Methodology Report.

Background/Context:

System Development Charges (SDCs) are fees assessed on new development to pay for the new development's use of the capacity of City infrastructure. SDCs are highly regulated under state law. The City's current System Development Charges amount to \$1,839 per single family home, and only pay for water and wastewater infrastructure. Sweet Home's fees are among the lowest in the State, and have not changed since 2005. Since August, 2019, the City has been working to update its SDCs in order to treat current ratepayers and residents fairly, and obtain the revenue necessary to maintain our infrastructure's capacity and meet the demands of new development.

On February 9th, 2021, a public hearing was held to review the proposed System Development Charge Methodology. The City's SDC consultant and City Staff answered questions from the Council and the public about the methodology. There were no public comments in opposition to the proposed SDC Methodology.

At the February 9th City Council meeting, an amended SDC Ordinance was presented to, and approved by the City Council. The third and final reading of that ordinance will take place at the March 9th meeting, and the ordinance will take effect April 8, 2021.

The next step is to adopt a revised System Development Charge Methodology, Capital Improvement List, and Rate Schedule, each by resolution.

In order to charge SDCs, State law requires that a methodology be publicly reviewed and adopted.

The Challenge/Problem:

How does the City update its System Development Charge Ordinance to better meet the City's goals and service citizens' interests?

Stakeholders:

- Sweet Home Residents – Residents deserve well-maintained City infrastructure that meets their needs and improves their quality of life. Residents also deserve not to have the infrastructure capacity they have paid for given away without compensation.
- Property Developers – Developers build where there is adequate infrastructure capacity, a market for their developments, and where they can make a profit. SDCs that continue to provide infrastructure but are not so high as to remove the ability to make a profit, serve the combined interests of developers and residents.
- Sweet Home City Council – The City Council has a goal to provide viable and sustainable infrastructure that serves development and improves residents' quality of life.
- Sweet Home City Staff—City Staff have an interest in ordinances that empower them to meet the Council's goals.

Issues and Financial Impacts:

This methodology adopts no changes in rates, but outlines the formula governing the maximum permitted SDC rates. Rates are proposed to be determined by a separate resolution. Therefore, this resolution has no financial impact in and of itself.

Elements of a Stable Solution:

A stable solution includes approval of a resolution adopting a Systems Development Charge Methodology.

Options:

1. Do Nothing – The Council could choose to do nothing at this time and leave the SDC Methodology as it currently exists. This would prevent the adoption of the proposed capital improvement list and rate structure, and would keep the City from changing the rate and type of SDCs.
2. Adopt Resolution No. 7 for 2021, A Resolution Adopting a Methodology for Calculating System Development Charges – By adopting the proposed resolution, the formula for calculating SDCs would be set, and the Council would be able to proceed with adopting a Capital Projects List and new Fee Schedule.
3. Direct Staff to make Changes to the Proposed Methodology—The Council may choose to make changes to the Proposed Methodology and adopt it at a later time.

Recommendation:

Staff recommends option 2: Motion to adopt Resolution No. 7 for 2021, A Resolution Adopting a Methodolgy for Calculating System Development Charges.

RESOLUTION NO. 7 FOR 2021

A RESOLUTION ADOPTING A METHODOLOGY FOR CALCULATING SYSTEM DEVELOPMENT CHARGES

WHEREAS, to provide the necessary funding for capital improvements identified in City master plan documents for wastewater, water, transportation, stormwater, and parks, the Council began the process of updating the City's System Development Charge (SDC) program; and,

WHEREAS, the Council adopted Ordinance No. 1294 – Amending Sweet Home Municipal Code Chapter 13.12, System Development Charges on March 9, 2021 (the “Ordinance”), to be effective April 8, 2021; and,

WHEREAS, pursuant to the Ordinance and ORS 223.304, the City must adopt a methodology to establish reimbursement fees and improvement fees for collection and expenditure as part of the City SDC program; and,

WHEREAS, in August 2019, the City began the process of developing a new SDC methodology and sought input from interested stakeholders through meetings and notifications; and,

WHEREAS, the City published a draft SDC methodology report for public review in December 2020, at least 60 days prior to a public hearing on the draft methodology held on February 9, 2021, and received no substantive comments,

NOW, THEREFORE, the City Council resolves as follows:

Section 1. The Council finds that the assumptions and methods for calculating water, sewer, street, stormwater, and parks SDCs described in the attached Exhibit A, Methodology Report for Wastewater, Water, Transportation, Stormwater, and Park System Development Charges are in the public interest and necessary to serve future needs of the residents of the City; and,

Section 2. Resolution No. 3 for 2005, A Resolution Setting System Development Charges (SDC) and System Development Methodology, is hereby repealed; and,

Section 3. The Methodology Report for Wastewater, Water, Transportation, Stormwater and Park System Development Charges, attached as Exhibit A, is hereby adopted.

Effective Date: This Resolution shall be effective April 8, 2021.

PASSED by the Council and approved by the Mayor, this 9th day of March, 2021.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder



Methodology Report

Wastewater, Water, Transportation, Stormwater and Park System Development Charges

Prepared for CITY OF SWEET HOME | February 18, 2021

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CITY OF SWEET HOME | Wastewater, Water, Transportation,
Stormwater and Park System Development Charges

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Section 1

Introduction

Oregon legislation establishes guidelines for the calculation of system development charges (SDCs). Within these guidelines, local governments have latitude in selecting technical approaches and establishing policies related to the development and administration of SDCs. A discussion of this legislation follows.

In conformance with state law and industry standard practices, the recommended SDC methodologies for the City of Sweet Home's wastewater, water, transportation, stormwater, and park SDCs for are presented in subsequent sections of this report.

SDC Legislation in Oregon

In the 1989 Oregon state legislative session, a bill was passed that created a uniform framework for the imposition of SDCs statewide. This legislation (Oregon Revised Statute [ORS] 223.297-223.314), which became effective on July 1, 1991, (with subsequent amendments), authorizes local governments to assess SDCs for the following types of capital improvements:

- Drainage and flood control
- Water supply, treatment, and distribution
- Wastewater collection, transmission, treatment, and disposal
- Transportation
- Parks and recreation

The legislation provides guidelines on the calculation and modification of SDCs, accounting requirements to track SDC revenues and expenditures, and the adoption of administrative review procedures.

SDC Structure

SDCs can be developed around two concepts: (1) a reimbursement fee, and (2) an improvement fee, or a combination of the two. The **reimbursement fee** is based on the costs of capital improvements *already constructed or under construction*. The legislation requires the reimbursement fee to be established or modified by an ordinance or resolution setting forth the methodology used to calculate the charge. This methodology must consider the cost of existing facilities, prior contributions by existing users, gifts or grants from federal or state government or private persons, the value of unused capacity available for future system users, rate-making principles employed to finance the capital improvements, and other relevant factors. The objective of the methodology must be that future system users contribute no more than an equitable share of the capital costs of *existing* facilities. Use of reimbursement fee revenues are restricted only to capital expenditures for the specific system which they are assessed, including debt service.

The methodology for establishing or modifying an **improvement fee** must be specified in an ordinance or resolution that demonstrates consideration of the *projected costs of capital improvements identified in an adopted plan and list*, that are needed to increase capacity in the system to meet the demands of new or expanded development. Use of revenues generated through improvement fees are dedicated to capacity-increasing capital improvements or the repayment of debt on such improvements. An increase in capacity is established if an improvement increases the level of service provided by existing facilities or provides new facilities.

In many systems, growth needs will be met through a combination of existing available capacity and future capacity-enhancing improvements. Therefore, the law provides for a **combined fee** (reimbursement plus improvement component).

Credits

The legislation requires that a credit be provided against the improvement fee for the construction of “qualified public improvements” by a developer or other private party. Qualified public improvements are improvements that are required as a condition of development approval, identified in the system’s capital improvement program, and either (1) not located on or contiguous to the property being developed, or (2) located in whole or in part, on or contiguous to, 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 to which the improvement fee is related.

Update and Review

The methodology for establishing or modifying improvement or reimbursement fees shall be available for public inspection. The local government must maintain a list of persons who have made a written request for notification prior to the adoption or amendment of such fees. The legislation includes provisions regarding notification of hearings and filing for reviews. “Periodic application of an adopted specific cost index or... modification to any of the factors related to the rate that are incorporated in the established methodology” are not considered “modifications” to the SDC methodology. As such, the local government is not required to adhere to the notification provisions under these circumstances. The criteria for making adjustments to the SDC rate, which do not constitute a change in the methodology, are further defined as follows:

- “Factors related to the rate” are limited to changes to costs in materials, labor, or real property as applied to projects in the required project list.
- The cost index must consider average change in costs in materials, labor, or real property and must be an index published for purposes other than SDC rate setting.

The notification requirements for changes to the fees that *do* represent a modification to the methodology are 90-day written notice prior to first public hearing, with the SDC methodology available for review 60 days prior to public hearing.

Other Provisions

Other provisions of the legislation require:

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- Preparation of a capital improvement program or comparable plan (prior to the establishment of an SDC), that includes a list of the improvements that the jurisdiction intends to fund in whole or in part with SDC revenues and the estimated timing, cost, and eligible portion of each improvement.
- Deposit of SDC revenues into dedicated accounts and annual accounting of revenues and expenditures, including a list of the amount spent on each project funded, in whole or in part, by SDC revenues.
- Creation of an administrative appeals procedure, in accordance with the legislation, whereby a citizen or other interested party may challenge an expenditure of SDC revenues.

The methodology presented in the following sections has been prepared in accordance with Oregon SDC requirements.

Note: The calculations contained in this report were produced using numbers that extend beyond the decimal places shown in the tables presented, so slight variations exist due to rounding. These variations are not material.

Section 2

Wastewater SDC Methodology

The general methodology used to calculate wastewater SDCs begins with an analysis of system planning and design criteria to determine growth’s capacity needs, and how those needs will be met through existing system available capacity and capacity expansion. Then, the capacity to serve growth is valued to determine the “cost basis” for the SDCs, which is then divided by the total growth capacity units to determine the system-wide unit costs of capacity. The final step is to determine the SDC schedule, which identifies how different users of the system will be charged, based on their estimated capacity requirements.

Determine Capacity Needs

The primary relevant design criteria for the wastewater system include the following:

- **Average Annual Flow (AAF):** the average flow at the Wastewater Treatment Plant (WWTP) during the year.
- **Peak Flow (PF):** peak flow includes base wastewater flow, groundwater infiltration, and rainfall derived infiltration and inflow. Peak flow is used to evaluate the capacity needs of most unit processes at the WWTP.

Table 2-1 summarizes flows under existing and future conditions. The difference between the future and existing flow is the projected growth over the planning period. Table 2-1 also shows projected growth in population and equivalent meters. Equivalent meters are the number of water meters of different sizes stated in terms of the hydraulic equivalency of a standard residential customer.

Table 2-1
City of Sweet Home Wastewater SDC Analysis
Wastewater System Planning Assumptions

	Existing	Future	Growth Amount	%
Population ¹	9,340	12,259	2,919	24%
Meter Equivalents	4,268	5,602	1,334	24%
WWTP Flow (mgd) ²				
Avg. Annual Flow (AAF)	4.09	4.63	0.54	12%
Peak Flow (PF)	9.45	12.4	2.95	24%

¹Current PSU Certified estimate July 1, 2019; future based on Wastewater Facility Plan

²Murraysmith estimates based on DMR data between 2010 and May 2018

Capacity Analysis

The existing WWTP is generally operating at or above its current regulatory capacity; therefore, the needs of growth will be met primarily through future WWTP expansion. Expansion will come in the form of both incremental facility additions (e.g., additional clarifiers) and some full process replacement (e.g., new headworks and disinfection system).

Table 2-2 provides a summary of the planned capacity expansion by treatment function and the portion needed to address existing capacity needs as well as future growth.

Improvements that include full process replacement have a lower percent attributable to growth due to the need to replace capacity for existing development.

Table 2-2

City of Sweet Home Wastewater SDC Analysis
*Wastewater System Capacity Expansion Analysis*¹

	Design Basis	Planned Expansion	Existing Requirements	Growth	
				Amount	%
Influent pump station	PF	6.40	3.45	2.95	46%
Headworks	PF	12.40	9.45	2.95	24%
Aeration Basin	PF	5.40	2.45	2.95	55%
Secondary Clarifiers	PF	5.10	2.15	2.95	58%
Tertiary	PF	8.40	6.40	2.00	24%
Disinfection	PF	12.40	9.45	2.95	24%
General	PF	12.40	9.45	2.95	24%

¹Murraysmith based on Table 2-1 and Wastewater Facilities Plan information.

Develop Cost Basis

The value of capacity needed to serve growth in aggregate within the planning period, is referred to as the “cost basis.”

Reimbursement Fee

The reimbursement fee is based on the costs of capital improvements already constructed or under construction. In developing the cost basis, the methodology must consider the cost of existing facilities, prior contributions by existing users, gifts or grants from federal or state government or private persons, the value of unused capacity available for future system users, and other relevant factors.

As discussed previously and shown in Table 2-3 (next page), there is little available capacity in existing WWTP facilities. A small amount (12 percent) of capacity is available for growth in existing aerobic digestors and support facilities (generator building).

As shown in Table 2-3, the reimbursement cost basis is \$144,239.

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Table 2-3
City of Sweet Home Wastewater SDC Analysis
Wastewater Reimbursement Fee Cost Basis

Description	Cash Value	Growth Share	
		%	\$
Treatment			
Sludge Handling Building	\$366,390	0%	\$0
IPS	\$422,070	0%	\$0
RAS/WAS Building and Pumps	\$346,660	0%	\$0
Aerobic Digester	\$927,950	12%	\$108,227
Secondary Treatment	\$2,171,480	0%	\$0
Aeration	\$1,099,560	0%	\$0
Tertiary Filters	\$997,630	0%	\$0
Chlorine Contact Tank	\$468,330	0%	\$0
Process Piping	\$749,730	0%	\$0
Lime Silo	\$281,000		
Subtotal	\$7,830,800		\$108,227
Other			
Generator Building	\$308,770	12%	\$36,012
Admin/control building	\$478,380	0%	\$0
Backwash/storage	\$246,290	0%	\$0
Bio Filter	\$169,100	0%	\$0
Waste Backwash Storage	\$145,390	0%	\$0
Subtotal	\$1,347,930		\$36,012
Total	\$9,178,730		\$144,239

Source: Appraisal Report November 30, 2019

Improvement Fee

The cost of future capacity-increasing improvements (the improvement fee cost basis) is presented in **Table 2-4** (next page). Each improvement was reviewed to determine the portion of costs that expand capacity for growth versus remedy an existing deficiency or replacement existing capacity. The total improvement costs for growth are approximately \$7.4 million.

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Table 2-4

City of Sweet Home Wastewater SDC Analysis

Wastewater SDC Improvement Fee Cost Basis and Project List

Project Description	Time Period	Total Project Cost	SDC-Eligible	
			%	\$
Treatment				
Solids				
Sludge handling building	2024	\$889,380	12%	\$103,729
RAS/WAS building	2024	\$2,320,440	12%	\$270,634
Aerobic Digester (new secondary digester)	2024	\$775,920	12%	\$90,496
NEW Sludge Thickening	2024	\$808,860	12%	\$94,338
NEW Dewatering equipment	2024	\$1,194,990	12%	\$139,372
NEW Anaerobic Digester	2024	\$1,152,900	12%	\$134,463
NEW Dewatered Sludge Storage Building	2024	\$4,311,480	12%	\$502,851
Liquids				
Influent Pump Station	2024	\$1,866,600	46%	\$861,137
NEW Headworks	2024	\$2,658,990	24%	\$633,134
NEW Primary Clarifier	2024	\$1,571,970	46%	\$725,212
NEW Secondary Clarifier #4	2024	\$2,206,980	58%	\$1,277,700
Aeration Basin	2024	\$3,435,585	55%	\$1,878,485
NEW Tertiary Filters	2024	\$1,626,870	24%	\$387,375
NEW UV System (replacing chlorine disinfection)	2024	\$1,169,370	24%	\$278,440
NEW Utility Water	2024	\$296,460	24%	\$70,590
Total		\$26,286,795	28%	\$7,447,957

Develop Unit Costs

System-wide unit costs of capacity are determined by dividing the reimbursement fee and improvement fee cost bases by the aggregate growth in equivalent meters from Table 2-1, as shown in Table 2-5.

Table 2-5

City of Sweet Home Wastewater SDC Analysis

Wastewater Unit Cost Calculation

Item	Improvement	Reimbursement
Cost Basis	\$7,447,957	\$144,239
Growth Equivalent Meters	1,334	1,334
Cost per Unit	\$5,584	\$108

Compliance Costs

Local governments are entitled to expend SDC revenue on the costs of complying with the SDC statutes. Compliance costs generally include costs associated with developing the SDC methodology and project list (i.e., a portion of master planning costs), as well as annual accounting costs.

Table 2-6 shows the calculation of the compliance charge per equivalent meter. SDC study and accounting costs are 100 percent related to new growth, and master planning costs are allocated in proportion to the growth share of future meter equivalents (24 percent). Growth costs are annualized by dividing the estimated cost for each item by the estimated number of years before update. (5 years for SDC study, 10 years master planning, and 1 year for auditing/accounting). The total annual costs are then divided by the estimated annual number of new equivalent meters which yields a fee of approximately \$66 per equivalent meter.

Table 2-6

City of Sweet Home Wastewater SDC Analysis

Wastewater Compliance Charge

Component	Years	Total	Growth	Annualized
SDC Study	5	\$5,000	100%	\$1,000
Master Planning	10	\$100,000	24%	\$2,381
Auditing/Accounting	1	\$1,000	100%	\$1,000
Total Annual Costs		\$106,000		\$4,381
Estimated Annual EDUs				67
Compliance Charge/EDU				\$66

SDC Schedule

The combined SDCs per EDU are show in **Table 2-7**. The total SDC per EDU is \$5,758, including the reimbursement and improvement fees (\$108 and \$5,584, respectively) and the compliance charge of \$66. The SDCs for larger meter sizes are scaled up based on hydraulic equivalencies relative to a 5/8-inch meter (the typical size for a single-family residential dwelling).

Table 2-7

City of Sweet Home Wastewater SDC Analysis

Wastewater SDC Schedule

Meter Size	SDCr	SDCi	Compliance	Total	Meter Equivalency ¹
5/8 X 3/4"	\$108	\$5,584	\$66	\$5,758	1
1"	\$270	\$13,959	\$164	\$14,394	2.5
1 1/2"	\$541	\$27,919	\$328	\$28,788	5
2"	\$865	\$44,670	\$526	\$46,061	8
3"	\$1,730	\$89,340	\$1,051	\$92,121	16
4"	\$2,703	\$139,594	\$1,642	\$143,939	25
6"	\$5,407	\$279,187	\$3,285	\$287,879	50
8"	\$8,651	\$446,700	\$5,255	\$460,606	80

¹Equivalencies reflect the hydraulic capacity of each meter size relative to a 5/8" X 3/4" meter (the smallest meter size used to serve residential customers). The City's current standard meter size is 3/4"; however, residential water use is not materially different between 5/8" X 3/4" and 3/4" meters.

Inflationary Adjustments

In accordance with Oregon statutes, the SDCs will be adjusted annually based on a standard inflationary index. Specifically, the City plans to use the Engineering News Record (ENR) Seattle Construction Cost Index (CCI) as the basis for adjusting the SDCs annually.

Section 3

Water SDC Methodology

This section presents the updated water system development charge (SDC) methodology, and calculations. The general methodology begins with an analysis of system planning and design criteria to determine growth’s capacity needs, and how those needs will be met through the existing system’s available capacity and capacity expansion. Then, the existing and future facilities needed to serve growth over the planning period are valued to determine the “cost basis” for the SDCs. The cost basis is then spread over the total growth capacity to determine the system wide unit costs of capacity. The final step is to determine the SDC schedule, which identifies how different developments will be charged, based on their estimated capacity requirements.

Determine Capacity Needs

Table 3-1 shows the relevant planning assumptions for the water system. Capacity requirements are generally evaluated based on the following system design criteria:

- **Average Day Demand (ADD)** – Total annual water volume used system-wide divided by 365 days per year.
- **Maximum Day Demand (MDD)** -- The highest daily recorded rate of water production in a year. Used for allocating source, pumping and delivery facilities.
- **Storage Requirements** – Stored water capacity used for operational (or equalization) and emergency and fire protection needs. Used for allocating storage facility costs.

Table 3-1
City of Sweet Home Water SDC Analysis
Water System Planning Assumptions

	Existing	Future	Growth	
			Amount	%
Population ¹	9,340	12,259	2,919	24%
Meter Equivalents ²	4,268	5,602	1,334	24%
Average Day Demand (mgd) ³	1.1	1.5	0.34	24%
Max Day Demand (mgd) ³	3.0	3.9	0.9	24%
Storage	3.7	4.6	0.9	21%

¹Current PSU certified population estimate July 1, 2019; future based on Wastewater Facility Plan.

²The number of meters of various sizes stated in terms of the relative hydraulic capacity of a 5/8" X 3/4" meter (the smallest meter size used to serve residential customers).

³From Water System Master Plan

As shown in Table 3-1, system ADD is currently about 1.1 million gallons per day (mgd), and MDD is about 3.0 mgd. Future ADD and MDD are projected to be about 1.5 mgd and 3.9 mgd, respectively over the 20-year period. Storage requirements are currently 3.7 million gallons (mg) and are projected to increase to 4.6 mg over the planning period.

Available Capacity

The capacity needs of growth will be met primarily by existing system available capacity, with some limited future capacity expansion. **Table 3-2** provides a summary of the existing capacities by major function and compares the capacity to existing demands to determine the portion of available capacity by component and facility type.

Table 3-2
City of Sweet Home Water SDC Methodology
Water System Capacity Analysis¹

	Existing Capacity	Existing Requirements	Future Capacity	Growth Amount	Growth %
Supply	6.00	3.03		2.97	50%
Storage - Existing	4.31	3.66		0.65	15%
Future Reservoir			0.75	0.29	39%

¹Water System Master Plan

Develop Cost Basis

The value of capacity needed to serve growth in aggregate within the planning period is referred to as the “cost basis”.

Reimbursement Fee

Table 3-3 (next page) shows the reimbursement fee cost basis calculations based on the available capacity assumptions presented in Table 3-2

As show in Table 3-3, the total reimbursement fee cost basis is almost \$3.9 million.

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Table 3-3
Water System Development Charge Analysis
Water Reimbursement Fee Cost Basis

Description	Cash Value ¹	Growth Share	
		%	\$
Supply & Treatment			
Water Treatment Plant	\$7,659,900	50%	\$3,796,552
Backwash Basin	\$2,245,500	50%	\$1,112,959
Intake Screen	\$2,102,320	50%	\$1,041,994
Influent (RW) Pump Station	\$572,400	50%	\$283,704
Process Piping	\$1,187,100	50%	\$588,374
Subtotal	\$13,767,220		\$6,823,584
Storage			
Reservoir 1 ²	\$768,900	0%	\$0
Reservoir 2	\$447,000	15%	\$67,811
Reservoir 3	\$1,253,120	15%	\$190,102
Reservoir 4: 49th Avenue Reservoir	\$1,886,250	15%	\$286,150
Reservoir 5: Nandina Street Reservoir	\$195,160	15%	\$29,606
Subtotal	\$4,550,430		\$573,669
Total	\$18,317,650		\$7,397,253

¹Source: Appraisal Report November 30, 2019

²Will be taken out of service.

Improvement Fee

Table 3-4 shows the improvement fee cost basis. The future capacity-increasing improvements are based on projects identified in the Master Plan and the City's Capital Improvement Plan. Each improvement was reviewed to determine the portion of costs that expand capacity for growth, versus replacing existing capacity or providing a higher level of service for existing customers. As shown in Table 3-4, the improvement fee cost basis is almost \$2.3 million.

Table 3-4
City of Sweet Home Water SDC Analysis
Water SDC Improvement Fee Cost Basis (Project List)

Project Description	Time Period	Project Cost	SDC-Eligible	
			%	\$
Storage				
Additional reservoir at WTP (0.75 mg) ¹	2024 & 2025	\$2,800,000	39%	\$1,078,936
Distribution				
Northern Transmission Main (Phase 1)	+5 years	\$780,000	100%	\$780,000
Northern Transmission Main (Phase 2)	+5 years	\$1,650,000	24%	\$391,959
Total		\$5,230,000	43%	\$2,250,895

¹Project costs include distribution modeling and reservoir design

Develop Unit Costs

The unit costs of capacity are determined by dividing the respective cost bases by the MDD growth requirements presented in Table 3-1. The system-wide unit costs are then multiplied by the capacity requirements per equivalent dwelling unit (EDU) to yield the SDCs per EDU. Based on the City's existing MDD and number of equivalent meters shown in Table 3-1, the capacity requirements per EDU are estimated to be 709 gallons per day (0.000709 mgd).

As showing in **Table 3-5**, reimbursement and improvement costs per EDU are \$5,563 and \$1,693, respectively, for a total of \$7,256.

Table 3-5
City of Sweet Home Water SDC Analysis
Water Unit Cost Calculation

Item	Improvement	Reimbursement
Cost Basis	\$2,250,895	\$7,397,253
Growth (mgd)	0.94	0.94
Cost per mgd)	\$2,387,356	\$7,845,712
Capacity Requirements per Unit	0.000709	0.000709
Cost per Unit	\$1,693	\$5,563

Compliance Costs

Local governments are entitled to include in the SDCs, a charge to recover costs associated with complying with the SDC statutes. Compliance costs include costs related to developing the SDC methodology and project list (i.e., a portion of master planning costs), and annual accounting. As shown in **Table 3-6**, the estimated compliance cost per EDU is \$66.

Table 3-6
City of Sweet Home Water SDC Analysis
Water Compliance Charge

Component	Years	Total	Growth	Annualized
SDC Study	5	\$5,000	100%	\$1,000
Master Planning	10	\$100,000	24%	\$2,376
Auditing/Accounting	1	\$1,000	100	\$1,000
Total Annual Costs		\$106,000		\$4,376
Estimated Annual EDUs				66
Compliance Charge/EDU				\$66

SDC Schedule

The combined SDCs per EDU are show in **Table 3-7**. The total SDC per EDU is \$7,321. The SDCs for larger meter sizes are scaled up based on hydraulic equivalencies relative to a 5/8-inch meter (the smallest size for a single-family residential dwelling).

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Table 3-7

City of Sweet Home Water SDC Analysis
Water SDC Schedule

Meter Size	SDCr	SDCi	Compliance	Total	Meter Equivalency ¹
3/4"	\$5,563	\$1,693	\$66	\$7,321	1
1"	\$13,907	\$4,232	\$165	\$18,304	2.5
1 1/2"	\$27,814	\$8,464	\$329	\$36,607	5
2"	\$44,503	\$13,542	\$526	\$58,571	8
3"	\$89,006	\$27,083	\$1,053	\$117,143	16
4"	\$139,072	\$42,318	\$1,645	\$183,035	25
6"	\$278,144	\$84,636	\$3,290	\$366,071	50
8"	\$445,031	\$135,417	\$5,265	\$585,713	80

¹Equivalencies reflect the hydraulic capacity of each meter size relative to a 5/8" X 3/4" meter (the smallest meter size used to serve residential customers). The City's current standard meter size is 3/4"; however, residential water use is not materially different between 5/8" X 3/4" and 3/4" meters.

Inflationary Adjustments

In accordance with Oregon statutes, the SDCs will be adjusted annually based on a standard inflationary index. Specifically, the City plans to use the ENR Seattle CCI as the basis for adjusting the SDCs annually.

Section 4

Transportation SDC Methodology

The updated transportation SDC methodology is structured as an improvement SDC only. The cost per trip is calculated by dividing the future growth-related capacity costs by the growth in future trips. The transportation SDC for a particular development is then determined by multiplying the cost per trip by the number of trips associated with the development.

Determine Capacity Needs

Capacity needs for the transportation system are stated in terms of average daily vehicle trips. Regional population and employment data were utilized in conjunction with trip rates from the Institute of Traffic Engineers (ITE) *Trip Generation Manual* to approximate the existing and future number of vehicle trips generated by households and businesses in the City. **Table 4-1** shows a summary of the estimated current and projected future year average daily trip (ADT) ends based on this analysis. The detailed trip generation assumptions are presented in Tables A-1 through A-3 in Appendix A.

As shown in Table 4-1, the growth in trip ends over the 20-year planning period is 18,909, which is 21 percent of total future trips.

Table 4-1

City of Sweet Home Transportation SDC Methodology
Estimated Vehicle Trip Generation (Average Daily Trips)¹

	Current	Future	Growth
Residential	33,668	44,190	10,522
Nonresidential	35,845	44,232	8,387
Total	69,513	88,422	18,909

¹See Appendix A for detailed assumptions.

Develop Cost Basis

The value of capacity needed to serve growth in aggregate within the planning period is referred to as the “cost basis”. The transportation SDC cost basis is limited to future improvement costs.

Improvement Fee Cost Basis

The cost of future capacity-increasing improvements (the improvement fee cost basis) is based on the SDC project list presented in **Table 4-2** (next page). The improvements are based on the City’s capital improvement plan. The growth share is determined based on the type of improvement, as described in subsequent sections.

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Table 4-2
Transportation SDC Methodology
Transportation SDC Improvement Fee Cost Basis and Project List (1000's)

Street	Description	Year	Total Cost	Capacity Portion	Other Funding (City) ¹	Grant Funding ²	Developer Funding ³	Net Capacity Portion	Growth Share of Capacity	SDC Cost
Hwy 20/54th to Riggs Hill	City matching funds for ODOT STIP project (sidewalks from 54th Avenue to Riggs Hill Rd.)	2021	\$300	\$300	\$0	\$0	\$0	\$0	100%	\$0
Harding St	Full street overlay and half street improvement on south side of Harding Street including sidewalk, curb, gutter, and catch basins.	2026	\$450	\$140	\$80	\$0	\$0	\$60	100%	\$60
11th Ave & Redwood	Identify & install road drainage, connect sidewalk from Northside Park to 12th Ave, and pave street in poor condition.	5+ Years	\$300	\$160	\$40	\$0	\$0	\$120	100%	\$120
46th Ave; Airport Lane to Main St; Airport Lane; 46th to 47th	Sidewalk both sides of local street	5+ Years	\$300	\$82	\$70	\$0	\$0	\$12	100%	\$12
Clark Mill Rd; Long St to Main St	Sidewalk and bike lane both sides of street	5+ Years	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Clark Mill Rd; Main St to Zerkova St	Sidewalk and bike lane both sides of street	5+ Years	\$2,300	\$2,300	\$32	\$1,840	\$0	\$428	77%	\$328
Mtn View Rd; Ames Creek Rd to Long St	Sidewalk both sides of street	5+ Years	\$1,800	\$1,800	\$12	\$1,440	\$0	\$348	100%	\$348
Long St; 35th Ave to 43rd Ave	Sidewalk both sides of street	5+ Years	\$500	\$500	\$50	\$0	\$0	\$450	100%	\$450
44th Ave; Main St to Airport Rd	Sidewalk both sides of street	5+ Years	\$400	\$400	\$70	\$0	\$0	\$330	100%	\$330
Tamarack St; 12th Ave to 18th Ave	Sidewalk both sides of street	5+ Years	\$1,400	\$1,400	\$70	\$0	\$0	\$1,330	100%	\$1,330
43rd Ave; Main St to Osage St	Sidewalk both sides of street	5+ Years	\$350	\$350	\$0	\$0	\$0	\$350	100%	\$350
18th Ave; Mtn View Rd to bus barn	Sidewalk infill both sides of street	5+ Years	\$60	\$60	\$30	\$0	\$0	\$30	100%	\$30
18th Ave; Main St to Tamarack, Tamarack to Yucca	Sidewalk both sides of street	5+ Years	\$320	\$320	\$25	\$0	\$0	\$295	100%	\$295
Hwy 228; Oak Terrace to Long St	Sidewalk one side of street	5+ Years	\$130	\$130	\$0	\$0	\$0	\$130	100%	\$130
24th Ave; Main St to railroad	Widen street (add a lane)	5+ Years	\$1,100	\$1,100	\$0	\$0	\$0	\$1,100	100%	\$1,100
New street development for Mill Property	Main St to Quarry Park, 18th Ave to Clark Mill Rd; new sidewalk on Yucca, Ulex, Tamarack. New streets 24th Ave, Mill Pond Dr, etc.	5+ Years	\$7,500	\$7,500	\$863	\$0	\$3,750	\$2,888	100%	\$2,888
			\$17,210	\$16,542	\$1,342	\$3,280	\$3,750	\$7,871	\$0	\$7,770

¹Includes stormwater and water and sewer infrastructure

²Assumes grant funding of 80% for Clark Mill and Mountain View roads

³Assumes developer funding 50% of total project costs:

Roadway Improvements

The projects shown in Table 4-2 include upgrades to existing facilities (i.e., widening and extensions). The project costs are reduced by non-capacity project elements (e.g., existing street overlays), utility improvements (e.g., water and stormwater costs), and local capacity costs estimated to be funded directly by developers.

Multimodal Facilities

Growth capacity needs for bike and pedestrian facilities are evaluated based on a planned level of service (LOS) basis. The planned LOS is defined as the quantity of future facilities per capita served.

The following equation shows the calculation of the planned LOS:

$$\frac{\text{Existing}Q + \text{Planned}Q}{\text{FuturePopulationServed}} = \text{PlannedLOS}$$

Where:

Q = quantity (miles of bike or pedestrian facilities), and
Future Population Served = 12,259

The existing and planned future miles of bike and pedestrian facilities are shown in **Table 4-3**.

Table 4-3

City of Sweet Home Transportation SDC Methodology
*Existing and Future Bike and Pedestrian Facilities*¹

Facility Type	Current (Miles)	Planned (Miles)	Future (Miles)
Bike Lanes	1.5	1.2	2.6
Sidewalks	45.5	10.9	56.3

¹ Source: City of Sweet Home.

Table 4-4 presents the existing and planned LOS for bike and pedestrian facilities, based on the existing and planned future facilities presented in Table 4-3 divided by the estimated existing and projected population (in 1,000s). The future LOS for bike and sidewalk facilities is lower than the existing LOS, so there are no existing deficiencies and 100 percent of the planned future bike and sidewalk improvements are SDC-eligible.

Table 4-4

City of Sweet Home Transportation SDC Methodology
Existing and Future Level of Service

Facility Type	Miles/1,000 Pop ¹	
	Current	Future
Bike Lanes	0.16	0.21
Sidewalks	4.87	4.59

¹ Current population = 9,340; future population = 12,259.

Develop Unit Costs

Based on the growth trips and SDC cost basis summarized previously, the total cost per growth trip is equal to \$413, as shown in **Table 4-5**

Table 4-5

City of Sweet Home Transportation SDC Methodology
Transportation SDC Unit Cost Calculation

	Growth \$ ¹	Growth Trips ²	\$/Trip
Improvement	\$7,770,379	18,909	\$410.94
Compliance			\$2.87
Total	\$7,770,379		\$413.81

¹ From Table 4-2

² From Table 4-1

Compliance Charge

Local governments are entitled to include in the SDCs, a charge to recover costs associated with complying with the SDC statutes. Compliance costs include costs related to developing and administering the SDC methodology and credit system, as well as annual accounting and other City administration costs. The City's Transportation System Plan will be partially funded by a grant, so compliance costs include only the non-grant funded portion and the SDC methodology and annual administrative costs.

Table 4-6 shows the calculation of the compliance charge per trip, which is \$2.87 per trip.

Table 4-6

City of Sweet Home Transportation SDC Methodology
Transportation Compliance Charge

	Total \$	Amortize (Years)	Annual \$	Growth %	Growth \$
SDC Study	\$5,000	5	\$1,000	100%	\$1,000
TSP	\$30,000	10	\$3,000	24%	\$714
Accounting, Legal, Planning	\$1,000	1	\$1,000	100%	\$1,000
			Total Cost		\$2,714
			Annual ADT		945
			Compliance \$/Trip		\$2.87

SDC Schedule

The SDC for an individual development is based on the cost per trip and the number of trips (average daily) attributable to a particular development. The number of development trips is computed as follows:

$$\text{Number of Development Trips} = \text{Trip Generation Rate} \times \text{Adjustment Factors} \times \text{Development Units}$$

Table 4-7 (next page) includes the transportation SDC rates and traffic impact assumptions for typical land use categories.

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Table 4-7

City of Sweet Home Transportation SDC Methodology
Transportation SDC Schedule 1

ITE Code	Description	Unit of Measure	Avg. Daily Trip Rate	Diverted Trip Adj.	Pass-by Adj.	Total Adj. Factor ¹	Adj. Daily Trip Rate	SDC per Unit ²
110	General Light Industrial	1,000 Gross SF	4.96	0%	0%	1.00	4.96	\$2,053
130	Industrial Park	1,000 Gross SF	3.37	0%	0%	1.00	3.37	\$1,395
140	Manufacturing	1,000 Gross SF	3.93	0%	0%	1.00	3.93	\$1,626
150	Warehousing	1,000 Gross SF	1.74	0%	0%	1.00	1.74	\$720
151	Mini Warehouse	1,000 Gross SF	1.51	0%	0%	1.00	1.51	\$625
170	Utilities	1,000 Gross SF	13.24	0%	0%	1.00	13.24	\$5,479
210	Single Family Dwelling/Townhome	PER DU	9.44	0%	0%	1.00	9.44	\$3,906
220	Apartments/Condos	PER DU	7.32	0%	0%	1.00	7.32	\$3,029
240	Manufactured Housing	PER DU	5.00	0%	0%	1.00	5.00	\$2,069
251	Senior Housing Detached	PER DU	4.27	0%	0%	1.00	4.27	\$1,767
252	Senior Housing Attached	PER DU	3.70	0%	0%	1.00	3.70	\$1,531
253	Congregate Care Facility	PER DU	2.02	0%	0%	1.00	2.02	\$836
254	Assisted Living	BEDS	2.60	0%	0%	1.00	2.60	\$1,076
255	Continuing Care	UNITS	2.40	0%	0%	1.00	2.40	\$993
310	Hotel/Motel	PER ROOM	8.36	0%	0%	1.00	8.36	\$3,459
411	Public Park	PER ACRE	2.19	0%	0%	1.00	2.19	\$906
430	Golf Course	HOLES	30.38	0%	0%	1.00	30.38	\$12,572
491	Tennis	PER COURT	27.71	0%	0%	1.00	27.71	\$11,467
495	Community Center	1,000 Gross SF	28.82	0%	0%	1.00	28.82	\$11,926
520	Elementary School	PER STUDENT	1.89	0%	0%	1.00	1.89	\$782
536	Private School (K-12)	PER STUDENT	2.48	0%	0%	1.00	2.48	\$1,026
522	Middle School/Junior High School	PER STUDENT	2.13	0%	0%	1.00	2.13	\$881
530	High School	PER STUDENT	2.03	0%	0%	1.00	2.03	\$840
540	Junior/Community College	PER STUDENT	1.15	0%	0%	1.00	1.15	\$476

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Stormwater and Park System Development Charges**

ITE Code	Description	Unit of Measure	Avg. Daily Trip Rate	Diverted Trip Adj.	Pass-by Adj.	Total Adj. Factor ¹	Adj. Daily Trip Rate	SDC per Unit ²
550	University/College	PER STUDENT	1.56	0%	0%	1.00	1.56	\$646
560	Place of Worship	1,000 Gross SF PER TGFSF	6.95	0%	0%	1.00	6.95	\$2,876
565	Day Care Center	PER STUDENT	4.09	56%	0%	0.44	1.80	\$745
590	Library	1,000 Gross SF PER TGFSF	72.05	0%	0%	1.00	72.05	\$29,815
610	Hospital	1,000 Gross SF PER TGFSF	10.72	0%	0%	1.00	10.72	\$4,436
620	Nursing Home	PER BED	3.06	0%	0%	1.00	3.06	\$1,266
630	Clinic	1,000 Gross SF	38.16	0%	0%	1.00	38.16	\$15,791
710	General Office Building	1,000 Gross SF	9.74	0%	0%	1.00	9.74	\$4,031
720	Medical-Dental Office	1,000 Gross SF	34.8	0%	0%	1.00	34.80	\$14,401
730	Government Office	1,000 Gross SF	22.59	0%	0%	1.00	22.59	\$9,348
732	Us Post Office	1,000 Gross SF	103.94	0%	0%	1.00	103.94	\$43,012
760	Research & Development Center	1,000 Gross SF	11.26	0%	0%	1.00	11.26	\$4,660
770	Business Park	1,000 Gross SF	12.44	0%	0%	1.00	12.44	\$5,148
812	Building Materials & Lumber Store	1,000 Gross SF	18.05	0%	0%	1.00	18.05	\$7,469
813	Free-Standing Discount Superstore	1,000 Gross SF	50.7	0%	29%	0.71	36.00	\$14,896
816	Hardware/Paint Store	1,000 Gross SF	9.14	0%	26%	0.74	6.76	\$2,799
817	Nursery (Garden Center)	1,000 Gross SF	68.1	0%	0%	1.00	68.10	\$28,181
820	Shopping Center/Retail	1,000 Gross SF Leasable Area	37.75	26%	34%	0.40	15.10	\$6,249
841	Automobile Sales	1,000 Gross SF	27.84	0%	0%	1.00	27.84	\$11,521
843	Automobile Parts Sales	1,000 Gross SF	55.34	0%	43%	0.57	31.54	\$13,053
850	Supermarket	1,000 Gross SF	106.78	38%	36%	0.26	27.76	\$11,489
851	Convenience Market	1,000 Gross SF	762.28	16%	66%	0.18	137.21	\$56,779
854	Discount Supermarket	1,000 Gross SF	90.87	28%	21%	0.51	46.34	\$19,178
857	Discount Club	1,000 Gross SF	41.8	0%	37%	0.63	26.33	\$10,897
862	Home Improvement Superstore	1,000 Gross SF	30.74	0%	42%	0.58	17.83	\$7,378
863	Electronics Superstore	1,000 Gross SF	41.05	0%	40%	0.60	24.63	\$10,192

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ITE Code	Description	Unit of Measure	Avg. Daily Trip Rate	Diverted Trip Adj.	Pass-by Adj.	Total Adj. Factor ¹	Adj. Daily Trip Rate	SDC per Unit ²
880	Pharmacy/Drugstore W/Out Drive Thru Window	1,000 Gross SF	90.08	14%	53%	0.33	29.73	\$12,301
881	Pharmacy/Drugstore with Drive Thru Window	1,000 Gross SF	109.16	13%	49%	0.38	41.48	\$17,165
890	Furniture Store	1,000 Gross SF	6.3	0%	53%	0.47	2.96	\$1,225
912	Drive-In Bank	1,000 Gross SF	100.03	22%	35%	0.43	43.01	\$17,799
931	Quality Restaurant	1,000 Gross SF	83.84	27%	44%	0.29	24.31	\$10,061
932	High Turnover Restaurant	1,000 Gross SF	112.18	26%	43%	0.31	34.78	\$14,391
934	Fast Food Restaurant with Drive-Thru	1,000 Gross SF	470.95	23%	50%	0.27	127.16	\$52,619
937	Coffee/Donut with Drive-Through	1,000 Gross SF	820.38	0%	89%	0.11	90.24	\$37,343
941	Quick Lubrication Vehicle Shop	SERVICE STALL	40.00	0%	0%	1.00	40.00	\$16,553
944	Gasoline/Service Station	PER VEH.FUEL.POS.	172.01	35%	42%	0.23	39.56	\$16,371
945	Gas/Service Station W/Convenience Mkt	PER VEH.FUEL.POS.	205.36	31%	56%	0.13	26.70	\$11,047

¹ Discounted for pass-by and diverted link trips.

² Based on cost per new trip: \$413.81.

Source: Trip Generation, Institute of Transportation Engineers, 10th Edition

SF = Square Feet

DU = Dwelling Unit

VEH. FUEL POS. = Vehicle Fueling Position

Trip Generation Rates

Transportation SDCs are based on the number of trips a development is likely to generate, specifically the “average daily” trip generation. The City will use the ITE average daily trip generation rates to determine the SDCs for individual developments. Use of ITE trip generation data is standard in the transportation industry. ITE trip rates by land use are based on studies from around the country, and in the absence of local data, represent the best available source of trip data for specific land uses.

Table 4-7 provides trip rate assumptions for sample land uses based on the ITE Trip Generation Manual 10th Edition. In the future, the City will use the most current version of the ITE Trip Generation Manual that is available. Furthermore, for land uses that are not explicitly identified in Table 4-7, City staff will determine the appropriate SDC rate, based on the specific use.

Trip Rate Adjustments

The SDC methodology and Table 4-7 include pass-by and diverted linked trip adjustments to trip generation rates.

Pass-by Trips

Pass-by trips refer to trips that occur when a motorist is already on the roadway, as in the case of a traveler stopping by a fast-food restaurant on the way home from work. In this case, the motorist making a stop while “passing by” is counted as a trip generated by the restaurant, but it does not represent a new (or primary) trip on the roadway. Pass-by trip adjustments in the updated methodology are based on published data by land use from the ITE.

Diverted Link Trips

Diverted link trips are another type of non-primary trip. In this case, the motorist will divert from a primary route to access a nearby use (e.g., a vehicle may turn off a major roadway onto an intersecting street to access a land use), and then return to the original route to complete the trip. As with the pass-by trip adjustments, the diverted link trip adjustments included in the SDC methodology are based on reported ITE data.

Inflationary Adjustments

In accordance with Oregon statutes, the SDCs will be adjusted annually based on a standard inflationary index. Specifically, the City plans to use the ENR Seattle construction cost index as the basis for adjusting the SDCs annually.

Section 5

Stormwater SDC Methodology

This section presents the stormwater system development charge (SDC) methodology and calculations. The general methodology begins with an analysis of system planning and design criteria to determine growth’s capacity needs, and how they will be met through existing system available capacity and capacity expansion. Then, the existing and future facilities needed to serve growth over the planning period are valued to determine the “cost basis” for the SDCs. The cost basis is then spread over the total growth capacity to determine the system wide unit costs of capacity. The final step is to determine the SDC schedule, which identifies how different developments will be charged, based on their estimated capacity requirements.

Determine Capacity Needs

Impervious surface area is the most common method of measuring the volume of runoff or demand placed on a stormwater system by its users. Impervious areas are hard surfaces including (but not limited to) rooftops, driveways, walkways, parking lots, and concrete surface, asphalt paving, or compacted gravel that cause more runoff from an area than existed prior to the development. The greater the amount of impervious area on a developed lot, the greater the amount of runoff generated from that development. While other factors can influence the amount of runoff, the amount of impervious surface area is generally considered the primary determinant of the volume of runoff and the primary cause of any increase in the rate of runoff.

A typical residential lot is estimated to have 3,200 square feet of impervious area and is used to determine the number of equivalent dwelling units (EDUs) for the system. The current number of EDUs is available from the City’s stormwater utility billing data. **Table 5-1** shows current and projected future EDUs.

Table 5-1

City of Sweet Home Stormwater SDC Analysis
Stormwater System Planning Assumptions

	Current	Future	Growth	
			Amount	%
Population ¹	9,340	12,259	2,919	24%
EDUs ²	5,066	6,650	1,583	24%

¹Current PSU Certified estimate July 1, 2019; future based on Wastewater Facility Plan

²Existing from City of Sweet Home billing system; future based on population growth.

Develop Cost Basis

The stormwater SDC methodology is based on a combined reimbursement and improvement fee.

Reimbursement Fee

The reimbursement fee is based on the costs of capital improvements already constructed, as estimated from the City’s inventory of conveyance system assets. Existing conveyance pipe value is assumed to serve existing and future development in proportion to the number of EDUs. As shown in Table 5-2, the reimbursement cost basis is \$1.2 million (24 percent of the estimated value of the existing conveyance system).

Table 5-2
City of Sweet Home Stormwater SDC Analysis
Stormwater Reimbursement Fee Cost Basis

Description	Estimated Value	Growth Share	
		%	\$
Conveyance	\$5,181,400	24%	\$1,233,747
			\$0
Total	\$5,181,400		\$1,233,747

Source: Murraysmith based on existing pipe inventory

Improvement Fee

Table 5-3 (next page) shows the improvement fee cost basis which is limited to stormwater facilities to be constructed as part of road improvements identified in the Transportation SDC project list (Table 4-2). As shown in Table 5-3, the improvement fee cost basis is about \$741,500.

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Table 5-3

*City of Sweet Home Stormwater SDC Analysis
Stormwater SDC Improvement Fee Cost Basis (Project List)*

Project Description	Year	Total Stormwater Cost ¹	Capacity Portion	Grant Funding ²	Developer Funding ³	Net Capacity Portion	Growth Capacity Share	
							%	\$
Road Related Infrastructure								
Harding St	2026	\$80,000	\$80,000			\$80,000	100%	\$80,000
11th Ave & Redwood	+5 Yrs	\$40,000	\$40,000			\$40,000	100%	\$40,000
46th Ave from Airport Lane to Main St, and Airport Lane from 46th to 47th	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
Clark Mill Rd from Main St to Zelkova St	+5 Yrs	\$160,000	\$160,000	\$128,000		\$32,000	100%	\$32,000
Mountain View Rd from Ames Creek Rd to Long St	+5 Yrs	\$60,000	\$60,000	\$48,000		\$12,000	100%	\$12,000
Long St from 35th Ave to 43rd Ave	+5 Yrs	\$50,000	\$50,000			\$50,000	100%	\$50,000
44th Ave from Main St to Airport Rd	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
Tamarack St from 12th Ave to 18th Ave	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
43rd Ave from Main St to Osage St	+5 Yrs		\$0			\$0	100%	\$0
18th Ave from Mountain View Rd to bus barn	+5 Yrs	\$30,000	\$30,000			\$30,000	100%	\$30,000
18th Ave from Main St to Tamarack (one side) and from Tamarack to Yucca (both sides)	+5 Yrs	\$25,000	\$25,000			\$25,000	100%	\$25,000
Hwy 228 from Oak Terrace to Long St	+5 Yrs		\$0			\$0	100%	\$0
24th Ave from Main St to railroad	+5 Yrs		\$0			\$0	100%	\$0
Main St to Quarry Park, and 18th Ave to Clark Mill Rd; includes new sidewalk on Yucca, Ulex, Tamarack. New streets 24th Ave, Mill Pond Dr, etc.	+5 Yrs	\$525,000	\$525,000		\$262,500	\$262,500	100%	\$262,500
								\$0
Total		\$1,180,000	\$1,180,000	\$176,000	\$262,500	\$741,500	63%	\$741,500

¹Includes stormwater improvement costs only

²Assumes grant funding of 80% for Clark Mill and Mountain View roads

³Assumes developer funding 50% of total project costs:

Develop Unit Costs

The unit cost of capacity is determined by dividing the cost basis by the growth in EDUs presented in Table 5-1. **Table 5-4** shows this calculation.

Table 5-4

City of Sweet Home Stormwater SDC Analysis
Stormwater Unit Cost Calculation

Item	Improvement	Reimbursement
Cost Basis	\$741,500	\$1,233,747
Growth (EDUs)	1,583	1,583
Cost per EDU	\$468	\$779
Capacity Requirements per Unit	1.00	1.00
Cost per Unit	\$468	\$779

Compliance Costs

Compliance costs include costs related to developing the SDC methodology and project list (i.e., a portion of master planning costs), and annual accounting and budgeting. The estimated compliance cost per EDU is \$55, as shown in **Table 5-5**.

Table 5-5

City of Sweet Home Stormwater SDC Analysis
Stormwater Compliance Charge

Component	Years	Total	Growth %	Annualized \$
SDC Study	5	\$5,000	100%	\$1,000
Master Planning	10	\$100,000	24%	\$2,381
Auditing/Accounting	1	\$1,000	100	\$1,000
Total Annual Costs		\$106,000		\$4,381
Estimated Annual EDUs				79
Compliance Charge/EDU				\$55

SDC Schedule

As shown in **Table 5-6**, the total cost per EDU is equal to \$1,303. As discussed previously, an EDU is equal to 3,200 square feet of impervious area. Single family residential dwellings will be charged uniformly based on the number of dwelling units and the cost per EDU (\$1,303). Other development will be assessed SDCs based on the calculated number of EDUs (total measured impervious area for the development divided by 3,200 square feet.)

Table 5-6

City of Sweet Home Stormwater SDC Analysis

Stormwater SDC Schedule

Meter Size	SDCr	SDCi	Compliance	Total
Single Family Residential (\$/Dwelling Unit)	\$779	\$468	\$55	\$1,303
Nonresidential (\$/EDU) ¹	\$779	\$468	\$55	\$1,303

¹Equivalent Dwelling Unit = 3,200 SQ FT impervious area

Inflationary Adjustments

In accordance with Oregon statutes, the SDCs will be adjusted annually based on a standard inflationary index. Specifically, the City plans to use the ENR Seattle construction cost index as the basis for adjusting the SDCs annually.

Section 6

Park SDC Methodology

The methodology used to calculate parks SDCs begins with determination of the “cost basis” (the costs in aggregate associated with meeting the capacity needs of growth). Then, growth costs are divided by the projected growth units (population and employees) to determine the system-wide unit costs of capacity. Finally, the SDC schedule is developed which identifies how the system-wide costs will be assessed to individual development types.

Determine Capacity Needs

Park capacity is measured in terms of people served – resident population and nonresident employees. **Table 6-1** provides population and employment data derived from the United States census and other sources.

Table 6-1
City of Sweet Home Parks SDC Analysis
Park SDC Population and Employment Data

Year	Population	Employment	Equivalent Population
Current ¹	9,340	2,355	9,763
2040 ²	12,259	2,939	12,787
Future Growth	2,919	584	3,024
<i>% of 2040</i>			<i>23.6%</i>

¹PSU Certified estimate July 1, 2019

² Wastewater Facilities Plan

The concept of *equivalent population* is used to recognize different utilization levels of parks by the general population (to estimate residential development needs) and employees (to estimate nonresidential development needs). Employees are assumed to have an equivalency factor significantly less than residents, owing to the limited number of hours available outside of work for park use. Equivalent population assumptions are shown in **Table 6-2** (next page) based on more detailed calculation shown in Appendix B.

Table 6-2
City of Sweet Home Parks SDC Analysis
Park SDC Equivalent Population Allocation

	Growth Units	Equivalency Factors¹	Residential Equivalents²	% Total
Population	2,919	1.00	2,919	96.5%
Employment	584	0.18	105	3.5%
Total	3,503		3,024	100%

¹ Based on hours available for park use and portion of workers from outside City
(See analysis in Appendix B)

² Growth units X equivalency factor

Develop Cost Basis

The parks SDC methodology is based on a combined reimbursement and improvement fee.

Reimbursement Fee

The reimbursement fee is based on the costs of park facilities included in the City’s 2019 Appraisal Report. Existing facility value is assumed to serve future development in proportion to growth’s share of the projected future equivalent population (23.6 percent). As shown in **Table 6-3**, the reimbursement cost basis is \$1.2 million.

Table 6-3
City of Sweet Home Parks SDC Analysis
Park Reimbursement Fee Cost Basis

	Cash Value	Reimbursement %	\$
Community Center	\$4,676,130	23.6%	\$1,105,835
Sankey Park	\$505,500	23.6%	\$119,543
	\$5,181,630		\$1,225,378

¹Source: Appraisal Report November 30, 2019

Improvement Fee

Table 6-4 (next page) provides the parks SDC project list based on the City’s Capital Improvement Plan. Improvements to existing parks will benefit both existing and future development through enhanced levels of performance of park and recreation facilities. Therefore, the costs for these improvements (net of grant funding) are all allocated between existing and future development in proportion to each group’s share of the total future equivalent population (23.6 percent for growth, as shown in Table 6-4). Similarly, new special facilities provide new types of recreation opportunities for both existing and future development and are therefore allocated proportionately. As shown in Table 6-4, the total improvement fee cost basis is \$602,362.

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Table 6-4

City of Sweet Home Park SDC Analysis
Park SDC Improvement Fee Cost Basis (Project List)

Name	Fiscal Year	Total Cost	Other Funding	Net Cost	Future Growth %	Future Growth \$
<i>Ashbrook</i>						
Design and construct curb & sidewalk and pave parking lane on Juniper St	2022-23	\$20,000		\$20,000	23.6%	\$4,730
Subtotal		\$20,000	\$0	\$20,000		\$4,730
<i>Clover Memorial</i>						
Design & construct play structure, gardens, trees and creek plants, drainage, trash cans, pet stations, BBQ, picnic tables and benches. Remove portion of Fountain Hill to improve visibility	5+ Years	\$50,000		\$50,000	23.6%	\$11,824
Subtotal		\$50,000	\$0	\$50,000		\$11,824
<i>Hobart Natural Area</i>						
Design & construct parking area primary loop. Add signage, trash cans, pet stations, BBQ, picnic tables and benches	5+ Years	\$60,000		\$60,000	23.6%	\$14,189
Design & construct approach roadway from 35th Ave. Add gardens, trees and creek plants	5+ Years	\$20,000		\$20,000	23.6%	\$4,730
Design & construct parking area secondary loop and parking area off Foothills Dr	2023-24	\$25,000		\$25,000	23.6%	\$5,912
Subtotal		\$105,000	\$0	\$105,000		\$24,831
<i>Northside</i>						
Design & construct playground and river access trail. Install ramp/stairs/railing, signage, tables, benches, pet stations, trash cans, BBQ, gardens, trees and creek plants	2023-2025	\$55,000		\$55,000	23.6%	\$13,007
Subtotal		\$55,000	\$0	\$55,000		\$13,007
<i>Sankey</i>						
Construct plaza, paths, lighting, playground improvements, bike racks, tables, benches	2020-21	\$440,000	\$278,200	\$161,800	23.6%	\$104,053
Construct bathroom, tables & benches	2021-2023	\$40,000		\$40,000	23.6%	\$9,459
Design & construct path connection to 16th Ave & Fir St.	2022-23	\$60,000		\$60,000	23.6%	\$14,189
Design & construct pedestrian bridge or route from Sankey Park to the Jim Riggs Community Center	2023-24	\$200,000		\$200,000	23.6%	\$47,297
Subtotal		\$740,000	\$278,200	\$461,800		\$174,999
<i>Strawberry Hills</i>						
Design & construct loop trail Phase 2 and either pavilion or second play structure	2022-23	\$65,000		\$65,000	23.6%	\$15,372
Design & construct parking lot, loop trail and restroom; upgrade irrigation system; add garden space, trees and creek plants	2020-21	\$159,000		\$159,000	23.6%	\$37,601
Subtotal		\$224,000	\$0	\$224,000		\$52,973

CITY OF SWEET HOME | Wastewater, Water, Transportation,
Stormwater and Park System Development Charges

	Fiscal Year	Total Cost	Other Funding	Net Cost	Future Growth %	Future Growth \$
<i>Quarry Park</i>						
Trails		\$332,111		\$332,111	23.6%	\$78,539
Pavilions/Structures		\$560,000		\$560,000	23.6%	\$132,432
Activity Fields		\$241,037		\$241,037	23.6%	\$57,002
Environmental & Design		\$220,000		\$220,000	23.6%	\$52,027
Subtotal		\$1,353,148	\$0	\$1,353,148		\$319,999
Total		\$2,547,148	\$278,200	\$2,268,948		\$602,362

Develop Unit Costs

To determine the SDC schedule, the system-wide unit costs of capacity are first determined, as shown in **Table 6-5**.

The unit cost calculations begin with allocation of the cost basis between residential and nonresidential development based on each group's share of future equivalent population. As shown in Tables 6-1 and 6-2, total growth in equivalent population is estimated to be 3,024, including 2,919 new residents (96.5 percent) and 105 nonresidential equivalents (3.5 percent). Based on these allocations, residential development is allocated almost \$1.8 million in project costs, and nonresidential is allocated \$63,364.

Table 6-5
City of Sweet Home Parks SDC Analysis
Park SDC Unit Cost Calculation

	Growth \$	Units	\$/Unit
Improvement Fee			
Growth Costs			
Residential	\$581,480	2,919	\$199
Nonresidential	\$20,883	584	\$36
Total	\$602,362		
Reimbursement Fee			
Growth Costs			
Residential	\$1,182,897	2,919	\$405
Nonresidential	\$42,481	584	\$73
Total	\$1,225,378		
Total			
Growth Costs			
Residential	\$1,764,377	2,919	\$604
Nonresidential	\$63,364	584	\$108
Total	\$1,827,740		

The growth capacity units for both residential and nonresidential developments are people; in the case of residential it is total population, and in the case of nonresidential the unit of measure is employment. The growth in population and employment during the 20-year planning period is estimated to be 2,919 and 584, respectively. Dividing the residential cost by the total growth in population yields a unit cost per person of \$604. Similarly, the unit cost for nonresidential is determined to be \$108 per employee.

Compliance Costs

Compliance costs generally include costs associated with developing the SDC methodology and project list (i.e., a portion of parks planning costs). **Table 6-6** shows the calculation of the compliance charge per EDU. SDC methodology updates and annual accounting costs are 100 percent related to new growth, while the parks planning costs are allocated in proportion to equivalent population. Total compliance costs are estimated to be \$63,649 during the planning period. Compliance costs are allocated to residential and nonresidential in proportion to the project costs.

Table 6-6

City of Sweet Home Parks SDC Analysis
Park Compliance Charge

	Growth %	Number	Total
Parks Plan Update	24%	1	\$23,649
SDC Methodology Updates	100%	4	\$20,000
Annual Accounting, Reporting	100%	20	\$20,000
Total			\$63,649
Residential Share			\$61,442
Nonresidential Share			\$2,207
Growth Units			
Residential			2,919
Nonresidential			584
Compliance Cost per Unit			
Residential			\$21.05
Nonresidential			\$3.78

SDC Schedule

SDCs are assessed to different development types based on average dwelling occupancy and employee density (employees per thousand square feet), as estimated by local or regional data. Data for the City from the American Community Survey were used to determine the average occupants per household. As shown in **Table 6-7**, single family dwellings are estimated to average 2.54 persons per household, compared to an average of 1.41 for multifamily and 2.34 for mobile homes. Based on these occupancy levels and the combined park unit cost and compliance charge of about \$625 per person, the SDCs for residential dwellings range from \$882 (for multifamily) to \$1,591 for single family.

Table 6-7

City of Sweet Home Parks SDC Analysis
Parks SDC Schedule

Development Type	Units	SDCr	SDCi	Compliance	Total
Residential (\$/dwelling unit)	pph¹				
Single-Family	2.54	\$1,031	\$507	\$54	\$1,591
Multifamily	1.41	\$571	\$281	\$30	\$882
Mobile Home	2.34	\$948	\$466	\$49	\$1,463
Nonresidential (\$/1,000 sf)	emp/1000 sf²				
Office	2.9	\$208	\$102	\$11	\$321
Retail	2.0	\$145	\$72	\$8	\$225
Industrial & Institutional	1.7	\$121	\$60	\$6	\$187
Warehousing	0.5	\$39	\$19	\$2	\$61

¹ PPHH = Persons per household; Source: 2017 American Community Survey 5-Year Estimates

² Metro Urban Growth Report Appendix 6 (Rev. 10/2015); based on outer ring (lowest) densities

For nonresidential development, the SDC is assessed based on estimated employment density and building size (measured in 1,000 gross square feet). Estimated employment per 1,000 square feet is based on Oregon data for low density communities. The SDC per 1,000 square feet for each nonresidential type is computed by multiplying the cost per employee (\$112 including compliance charge) by the estimated employees per 1,000 square feet

(ranging from 0.5 to 2.9). The SDC per 1,000 square feet of building area ranges from \$61 for warehouse to \$321 for office developments.

Inflationary Adjustments

In accordance with Oregon statutes, it is recommended that the SDCs be adjusted annually based on a standard inflationary index. Specifically, the City uses the ENR Seattle Construction Cost index as the basis for adjusting the SDCs annually.

Appendix A – Trip Generation Analysis

Table A-1

City of Sweet Home Transportation SDC
Projected Average Daily Trip (ADT) Ends (Residential)

	ITE Information ¹		Number of Dwelling Units		ADT Trip Ends		
	Land Use Code	ADTs per unit	Current ²	2040	Current	Future	Growth
Total housing units							
1-unit, detached	210	9.44	2,836	3,722	26,770	35,136	8,366
1-unit, attached	220	7.32	75	99	549	721	172
2 units	220	7.32	35	47	260	341	81
3 or 4 units	220	7.32	41	53	297	390	93
5 to 9 units	220	7.32	219	288	1,604	2,105	501
10 to 19 units	220	7.32	121	158	883	1,160	276
20 or more units	220	7.32	52	68	379	497	118
Mobile home	240	5.00	585	768	2,926	3,841	914
Boat, RV, van, etc.	240	5.00	-	-	-	-	-
			3,964	5,202	33,668	44,190	10,522

¹Institute of Transportation Engineers Trip Generation Manual, 10th Edition

²Source: 2017 American Community Survey 5-Year Estimates (DP04), City of Sweet Home

Table A-2

City of Sweet Home Transportation SDC
Sweet Home Jobs by Industry Sector

Sector	Category	Current Employment ¹	ITE Information ²		ADT Trip Ends
			Code	ADT/Emp	
Agriculture, Forestry, Fishing and Hunting	Industrial	112	110	3.05	342
Construction	Industrial	22	110	3.05	67
Manufacturing	Industrial	253	140	2.47	625
Wholesale Trade	Industrial	25	130	2.91	73
Retail Trade	Retail	376	815	30.69	11,539
Transportation and Warehousing	Industrial	28	150	5.05	141
Information	Office & Services	25	710	3.28	82
Finance and Insurance	Office & Services	49	912	25.63	1,256
Real Estate and Rental and Leasing	Office & Services	100	710	3.28	328
Professional, Scientific, and Technical Services	Office & Services	19	710	3.28	62
Administration & Support, Waste Management	Office & Services	44	710	16.11	709
Educational Services	Institutional	372	530	22.25	8,277
Health Care and Social Assistance	Office & Services	262	720	8.70	2,279
Accommodation and Food Services	Office & Services	277	320	25.17	6,972
Other Services (excluding Public Administration)	Office & Services	160	820	16.11	2,578
Public Administration	Institutional	157	710	3.28	515
	Total		2,281		35,845

¹ Economic Opportunities Analysis (Eco Northwest, 2014, Ex 40)

²Institute of Transportation Engineers Trip Generation Manual, 10th Edition

CITY OF SWEET HOME | Wastewater, Water, Transportation, Stormwater and Park System Development Charges

Table A-3

City of Sweet Home Transportation SDC

Current and Forecast New Nonresidential Trips

Current and Forecast Employment	New Trip Adjustment ¹	ADT Trip Ends		Growth
		Current	Future	
Industrial	100.0%	1,248	1,687	440
Commercial (Retail)	66.0%	7,616	9,461	1,845
Office & Commercial Services	100.0%	18,190	23,663	5,474
Institutional	100.0%	8,792	9,420	628
Total		35,845	44,232	8,387

¹Based on Institute of Transportation Engineers Trip Generation Manual, 10th Edition information

Appendix B – Parks Residential Equivalency

Introduction

Nonresidential development creates demand for parks through employees (living inside or outside the City) that use parks in conjunction with commuting, lunch or other breaks during the workday, company picnics, or other activities, and through overnight visitors that come to the area to recreate or otherwise participate in park-related activities in conjunction with their visit.

While the notion of a nexus between nonresidential development and park system capacity needs is broadly accepted, specific assumptions of how much park usage may be attributable to nonresidential development relative to residential development vary across jurisdictions and often reflect local policy considerations. The impact on parks from employees and visitors relative to residents is referred to as the “residential equivalency.”

Hours of Opportunity Model

The SDC methodology determines the residential equivalency for employees based on an “hours of opportunity” model. This approach establishes estimated park usage based on the number of hours different types of users have available during the day to visit parks. It assumes that employees – both resident and nonresident – have opportunities to use parks during the weekdays for a limited time (generally right before or after work, and during breaks). In comparison, residents are assumed to have potential use of parks during non-work or school hours (for employed adults or school age children), or throughout the day (in the case of residents who are unemployed or otherwise not in the work force). Nonresident employees are generally assumed to have the lowest potential park use opportunity due to the need to travel from outside the service area.

Table B-1 provides the detailed assumptions related to hours of park use available to resident and nonresident groups. The assumptions shown in the table are identical to those used by many other agencies in Oregon. The calculated residential equivalency factors from an hours of opportunity approach vary based on the demographics of the specific service area, and whether the nonresidential development impact is assumed to include park usage from both workers living inside the service area and outside, or just outside the area (as in the case of the City’s SDC methodology).

CITY OF SWEET HOME | Wastewater, Water, Transportation, Stormwater and Park System Development Charges

Table B-1
Sweet Home Parks SDC Analysis
Weighted Average Park Availability Hours by Class

Season/Period	Residents				
	Not-Employed Adult	Kids (5-17)	Employed Inside	Employed Outside	Non-Resident Employee
Summer (Jun-Sep)					
Weekday					
Before Work			1		1
Breaks			1		1
After Work			2		2
Other Leisure	12	12	2	2	0
Subtotal	12	12	6	2	4
Weekend					
Leisure	12	12	12	12	0
Subtotal	12	12	12	12	0
Hours/Day	12.00	12.00	7.71	4.86	2.86
Spring/Fall (Apr/May, Oct/Nov)					
Weekday					
Before Work			0.5		0.5
Breaks			1		1
After Work			1		1
Other Leisure	10	4	2	2	0
Subtotal	10	4	4.5	2	2.5
Weekend					
Leisure	10	10	10	10	0
Subtotal	10	10	10	10	0
Hours/Day	10.00	5.71	6.07	4.29	1.79
Winter (Dec-Mar)					
Weekday					
Before Work			0.5		0.5
Breaks			1		1
After Work			0.5		0.5
Other Leisure	8	2	1	1	0
Subtotal	8	2	3	1	2
Weekend					
Leisure	8	8	8	8	0
Subtotal	8	8	8	8	0
Hours/Day	8.00	3.71	4.43	3.00	1.43
Annual Average					
Weighted Hours	10.00	7.14	6.07	4.05	2.02

Application of Model to Sweet Home Demographic Data

Table B-2 provides the demographic data used to determine the seasonally weighted average number of hours available for park use per person per day for residents (7.35) and nonresident employees (2.02).

Table B-2

City of Sweet Home Parks SDC Analysis
Estimation of Potential Park Use

Category	Persons	Avg. Hours Per person/day	Person Hours/Day
Residents			
Kids (5-17) ²	2,009	7.14	14,345
Non-Employed Adults ³	3,853	10.00	38,526
Employed Adults ¹			
Work in City	657	6.07	3,988
Work out of City	2,715	4.05	10,988
Subtotal	9,234	7.35	67,847
Nonresidents			
Employed Adults	1,230	2.02	2,489
Total in Jobs City	1,887		70,336

¹U.S. Census 2017 On the Map Inflow Outflow analysis

²U.S. Census 2018 ACS 5-Year Estimates Table S0101

³U.S. Census 2018 ACS 5-Year Estimates Table S2301

Table B-3 shows the calculation of the residential equivalency per employee based on the assumptions in Table B-1 and B-2. The residential equivalency of 0.18 is the product of the nonresident employee usage factor ($7.35/2.02 = 0.28$) and the portion of employees that work in the area but live outside (65 percent).

Table B-3

City of Sweet Home Parks SDC Analysis
Residential Equivalency per Employee

Category	Value	Factor
Average Hours/person/day		
Resident weighted average	7.35	
Nonresident employee	2.02	0.28
Employees working in District ¹		
Living in District	657	
Living outside District	1,230	0.65
Total	1,887	
Residential Equivalency per Employee		0.18

¹U.S. Census 2017 On the Map Inflow Outflow analysis



REQUEST FOR COUNCIL ACTION

Title: System Development Charge Capital Projects List

Preferred Agenda: March 9, 2021

Submitted By: Blair Larsen, Community & Economic Development Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution X Motion ____ Roll Call ____ Other ____

Relevant Code/Policy: SHMC Chapter 13.12: Water and Sewer Hookup Fees and System Development Charges

Towards Council Goal: Aspiration III: Viable and Sustainable Infrastructure; Goal 1: Infrastructure

Attachments: Resolution No. 8 for 2021, Adopting a System Development Charges Capital Projects List
Exhibit A Sweet Home SDC Capital Projects List

Purpose of this RCA:

The purpose of this RCA is to adopt a System Development Charges Capital Projects List.

Background/Context:

System Development Charges (SDCs) are fees assessed on new development to pay for the new development's use of the capacity of City infrastructure. SDCs are highly regulated under state law. The City's current System Development Charges amount to \$1,839 per single family home, and only pay for water and wastewater infrastructure. Sweet Home's fees are among the lowest in the State, and have not changed since 2005. Since August, 2019, the City has been working to update its SDCs in order to treat current ratepayers and residents fairly, and obtain the revenue necessary to maintain our infrastructure's capacity and meet the demands of new development.

On February 9th, 2021, a public hearing was held to review the proposed System Development Charge Methodology. The City's SDC consultant and City Staff answered questions from the Council and the public about the methodology. There were no public comments in opposition to the proposed SDC Methodology.

At the February 9th City Council meeting, an amended SDC Ordinance was presented to, and approved by the City Council. The third and final reading of that ordinance will take place at the March 9th meeting, and the ordinance will take effect April 8, 2021.

The next step is to adopt a revised System Development Charge Methodology, Capital Improvement List, and Rate Schedule, each by resolution.

A Capital Projects List is a required part of SDCs. The List is used to help determine the rates, and SDC funding can only be used on projects included in an adopted SDC Capital Projects List.

The Challenge/Problem:

How does the City update its System Development Charge Ordinance to better meet the City's goals and service citizens' interests?

Stakeholders:

- Sweet Home Residents – Residents deserve well-maintained City infrastructure that meets their needs and improves their quality of life. Residents also deserve not to have the infrastructure capacity they have paid for given away without compensation.
- Property Developers – Developers build where there is adequate infrastructure capacity, a market for their developments, and where they can make a profit. SDCs that continue to provide infrastructure but are not so high as to remove the ability to make a profit, serve the combined interests of developers and residents.
- Sweet Home City Council – The City Council has a goal to provide viable and sustainable infrastructure that serves development and improves residents' quality of life.
- Sweet Home City Staff—City Staff have an interest in ordinances that empower them to meet the Council's goals.

Issues and Financial Impacts:

This Capital Projects List adopts no changes in rates, but items on the list are part of the formula for determining the maximum SDC rates. Rates are proposed to be determined by a separate resolution. Therefore, this resolution has no financial impact in and of itself.

Elements of a Stable Solution:

A stable solution includes approval of a resolution adopting a Systems Development Charge Capital Projects List.

Options:

1. Do Nothing—The Council could choose to do nothing at this time and adopt no SDC Capital Projects List. This would prevent the City from being able to legally assess System Development Charges.
2. Adopt Resolution No. 8 for 2021, A Resolution Adopting a System Development Charges Capital Projects List—By adopting the proposed resolution, the projects upon which SDCs are based would be set, and the City could set SDC rates and begin collecting fees. Those fees in turn can be spent on the projects contained in the SDC Capital Projects List.
3. Direct Staff to make Changes to the Proposed Capital Projects List—The Council may choose to direct Staff to make changes to the Proposed Capital Projects list and adopt it at a later time.

Recommendation:

Staff recommends option 2: Motion to adopt Resolution No. 8 for 2021, A Resolution Adopting a System Development Charges Capital Projects List.

RESOLUTION NO. 8 FOR 2021

A RESOLUTION ADOPTING A SYSTEM DEVELOPMENT CHARGES CAPITAL PROJECTS LIST

WHEREAS, on March 9, 2021 the Council of the City of Sweet Home adopted Ordinance No. 1294 – Amending Sweet Home Municipal Code Chapter 13.12, System Development Charges (the “Ordinance”), which authorize the City to assess and collect System Development Charges (“SDCs”); and,

WHEREAS, on March 9, 2021, the Council of the City of Sweet Home adopted Resolution No. 7 for 2021 – Adopting a Methodology for Calculating System Development Charges; and,

WHEREAS, pursuant to ORS 223.309 and Sweet Home Municipal Code Chapter 13.12 the Council must adopt a Capital Projects List of the capital improvements to be funded wholly or in part by SDCs; and,

WHEREAS, the Capital Projects List must include the estimated costs, timing, and percentage of costs for each improvement that the City intends to fund, in whole or in part, with improvement fee revenues,

NOW, THEREFORE, the City Council resolves as follows:

Section 1. Resolution No. 2 for 2005, Establishing a Capital Improvement List for Water and Wastewater System Development Charges (SDC’s) Modification, is hereby repealed; and,

Section 2. Exhibit A, SDC Capital Projects List, shall be adopted as the SDC Capital Projects List for wastewater, water, transportation, stormwater, and parks; and,

Section 3. Pursuant to the Ordinance, the SDC Capital Projects List may be modified at any time by separate resolution adopted by the City Council.

Effective Date: This Resolution shall be effective April 8, 2021.

PASSED by the Council and approved by the Mayor, this 9th day of March, 2021.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder

City of Sweet Home

Exhibit "A" SDC Capital Projects List

Wastewater

Table A Wastewater SDC Improvement Fee Project List

Project Description	Time Period	Total Project Cost	SDC-Eligible %	SDC-Eligible \$
Treatment				
Solids				
Sludge handling building	2024	\$889,380	12%	\$103,729
RAS/WAS building	2024	\$2,320,440	12%	\$270,634
Aerobic Digester (new secondary digester)	2024	\$775,920	12%	\$90,496
NEW Sludge Thickening	2024	\$808,860	12%	\$94,338
NEW Dewatering equipment	2024	\$1,194,990	12%	\$139,372
NEW Anaerobic Digester	2024	\$1,152,900	12%	\$134,463
NEW Dewatered Sludge Storage Building	2024	\$4,311,480	12%	\$502,851
Liquids				
Influent Pump Station	2024	\$1,866,600	46%	\$861,137
NEW Headworks	2024	\$2,658,990	24%	\$633,134
NEW Primary Clarifier	2024	\$1,571,970	46%	\$725,212
NEW Secondary Clarifier #4	2024	\$2,206,980	58%	\$1,277,700
Aeration Basin	2024	\$3,435,585	55%	\$1,878,485
NEW Tertiary Filters	2024	\$1,626,870	24%	\$387,375
NEW UV System (replacing chlorine disinfection)	2024	\$1,169,370	24%	\$278,440
NEW Utility Water	2024	\$296,460	24%	\$70,590
Total		\$26,286,795	28%	\$7,447,957

Water

Table B Water SDC Improvement Fee Project List

Project Description	Time Period	Project Cost	SDC-Eligible %	SDC-Eligible \$
Storage				
Additional reservoir at WTP (0.75 mg) ¹	2024 & 2025	\$2,800,000	39%	\$1,078,936
Distribution				
Northern Transmission Main (Phase 1)	+5 years	\$780,000	100%	\$780,000
Northern Transmission Main (Phase 2)	+5 years	\$1,650,000	24%	\$391,959
Total		\$5,230,000	43%	\$2,250,895

¹Project costs include distribution modeling and reservoir design

Transportation

Table C Transportation SDC Improvement Fee Project List (in \$1000's)

Street	Description	Year	Total Cost	Capacity Portion	Other Funding (City) ¹	Grant Funding ²	Developer Funding ³	Net Capacity Portion	Growth Share of Capacity	SDC Cost
Hwy 20/54th to Riggs Hill	City matching funds for ODOT STIP project (sidewalks from 54th Avenue to Riggs Hill Rd.)	2021	\$300	\$300	\$0	\$0	\$0	\$0	100%	\$0
Harding St	Full street overlay and half street improvement on south side of Harding Street including sidewalk, curb, gutter, and catch basins.	2026	\$450	\$140	\$80	\$0	\$0	\$60	100%	\$60
11th Ave & Redwood	Identify & install road drainage, connect sidewalk from Northside Park to 12th Ave, and pave street in poor condition.	5+ Years	\$300	\$160	\$40	\$0	\$0	\$120	100%	\$120
46th Ave; Airport Lane to Main St; Airport Lane; 46th to 47th	Sidewalk both sides of local street	5+ Years	\$300	\$82	\$70	\$0	\$0	\$12	100%	\$12
Clark Mill Rd; Long St to Main St	Sidewalk and bike lane both sides of street	5+ Years	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Clark Mill Rd; Main St to Zelkova St	Sidewalk and bike lane both sides of street	5+ Years	\$2,300	\$2,300	\$32	\$1,840	\$0	\$428	77%	\$328
Mtn View Rd; Ames Creek Rd to Long St	Sidewalk both sides of street	5+ Years	\$1,800	\$1,800	\$12	\$1,440	\$0	\$348	100%	\$348
Long St; 35th Ave to 43rd Ave	Sidewalk both sides of street	5+ Years	\$500	\$500	\$50	\$0	\$0	\$450	100%	\$450
44th Ave; Main St to Airport Rd	Sidewalk both sides of street	5+ Years	\$400	\$400	\$70	\$0	\$0	\$330	100%	\$330
Tamarack St; 12th Ave to 18th Ave	Sidewalk both sides of street	5+ Years	\$1,400	\$1,400	\$70	\$0	\$0	\$1,330	100%	\$1,330
43rd Ave; Main St to Osage St	Sidewalk both sides of street	5+ Years	\$350	\$350	\$0	\$0	\$0	\$350	100%	\$350
18th Ave; Mtn View Rd to bus barn	Sidewalk infill both sides of street	5+ Years	\$60	\$60	\$30	\$0	\$0	\$30	100%	\$30
18th Ave; Main St to Tamarack, Tamarack to Yucca	Sidewalk both sides of street	5+ Years	\$320	\$320	\$25	\$0	\$0	\$295	100%	\$295
Hwy 228; Oak Terrace to Long St	Sidewalk one side of street	5+ Years	\$130	\$130	\$0	\$0	\$0	\$130	100%	\$130
24th Ave; Main St to railroad	Widen street (add a lane)	5+ Years	\$1,100	\$1,100	\$0	\$0	\$0	\$1,100	100%	\$1,100
New street development for Mill Property	Main St to Quarry Park, 18th Ave to Clark Mill Rd; new sidewalk on Yucca, Ulex, Tamarack. New streets 24th Ave, Mill Pond Dr, etc.	5+ Years	\$7,500	\$7,500	\$863	\$0	\$3,750	\$2,888	100%	\$2,888
			\$17,210	\$16,542	\$1,342	\$3,280	\$3,750	\$7,871	\$0	\$7,770

¹Includes stormwater and water and sewer infrastructure

²Assumes grant funding of 80% for Clark Mill and Mountain View roads

³Assumes developer funding 50% of total project costs:

Stormwater

Table D Stormwater SDC Improvement Fee Project List

Project Description	Year	Total Stormwater Cost ¹	Capacity Portion	Grant Funding ²	Developer Funding ³	Net Capacity Portion	Growth Capacity Share	
							%	\$
Road Related Infrastructure								
Harding St	2026	\$80,000	\$80,000			\$80,000	100%	\$80,000
11th Ave & Redwood	+5 Yrs	\$40,000	\$40,000			\$40,000	100%	\$40,000
46th Ave from Airport Lane to Main St, and Airport Lane from 46th to 47th	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
Clark Mill Rd from Main St to Zelkova St	+5 Yrs	\$160,000	\$160,000	\$128,000		\$32,000	100%	\$32,000
Mountain View Rd from Ames Creek Rd to Long St	+5 Yrs	\$60,000	\$60,000	\$48,000		\$12,000	100%	\$12,000
Long St from 35th Ave to 43rd Ave	+5 Yrs	\$50,000	\$50,000			\$50,000	100%	\$50,000
44th Ave from Main St to Airport Rd	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
Tamarack St from 12th Ave to 18th Ave	+5 Yrs	\$70,000	\$70,000			\$70,000	100%	\$70,000
43rd Ave from Main St to Osage St	+5 Yrs		\$0			\$0	100%	\$0
18th Ave from Mountain View Rd to bus barn	+5 Yrs	\$30,000	\$30,000			\$30,000	100%	\$30,000
18th Ave from Main St to Tamarack (one side) and from Tamarack to Yucca (both sides)	+5 Yrs	\$25,000	\$25,000			\$25,000	100%	\$25,000
Hwy 228 from Oak Terrace to Long St	+5 Yrs		\$0			\$0	100%	\$0
24th Ave from Main St to railroad	+5 Yrs		\$0			\$0	100%	\$0
Main St to Quarry Park, and 18th Ave to Clark Mill Rd; includes new sidewalk on Yucca, Ulex, Tamarack. New streets 24th Ave, Mill Pond Dr, etc.	+5 Yrs	\$525,000	\$525,000		\$262,500	\$262,500	100%	\$262,500
								\$0
Total		\$1,180,000	\$1,180,000	\$176,000	\$262,500	\$741,500	63%	\$741,500

¹Includes stormwater improvement costs only

²Assumes grant funding of 80% for Clark Mill and Mountain View roads

³Assumes developer funding 50% of total project costs:

Parks

Table E Park SDC Improvement Fee Project List

Name	Fiscal Year	Total Cost	Other Funding	Net Cost	Future Growth %	Future Growth \$
<i>Ashbrook</i>						
Design and construct curb & sidewalk and pave parking lane on Juniper St	2022-23	\$20,000		\$20,000	23.6%	\$4,730
Subtotal		\$20,000	\$0	\$20,000		\$4,730
<i>Clover Memorial</i>						
Design & construct play structure, gardens, trees and creek plants, drainage, trash cans, pet stations, BBQ, picnic tables and benches. Remove portion of Fountain Hill to improve visibility	5+ Years	\$50,000		\$50,000	23.6%	\$11,824
Subtotal		\$50,000	\$0	\$50,000		\$11,824
<i>Hobart Natural Area</i>						
Design & construct parking area primary loop. Add signage, trash cans, pet stations, BBQ, picnic tables and benches	5+ Years	\$60,000		\$60,000	23.6%	\$14,189
Design & construct approach roadway from 35th Ave. Add gardens, trees and creek plants	5+ Years	\$20,000		\$20,000	23.6%	\$4,730
Design & construct parking area secondary loop and parking area off Foothills Dr	2023-24	\$25,000		\$25,000	23.6%	\$5,912
Subtotal		\$105,000	\$0	\$105,000		\$24,831
<i>Northside</i>						
Design & construct playground and river access trail. Install ramp/stairs/railing, signage, tables, benches, pet stations, trash cans, BBQ, gardens, trees and creek plants	2023-2025	\$55,000		\$55,000	23.6%	\$13,007
Subtotal		\$55,000	\$0	\$55,000		\$13,007
<i>Sankey</i>						
Construct plaza, paths, lighting, playground improvements, bike racks, tables, benches	2020-21	\$440,000	\$278,200	\$161,800	23.6%	\$104,053
Construct bathroom, tables & benches	2021-2023	\$40,000		\$40,000	23.6%	\$9,459
Design & construct path connection to 16th Ave & Fir St.	2022-23	\$60,000		\$60,000	23.6%	\$14,189
Design & construct pedestrian bridge or route from Sankey Park to the Jim Riggs Community Center	2023-24	\$200,000		\$200,000	23.6%	\$47,297
Subtotal		\$740,000	\$278,200	\$461,800		\$174,999
<i>Strawberry Hills</i>						
Design & construct loop trail Phase 2 and either pavilion or second play structure	2022-23	\$65,000		\$65,000	23.6%	\$15,372
Design & construct parking lot, loop trail and restroom; upgrade irrigation system; add garden space, trees and creek plants	2020-21	\$159,000		\$159,000	23.6%	\$37,601
Subtotal		\$224,000	\$0	\$224,000		\$52,973
<i>Quarry Park</i>						
Trails		\$332,111		\$332,111	23.6%	\$78,539
Pavilions/Structures		\$560,000		\$560,000	23.6%	\$132,432
Activity Fields		\$241,037		\$241,037	23.6%	\$57,002
Environmental & Design		\$220,000		\$220,000	23.6%	\$52,027
Subtotal		\$1,353,148	\$0	\$1,353,148		\$319,999
Total		\$2,547,148	\$278,200	\$2,268,948		\$602,362



REQUEST FOR COUNCIL ACTION

Title: System Development Charge Fee Schedule

Preferred Agenda: March 9, 2021

Submitted By: Blair Larsen, Community & Economic Development Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution X Motion ____ Roll Call ____ Other ____

Relevant Code/Policy: SHMC Chapter 13.12: Water and Sewer Hookup Fees and System Development Charges

Towards Council Goal: Aspiration III: Viable and Sustainable Infrastructure; Goal 1: Infrastructure

Attachments: Resolution No. 9 for 2021, Adopting a Fee Schedule for System Development Charges
Exhibit A Sweet Home SDC Fee Schedules

Purpose of this RCA:

The purpose of this RCA is to adopt a System Development Charge Fee Schedule.

Background/Context:

System Development Charges (SDCs) are fees assessed on new development to pay for the new development's use of the capacity of City infrastructure. SDCs are highly regulated under state law. The City's current System Development Charges amount to \$1,839 per single family home, and only pay for water and wastewater infrastructure. Sweet Home's fees are among the lowest in the State and have not changed since 2005. Since August 2019, the City has been working to update its SDCs in order to treat current ratepayers and residents fairly, and obtain the revenue necessary to maintain our infrastructure's capacity and meet the demands of new development.

At the October 27th, 2021 City Council Meeting, the Council indicated a target overall SDC for a single-family home of \$15,000, which should be reached by making equal annual adjustments over a 5-year period.

On February 9th, 2021, a public hearing was held to review the proposed System Development Charge Methodology. The City's SDC consultant and City Staff answered questions from the Council and the public about the methodology. There were no public comments in opposition to the proposed SDC Methodology.

At the February 9th City Council meeting, an amended SDC Ordinance was presented to, and approved by the City Council. The third and final reading of that ordinance will take place at the March 9th meeting, and the ordinance will take effect April 8, 2021.

The next step is to adopt a revised System Development Charge Methodology, Capital Improvement List, and Rate Schedule, each by resolution.

A Fee Schedule is a required part of SDCs. The Fee Schedule is used to allocate the appropriate charges to new development, based on use.

The Challenge/Problem:

How does the City update its System Development Charge Ordinance to better meet the City's goals and service citizens' interests?

Stakeholders:

- Sweet Home Residents – Residents deserve well-maintained City infrastructure that meets their needs and improves their quality of life. Residents also deserve not to have the infrastructure capacity they have paid for given away without compensation.
- Property Developers – Developers build where there is adequate infrastructure capacity, a market for their developments, and where they can make a profit. SDCs that continue to provide infrastructure but are not so high as to remove the ability to make a profit, serve the combined interests of developers and residents.
- Sweet Home City Council – The City Council has a goal to provide viable and sustainable infrastructure that serves development and improves residents' quality of life.
- Sweet Home City Staff—City Staff have an interest in ordinances that empower them to meet the Council's goals.

Issues and Financial Impacts:

This fee schedule includes major changes to the City's System Development Charges. The current SDC charged on a single-family home, for water and wastewater only, is \$1,839. The Council previous directed Staff to submit a proposal to raise the rates over a 5-year period to \$15,000, in accordance with the Proposed Methodology. This Proposed SDC Fee Schedule would increase that amount to \$4,472 as of July 1, 2021, \$7,105 as of July 1, 2022, \$9,735 as of July 1, 2023, \$12,368 as of July 2024, and \$15,000 as of July 1, 2025. SDCs for all other uses are prorated accordingly. The maximum SDC possible for a single-family home under the proposed methodology is \$19,879. Any fee over amount that would require changes to the Capital Projects List, and a public comment period, but the Council is free to set rates at or below that ceiling. In accordance with the methodology and the City's ordinance, these rates are subject to annual inflationary adjustments.

Elements of a Stable Solution:

A stable solution includes approval of a resolution adopting a Systems Development Charge Fee Schedule.

Options:

1. Do Nothing—The Council could choose to do nothing at this time and adopt no SDC Fee Schedule. This would require the City to use the previous fee schedule.
2. Adopt Resolution No. 9 for 2021, A Resolution Adopting a Fee Schedule for System Development Charges—By adopting the proposed resolution, City could begin collecting SDCs to help pay for the projects identified in the SDC Capital Projects List.
3. Direct Staff to make Changes to the Proposed Fee Schedule—The Council may choose to direct Staff to make changes to the Proposed Fee Schedule and adopt it now or at a later time.

Recommendation:

Staff recommends option 2: Motion to adopt Resolution No. 9 for 2021, A Resolution Adopting a Fee Schedule for System Development Charges.

RESOLUTION NO. 9 FOR 2021

A RESOLUTION ADOPTING A FEE SCHEDULE FOR SYSTEM DEVELOPMENT CHARGES

WHEREAS, on March 9, 2021, the Council of the City of Sweet Home adopted Ordinance No. 1294 – Amending Sweet Home Municipal Code Chapter 13.12, System Development Charges (the “Ordinance”), which authorizes the City to assess and collect System Development Charges (“SDCs”); and,

WHEREAS, on March 9, 2021, the Council of the City of Sweet Home adopted Resolution No. 7 for 2021 – Adopting a Methodology for Calculating Systems Development Charges; and,

WHEREAS, the Ordinance allows the City to establish SDC fees necessary to serve future public wastewater, water, transportation, stormwater, and park needs of the residents of the City; and,

WHEREAS, the City incurs costs associated with administering the SDC program; and

WHEREAS, Resolution No. 3 for 2005, A Resolution Setting Systems Development Charges (SDC) and System Development Methodology was repealed by Resolution No. 7 for 2021.

NOW, THEREFORE, the City Council resolves as follows:

Section 1. The City’s System Development Charges shall be imposed at less than the full amount allowed under the adopted Methodology, as shown in Exhibit A, SDC Fee Schedules for Wastewater, Water, Transportation, Stormwater, and Parks.

Section 2. Effective on July 1 of each subsequent year, an annual adjustment to the City’s SDC fees, as set forth in the Methodology, Inflationary Adjustments shall be applied to the adopted SDC Fee Schedule, which is attached as Exhibit A, or thereafter to the then current SDC amounts and the resulting fees imposed.

Section 3. Effective on July 1 of each subsequent year, the Compliance Charge will also be adjusted to reflect current costs by the City of Sweet Home to comply with Oregon Revised Statutes 223.297-314.

Effective Date: This Resolution shall be effective July 1, 2021.

PASSED by the Council and approved by the Mayor, this 9th day of March, 2021.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder

City of Sweet Home

Exhibit "A"

SDC Fee Schedules for

Wastewater, Water, Transportation, Stormwater and Parks

Wastewater

The wastewater SDC is based on the water meter size, and charged per Equivalent Dwelling Unit (EDU), as shown in **Table 1**.

Table 1 Wastewater SDC Schedule

Meter Size	Equivalent EDU ¹	Max. Permitted SDC ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
3/4"	1	\$5,758	\$1,295	\$2,058	\$2,820	\$3,582	\$4,345
1"	2.5	\$14,394	\$3,238	\$5,143	\$7,049	\$8,955	\$10,861
1 1/2"	5	\$28,788	\$6,475	\$10,287	\$14,099	\$17,911	\$21,722
2"	8	\$46,061	\$10,360	\$16,459	\$22,558	\$28,657	\$34,756
3"	16	\$92,121	\$20,720	\$32,918	\$45,116	\$57,313	\$69,511
4"	25	\$143,939	\$32,375	\$51,434	\$70,493	\$89,552	\$108,611
6"	50	\$287,879	\$64,750	\$102,868	\$140,987	\$179,105	\$217,223
8"	80	\$460,606	\$103,600	\$164,589	\$225,579	\$286,568	\$347,557

¹Equivalencies reflect the hydraulic capacity of each meter size relative to a 5/8" X 3/4" meter (the smallest meter size used to serve residential customers). The City's current standard meter size is 3/4"; however, residential water use is not materially different between 5/8" X 3/4" and 3/4" meters.

²These figures include both the total SDC and Compliance Charges. All figures are based on 2020 dollars, and will increase annually based on inflation.

Water

The water SDC is based on the water meter size, and charged per Equivalent Dwelling Unit (EDU), as shown in **Table 2**.

Table 2 Water SDC Schedule

Meter Size	Equivalent EDU ¹	Max. Permitted SDC ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
3/4"	1	\$7,321	\$1,647	\$2,616	\$3,585	\$4,555	\$5,524
1"	2.5	\$18,304	\$4,117	\$6,541	\$8,964	\$11,388	\$13,812
1 1/2"	5	\$36,607	\$8,234	\$13,081	\$17,928	\$22,775	\$27,622
2"	8	\$58,571	\$13,174	\$20,929	\$28,685	\$36,440	\$44,196
3"	16	\$117,143	\$26,348	\$41,859	\$57,370	\$72,881	\$88,392
4"	25	\$183,035	\$41,168	\$65,404	\$89,640	\$113,876	\$138,112
6"	50	\$366,071	\$82,337	\$130,809	\$179,281	\$227,753	\$276,224
8"	80	\$585,713	\$131,739	\$209,294	\$286,849	\$364,404	\$441,959

¹Equivalencies reflect the hydraulic capacity of each meter size relative to a 5/8" X 3/4" meter (the smallest meter size used to serve residential customers). The City's current standard meter size is 3/4"; however, residential water use is not materially different between 5/8" X 3/4" and 3/4" meters.

²These figures include both the total SDC and Compliance Charges. All figures are based on 2020 dollars, and will increase annually based on inflation.

Transportation

The total transportation SDC is based on the transportation activity at the development. **Table 3** details the transportation SDC rates for typical land uses.

Table 3 *Transportation SDC Schedule¹*

ITE Code	Description	Unit of Measure	Max. SDC per Unit ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
110	General Light Industrial	1,000 Gross SF	\$2,053	\$462	\$734	\$1,005	\$1,277	\$1,549
130	Industrial Park	1,000 Gross SF	\$1,395	\$314	\$498	\$683	\$868	\$1,053
140	Manufacturing	1,000 Gross SF	\$1,626	\$366	\$581	\$796	\$1,012	\$1,227
150	Warehousing	1,000 Gross SF	\$720	\$162	\$257	\$353	\$448	\$543
151	Mini-Warehouse	1,000 Gross SF	\$625	\$141	\$223	\$306	\$389	\$472
170	Utilities	1,000 Gross SF	\$5,479	\$1,232	\$1,958	\$2,683	\$3,409	\$4,134
210	Single Family Dwelling/ Townhome	PER DU	\$3,906	\$879	\$1,396	\$1,913	\$2,430	\$2,947
220	Apartments/ Condos	PER DU	\$3,029	\$681	\$1,082	\$1,483	\$1,885	\$2,286
240	Manufactured Housing	PER DU	\$2,069	\$465	\$739	\$1,013	\$1,287	\$1,561
251	Senior Housing Detached	PER DU	\$1,767	\$397	\$631	\$865	\$1,099	\$1,333
252	Senior Housing Attached	PER DU	\$1,531	\$344	\$547	\$750	\$953	\$1,155
253	Congregate Care Facility	PER DU	\$836	\$188	\$299	\$409	\$520	\$631
254	Assisted Living	BEDS	\$1,076	\$242	\$384	\$527	\$669	\$812
255	Continuing Care	UNITS	\$993	\$223	\$355	\$486	\$618	\$749
310	Hotel/Motel	PER ROOM	\$3,459	\$778	\$1,236	\$1,694	\$2,152	\$2,610
411	Public Park	PER ACRE	\$906	\$204	\$324	\$444	\$564	\$684
430	Golf Course	HOLES	\$12,572	\$2,828	\$4,492	\$6,157	\$7,822	\$9,486

ITE Code	Description	Unit of Measure	Max. SDC per Unit ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
491	Tennis	PER COURT	\$11,467	\$2,579	\$4,098	\$5,616	\$7,134	\$8,653
495	Community Center	1,000 Gross SF	\$11,926	\$2,682	\$4,262	\$5,841	\$7,420	\$8,999
520	Elementary School	PER STUDENT	\$782	\$176	\$279	\$383	\$487	\$590
536	Private School (K-12)	PER STUDENT	\$1,026	\$231	\$367	\$502	\$638	\$774
522	Middle School/ Junior High School	PER STUDENT	\$881	\$198	\$315	\$431	\$548	\$665
530	High School	PER STUDENT	\$840	\$189	\$300	\$411	\$523	\$634
540	Junior/ Community College	PER STUDENT	\$476	\$107	\$170	\$233	\$296	\$359
550	University/ College	PER STUDENT	\$646	\$145	\$231	\$316	\$402	\$487
560	Place of Worship	1,000 Gross SF PER TGFSF	\$2,876	\$647	\$1,028	\$1,409	\$1,789	\$2,170
565	Day Care Center	PER STUDENT	\$745	\$168	\$266	\$365	\$464	\$562
590	Library	1,000 Gross SF PER TGFSF	\$29,815	\$6,706	\$10,654	\$14,602	\$18,550	\$22,497
610	Hospital	1,000 Gross SF PER TGFSF	\$4,436	\$998	\$1,585	\$2,172	\$2,760	\$3,347
620	Nursing Home	PER BED	\$1,266	\$285	\$452	\$620	\$788	\$955
630	Clinic	1,000 Gross SF	\$15,791	\$3,552	\$5,643	\$7,734	\$9,824	\$11,915
710	General Office Building	1,000 Gross SF	\$4,031	\$907	\$1,440	\$1,974	\$2,508	\$3,042
720	Medical-Dental Office	1,000 Gross SF	\$14,401	\$3,239	\$5,146	\$7,053	\$8,960	\$10,866
730	Government Office	1,000 Gross SF	\$9,348	\$2,103	\$3,340	\$4,578	\$5,816	\$7,054
732	US Post Office	1,000 Gross SF	\$43,012	\$9,674	\$15,370	\$21,065	\$26,760	\$32,455
760	Research & Development Center	1,000 Gross SF	\$4,660	\$1,048	\$1,665	\$2,282	\$2,899	\$3,516

ITE Code	Description	Unit of Measure	Max. SDC per Unit ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
770	Business Park	1,000 Gross SF	\$5,148	\$1,158	\$1,840	\$2,521	\$3,203	\$3,885
812	Building Materials & Lumber Store	1,000 Gross SF	\$7,469	\$1,680	\$2,669	\$3,658	\$4,647	\$5,636
813	Free-Standing Discount Superstore	1,000 Gross SF	\$14,896	\$3,350	\$5,323	\$7,295	\$9,268	\$11,240
816	Hardware/ Paint Store	1,000 Gross SF	\$2,799	\$630	\$1,000	\$1,371	\$1,741	\$2,112
817	Nursery (Garden Center)	1,000 Gross SF	\$28,181	\$6,338	\$10,070	\$13,801	\$17,533	\$21,264
820	Shopping Center/Retail	1,000 Gross SF Leasable Area	\$6,249	\$1,406	\$2,233	\$3,060	\$3,888	\$4,715
841	Automobile Sales	1,000 Gross SF	\$11,521	\$2,591	\$4,117	\$5,642	\$7,168	\$8,693
843	Automobile Parts Sales	1,000 Gross SF	\$13,053	\$2,936	\$4,664	\$6,393	\$8,121	\$9,849
850	Supermarket	1,000 Gross SF	\$11,489	\$2,584	\$4,105	\$5,627	\$7,148	\$8,669
851	Convenience Market	1,000 Gross SF	\$56,779	\$12,771	\$20,289	\$27,807	\$35,325	\$42,843
854	Discount Supermarket	1,000 Gross SF	\$19,178	\$4,314	\$6,853	\$9,392	\$11,932	\$14,471
857	Discount Club	1,000 Gross SF	\$10,897	\$2,451	\$3,894	\$5,337	\$6,780	\$8,222
862	Home Improvement Superstore	1,000 Gross SF	\$7,378	\$1,659	\$2,636	\$3,613	\$4,590	\$5,567
863	Electronics Superstore	1,000 Gross SF	\$10,192	\$2,292	\$3,642	\$4,991	\$6,341	\$7,691
880	Pharmacy/ Drugstore W/Out Drive Thru Window	1,000 Gross SF	\$12,301	\$2,767	\$4,396	\$6,024	\$7,653	\$9,282
881	Pharmacy/ Drugstore with Drive Thru Window	1,000 Gross SF	\$17,165	\$3,861	\$6,134	\$8,406	\$10,679	\$12,952
890	Furniture Store	1,000 Gross SF	\$1,225	\$276	\$438	\$600	\$762	\$924

ITE Code	Description	Unit of Measure	Max. SDC per Unit ²	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
912	Drive-In Bank	1,000 Gross SF	\$17,799	\$4,003	\$6,360	\$8,717	\$11,074	\$13,431
931	Quality Restaurant	1,000 Gross SF	\$10,061	\$2,263	\$3,595	\$4,927	\$6,259	\$7,592
932	High Turnover Restaurant	1,000 Gross SF	\$14,391	\$3,237	\$5,142	\$7,048	\$8,953	\$10,859
934	Fast Food Restaurant with Drive-Thru	1,000 Gross SF	\$52,619	\$11,835	\$18,802	\$25,770	\$32,737	\$39,704
937	Coffee/Donut with Drive-Through	1,000 Gross SF	\$37,343	\$8,399	\$13,344	\$18,288	\$23,233	\$28,178
941	Quick Lubrication Vehicle Shop	SERVICE STALL	\$16,553	\$3,723	\$5,915	\$8,107	\$10,299	\$12,490
944	Gasoline/Service Station	PER VEH.FUEL. POS.	\$16,371	\$3,682	\$5,850	\$8,018	\$10,185	\$12,353
945	Gas/Service Station W/ Convenience Mkt	PER VEH.FUEL. POS.	\$11,047	\$2,485	\$3,947	\$5,410	\$6,873	\$8,336

¹SDCs by Institute of Transportation Engineers (ITE) Code are based on trip rates and adjustments from ITE Trip Generation Manual (10th edition).

Abbreviations:

SF = Square Feet

DU = Dwelling Unit

VEH. FUEL POS. = Vehicle Fueling Position

Stormwater

The stormwater SDC is charged per EDU for both residential and nonresidential uses. The rate is scaled for customers based on **Table 4**.

An EDU is equal to 3,200 square feet of impervious area. Single family residential dwellings will be charged uniformly based on the number of dwelling units. Other developments will be assessed SDCs based on the calculated number of EDUs (total measured impervious area for the development divided by 3,200 square feet).

Table 4

Stormwater SDC Schedule

Development Type	Max. Permitted SDC	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
Single Family Residential (\$/Dwelling Unit)	\$1,303	\$293	\$466	\$638	\$811	\$983
Nonresidential (\$/EDU) ¹	\$1,303	\$293	\$466	\$638	\$811	\$983

¹Equivalent Dwelling Unit = 3,200 SQ FT impervious area

Parks

The Parks SDC is applied to both residential and nonresidential uses. Residential uses are charged per dwelling unit, and nonresidential uses are charged per 1,000 square feet of gross floor area, depending on the type of use, as shown in **Table 5**.

Table 5

Parks SDC Schedule

Development Type	Max. Permitted SDC	Eff. 7/1/2021	Eff. 7/1/2022	Eff. 7/1/2023	Eff. 7/1/2024	Eff. 7/1/2025
Residential (\$/dwelling unit)						
Single-Family	\$1,591	\$358	\$569	\$779	\$990	\$1,201
Multifamily	\$882	\$198	\$315	\$432	\$549	\$666
Mobile Home	\$1,463	\$329	\$523	\$716	\$910	\$1,104
Nonresidential (\$/1,000 sf gross floor area)						
Office	\$321	\$72	\$115	\$157	\$200	\$242
Retail	\$225	\$51	\$80	\$110	\$140	\$170
Industrial & Institutional	\$187	\$42	\$67	\$92	\$116	\$141
Warehousing	\$61	\$14	\$22	\$30	\$38	\$46



REQUEST FOR COUNCIL ACTION

Title: Surplus of existing assets

Preferred Agenda: March 09, 2021

Submitted By: Brandon Neish, Finance Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution X Motion ___ Roll Call ___ Other ___

Relevant Code/Policy: SHMC § 3.08.030 – City Surplus Property
Local Contract Review Board Rules of Procedure

Towards Council Goal: Goal 1.2(c): Increase community awareness of infrastructure needs and appropriate planning documents
Goal 2: Be an effective and efficient government

Attachments: Resolution No. 10 for 2021

Purpose of this RCA:

To review Resolution No. 10 for 2021, authorizing the surplus and sale of existing capital assets.

Background/Context:

The City maintains various capitalized equipment consisting of vehicles, buildings and, prior to 2019, equipment purchased that exceed a value of \$200. Over time, this equipment is replaced, upgraded or exceeds its useful life expectancy. When this occurs, a decision must be made on whether to keep those items on the City's books or to dispose of them in accordance with City policy and state law.

Previously, staff brought a list of surplus items to Council that was approved through Resolution No. 2 for 2021. This included 2 Police vehicles, 2 Public Works vehicles and various equipment items that were damaged or no longer served a purpose in the City's inventory. The items listed below are additional items that have outlived their useful life with the City that necessitate the disposal of assets that were broken or are of no further value to the City. These items are as follows:

Asset ID #	Description	Department/Division	Procured	Planned disposal method
2291	2010 Ford Crown Vic	Police	2010	Auction
1893	2000 Chevy Utility Van	Public Works	2002	Auction
2104	1998 Ford Expedition	Public Works	2007	Auction
2063	2004 Ford Ranger (wrecked)	Public Works	2006	Auction
2450	2002 Ford Econoline Van	Public Works	2015	Auction

The Challenge/Problem:

The challenge is to maintain modern, reliable equipment, including vehicles, that will meet the needs of the City. At different points in the life of equipment or vehicles, the maintenance cost associated with them begin to increase and the cost/benefit of that equipment comes into question.

Stakeholders:

- Sweet Home staff – Staff use the vehicles and equipment listed above to complete the necessary functions of their jobs. Without solid equipment, jobs can take more time to complete or injuries can occur. It is important to maintain the needed equipment to maintain an effective and efficient organization and provides needed tools for the staff.
- Sweet Home City Council – The City Council is charged with making decisions that do the most good, for the most people, for the longest period of time. The disposition of equipment and vehicles means the City will likely be spending money to replace these items. Is the purchase of the replacement equipment money well spent?
- Sweet Home community – The community expects the City to deliver on essential services such as water distribution, sewer collections, Police services and more. Vehicles and equipment in proper working order makes the delivery of those services possible (and at times, easier).

Issues and Financial Impacts:

Disposing of City assets has a positive financial impact and likely negative impact as well. With the disposition of assets, the City generally hosts an auction to sell the items that have exceeded their useful life or are being disposed based on an assumption of maximize the total benefit while minimizing costs. These auctions provide revenue for the City’s departments that are disposing of assets. On the alternate side of the coin, generally the disposition of assets requires purchasing replacement equipment. This can have a negative financial impact but all replacement purchases are part of the budget planning process reviewed and approved the Sweet Home Budget Committee and adopted by the City Council.

Elements of a Stable Solution:

A stable solution requires a decision on how to treat assets across the organization. A life-cycle plan and five-year capital plan are both elements of a stable solution and ensures dispositions and replacements are done within budget requirements.

Options:

1. Do Nothing – The City will keep the equipment and vehicles listed in its possession.
2. Move to approve Resolution No. 10 for 2021 – These items have no further functional, useful value to the City.
3. Select a portion of the assets listed to be disposed – The City Council could decide that some of the listed items are still valuable to the City and therefore should be retained. Staff would return at a future meeting with an amended list of assets for disposition and an amended resolution.
4. Request additional information on the specific items listed – The City Council could request that staff return with additional information on the assets proposed for disposition.

Recommendation:

Staff recommends option 2, move to approve Resolution No. 10 for 2021. The assets listed have exceeded their useful life to the City and there are added maintenance time and costs required to upkeep the equipment to ensure viable use.

RESOLUTION NO. 10 FOR 2021

A RESOLUTION TO DESIGNATE CITY EQUIPMENT AND VEHICLES AS SURPLUS AND AUTHORIZE ITS LAWFUL DISPOSAL.

WHEREAS, the City has determined there is no longer a use for the following City property:

2010 Ford Crown Victoria / VIN: 2FABP7BV1AX139875

2000 Chevy Utility Van / VIN: 1GNJG31R741273607

1998 Ford Expedition / VIN: 1FMRU18W6W1B89699

2004 Ford Ranger / VIN: 1FTYR10UX4PA35711

2002 Ford Econoline / VIN: 1FBSS31S62HA07466

WHEREAS, the City recognizes this property as surplus and holds little value that should be sold and removed from the City's books.

NOW, THEREFORE, BE IT RESOLVED THAT the City of Sweet Home does hereby declare the property listed above as surplus and available for sale or its lawful disposal.

Passed by the City Council and approved by the Mayor this 9th day of March, 2021.

Mayor

City Manager – Ex Officio City Recorder



REQUEST FOR COUNCIL ACTION

Title: Amended System Development Charges Ordinance

Preferred Agenda: February 9, 2021

Submitted By: Blair Larsen, Community & Economic Development Director

Reviewed By: Ray Towry, City Manager

Type of Action: Resolution ____ Motion Roll Call ____ Other ____

Relevant Code/Policy: SHMC Chapter 13.12: Water and Sewer Hookup Fees and System Development Charges

Towards Council Goal: Aspiration III: Viable and Sustainable Infrastructure; Goal 1: Infrastructure

Attachments: SDC Ordinance—Track Changes
SDC Ordinance—Final

Purpose of this RCA:

The purpose of this RCA is to amend SHMC Chapter 13.12, Water and Sewer Hookup Fees and System Development Charges.

Background/Context:

System Development Charges (SDCs) are fees assessed on new development to pay for the new development's use of the capacity of City infrastructure. SDCs are highly regulated under state law. The City's current System Development Charges amount to approximately \$1,800 per single family home, and only pay for water and wastewater infrastructure. Sweet Home's fees are among the lowest in the State, and have not changed since 2005. Since August, 2019, the City has been working to update its SDCs in order to treat current ratepayers and residents fairly, and obtain the revenue necessary to maintain our infrastructure's capacity and meet the demands of new development.

Before revised System Development Charge Methodology, Capital Improvement List, and Rates can be adopted, the ordinance must be updated to bring it into compliance with current state law, and allow for Stormwater, Transportation, and Parks SDCs in addition to the existing Water and Wastewater SDCs.

The Challenge/Problem:

How does the City update its System Development Charge Ordinance to better meet the City's goals and service citizens' interests?

Stakeholders:

- Sweet Home Residents – Residents deserve well-maintained City infrastructure that meets their needs and improves their quality of life. Residents also deserve not to have the infrastructure capacity they have paid for given away without compensation.
- Property Developers – Developers build where there is adequate infrastructure capacity, a market for their developments, and where they can make a profit. SDCs that continue to provide infrastructure, but are not so high as to remove the ability to make a profit, serve the combined interests of developers and residents.
- Sweet Home City Council – The City Council has a goal to provide viable and sustainable infrastructure that serves development and improves residents' quality of life.
- Sweet Home City Staff—City Staff have an interest in ordinances that empower them to meet the Council's goals.

Issues and Financial Impacts:

This ordinance adopts no changes in rates, but allows for rate changes to be made by resolution in the future. Therefore, it has no financial impact in and of itself. A future resolution will be needed to adopt new SDC rates, and that resolution will have a financial impact.

Elements of a Stable Solution:

A stable solution includes the approval of an amended SDC ordinance that will meet the Council's goals.

Update for March 9, 2021:

At the February 9, 2021 Council meeting, the Council voted to approve the amended ordinance and move it to a First Reading, after which the Council voted in favor of advancing the ordinance to a Second Reading at the following Council meeting. At the February 23rd Council meeting, the Council voted to advance the ordinance to a third and final reading at the March 9th, 2021 City Council Meeting.

Options:

1. Do Nothing – The Council could choose to do nothing at this time, and leave the SDC ordinance as it currently exists. This will prevent the adoption of a new SDC methodology, capital improvement list, and rate structure.
2. Adopt the amended SDC Ordinance as Presented– This will allow the City's efforts to update its SDCs to progress.
3. Adopt the amended SDC Ordinance with Changes – The Council may choose to direct Staff to make changes to the proposed SDC Ordinance, and then adopt it.
4. Direct Staff to Research Other Options – The Council may direct staff to research other ways to accomplish its goals.

Recommendation:

Staff recommends option 2: Motion to Adopt the amended SDC Ordinance as Presented.

ORDINANCE BILL NO. 2 FOR 2021

ORDINANCE NO. ____

SWEET HOME ORDINANCE PERTAINING TO SYSTEM DEVELOPMENT CHARGES

WHEREAS, the City of Sweet Home has undertaken a complete review of its system development charges in order to ~~insure~~ensure its compliance with state law; and

WHEREAS, it is important to the City that costs of growth are equitably and rationally shared by new growth and development activities.

NOW THEREFORE,

The City of Sweet Home does Ordain as follows:

Section 1. Sweet Home Municipal Code Chapter 13.12 titled WATER AND SEWER HOOKUP FEES AND SYSTEM DEVELOPMENT CHARGES is amended to read as follows:

CHAPTER 13.12: ~~WATER AND SEWER HOOKUP FEES AND~~ SYSTEM DEVELOPMENT CHARGES

§ 13.12.010 PURPOSE.

The purpose of the system development charge is to impose a portion of the cost of capital improvements for water, wastewater, ~~and~~ storm water, transportation and parks upon those development(s) that create the need for or increase the demands on ~~the city's water, wastewater and/or storm water systems~~capital improvements, consistent with State law.

§ 13.12.020 DEFINITIONS.

For purposes of this chapter, the following mean:

CAPITAL IMPROVEMENTS. Public facilities or assets used for the following:

1. Water supply, treatment, ~~or and~~ distribution ~~or any combination~~;
2. Wastewater collection, transmission, treatment ~~or, and~~ disposal ~~or any combination~~; ~~and/or~~;
3. ~~Stormwater collection~~^[BL1], ~~transmission, treatment or disposal or any combination~~; Drainage and flood control;
4. Transportation; or
- 3.5. Parks and recreation.

DEVELOPMENT. All improvements on a site, including buildings, other structures, parking and loading areas, landscaping, paved or graveled areas, and areas devoted to exterior display,

storage or activities. DEVELOPMENT includes redevelopment of property. DEVELOPMENT includes improved open areas such as plazas and walkways, but does not include natural geologic forms or unimproved lands.

IMPROVEMENT FEE. A fee for costs associated with capital improvements to be constructed after the date the fee is adopted pursuant to § 13.12.030 of this chapter.

LAND AREA. The area of a parcel of land as measured by projection of the parcel boundaries upon a horizontal plane with the exception of a portion of the parcel within a recorded right-of-way or easement subject to a servitude for a public street or for a public scenic or preservation purpose.

OWNER. The owner or owners of record title or the purchaser or purchasers under a recorded land sales agreement, and other persons having an interest of record in the described real property.

PARCEL OF LAND. A lot, parcel, block or other tract of land that in accordance with city regulations is occupied or may be occupied by a structure or structures or other use, and that includes the yards and other open spaces required under the zoning, subdivision or other development ordinances.

PERMITTEE. The person to whom a building permit, development permit, a permit or plan approval to connect to the sanitary sewer, storm ~~water sewer~~ or water system, or right-of-way access permit is issued.

QUALIFIED PUBLIC IMPROVEMENTS. A capital improvement that is:

1. Required as a condition of development approval;
2. Identified in the plan adopted pursuant to “improvement plan” of this chapter; and either:
 - a. Not located on or contiguous to a parcel of land that is the subject of the development approval; or
 - b. Located in whole or in part on or contiguous to 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 to which the improvement fee is related.
3. For purposes of this definition, CONTIGUOUS means in a public way which abuts the parcel.

REIMBURSEMENT FEE. A fee for costs associated with capital improvements constructed or under construction on the date the fee is adopted pursuant to § 13.12.030 of this chapter, and for which the Council determines capacity to exist.

SYSTEM DEVELOPMENT CHARGE. A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement ~~of the water, wastewater or storm water systems, at the time of or~~ issuance of a development permit or building permit, or ~~at the time of~~ connection to the capital improvement ~~to the city's water, wastewater and/or storm water systems.~~

1. A SYSTEM DEVELOPMENT CHARGE includes that portion of a sanitary sewer, storm sewer or water system connection charge that is greater than the amount necessary to reimburse the city for its average cost of inspecting and installing connections with water, wastewater and/or storm ~~water-sewer~~ facilities.

2. A system development charge does not include fees assessed or collected as part of a local improvement district or a charge in lieu of a local improvement district assessment or the cost of complying with requirements or conditions imposed by a land use decision.

§ 13.12.030 SYSTEM DEVELOPMENT CHARGE ESTABLISHED.

- A. System development charges shall be established and may be revised by resolution of the City Council. The Council shall set by resolution the amount of the charge, the type of permit to which the charge applies and, if the charge applies to a geographic area smaller than the entire city, the geographic area subject to the charge.
- B. Unless otherwise exempted by the provisions of this chapter or the other local or state law, a system development charge is hereby imposed upon all development within the city, upon the act of making a connection to the city water or sewer system within the city, and upon all development outside the boundary of the city that connects to or otherwise uses the water or wastewater facilities of the city.
- B.C. Systems development charges for each system may be automatically adjusted on the first day of July of each calendar year. The City Recorder shall make the adjustment based upon the Seattle Construction Cost Index published by Engineering News Record (ENR) by calculating the percentage increase/decrease in the index for the period since the last adjustment and then applying that percentage increase/decrease in the index for the period since the last adjustment and then applying that percentage to the figures used to calculate the systems development charge and any credits.

§ 13.12.040 METHODOLOGY.

- A. The methodology used to establish or modify the reimbursement fee shall promote the objective that future systems users shall contribute no more than an equitable share of the cost of then-existing facilities. The methodology used to establish or modify a reimbursement fee shall, where applicable, be based on:
 1. Ratemaking principles employed to finance publicly owned capital improvements;
 2. Prior contributions by existing users;
 3. Gifts or grants from federal or state government or private persons;
 4. The value of unused capacity available to future system users or the cost of the existing facilities and
 5. Other relevant factors identified by the City Council.
- A.
- B. The methodology used to establish or modify ~~the an~~ improvement fee shall demonstrate consideration of the estimated cost of projected capital improvements identified in an improvement plan (see §13.12.070 of this chapter) that are needed to increase the capacity of the systems to which the fee is related. The methodology shall be calculated to obtain the cost of capital improvements for the projected need for ~~available~~ system capacity for future system users.
- C. The methodology used to establish or modify the improvement fee or the reimbursement fee, or both, shall be contained in a resolution adopted by the City Council.
- D. A change in the amount of a reimbursement fee or an improvement fee is not a modification of the system development charge if the change in amount is based on:

1. A change in project costs, including the cost of materials, labor, or real property; or
2. The periodic application of one or more specific cost indexes or other periodic data sources, including the cost index identified in §13.12.030(C) of this chapter. A specific cost index or periodic data source must be:
 - a. A relevant measurement of the average change in prices over an identified time period for materials, labor, real property, or a combination of the three;
 - b. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
 - c. Incorporated as part of the established methodology or identified and adopted by the City Council in a separate resolution, or if no other index is identified in the established methodology, then the index stated in §13.12.030(c) of this chapter.

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§ 13.12.050 AUTHORIZED EXPENDITURES.

- A. Reimbursement fees shall be applied only to capital improvements associated with the system for which the fees are assessed, including expenditures relating to repayment of indebtedness.
- B. Improvement fees shall be spent only on capacity increasing capital improvements associated with the system for which the fee is assessed, including expenditures relating to repayment of future debt for the improvements. An increase in system capacity occurs if a capital improvement increases the level of performance or service provided by existing facilities or providing new facilities. The portion of the capital improvements funded by improvement fees must be related to demands created by current or projected development. A capital improvement being funded wholly or in part from revenues derived from the improvement fee shall be included in the plan adopted by the city pursuant to § 13.12.070 of this chapter.
- C. Notwithstanding subsections A. and B. of this section, system development charge revenues may be expended on the direct costs of complying with the provisions of this chapter, including the costs of developing system development charge methodologies and providing an annual accounting of system development expenditures.

§ 13.12.060 EXPENDITURE RESTRICTIONS.

- A. Systems development charges shall not be expended for costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements.
- B. System development charges shall not be expended for costs of the operation or routine maintenance of capital improvements.

§ 13.12.070 IMPROVEMENT PLAN.

- A. Prior to the establishment of a system development charge, the Council shall adopt a plan that includes a list of:
 - 1. The capital improvements that the City Council intends to fund in whole or in part with improvement fee revenues;
 - 2. The estimated cost and time of construction of each improvement and the percentage of that cost eligible to be funded with improvement fee revenues; ~~and.~~
 - 3. ~~A description of the process for modifying the plan.~~
- B. In adopting this plan, the City Council may incorporate by reference all or a portion of any public facilities plan, master plan, capital improvements plan or similar plan that contains the information required by this section.
- C. The Council may modify the plan and list at any time. If a system development charge will be increased by a proposed modification to the list to include a capacity increasing public improvement the City Council will:
 - 1. At least 30 days prior to adoption of the proposed modification, provide written notice to persons who have requested notice pursuant to § 13.12.120 of this chapter; and
 - 2. Hold a public hearing if a written request for a hearing is received within seven days of the date of the proposed modification.
- ~~D. A change in the amount of a reimbursement fee or an improvement fee is not a modification of the system development charge if the change in amount is based on the periodic application of the construction cost index published by the Engineering News Record, or a similar index if the construction cost index is no longer published or representative of the cost for the city, or a modification to any of the factors related to the rate that are incorporated in the established methodology.~~

§ 13.12.080 COLLECTION OF CHARGE.

- A. The system development charge is payable upon the issuance of:
 - 1. A building permit;
 - 2. A development permit;
 - 3. A development permit for development not requiring the issuance of a building permit;
 - 4. A permit or approval to connect to the water system;
 - 5. A permit or approval to connect to the sewer system; or
 - 6. A right-of-way access (public works) permit.
- B. If no building, development or connection permit is required, the system development charge is payable at the time the usage of the capital improvement is increased based on changes in the use of the property unrelated to seasonal or ordinary fluctuations in usage.
- C. If development is commenced or connection is made to the water or sewer systems without an appropriate permit, the system development charge is immediately payable upon the earliest date that a permit was required.
- D. The Public Works Director or his or her designee shall collect the applicable system development charge from the permittee when a permit that allows building or development of a parcel is issued or when a connection to the water or sewer system of the city is made.
- E. The Public Works Director or his or her designee shall not issue the permit or allow the connection until the charge has been paid in full, or until provision for installment payments has been made pursuant to § 13.12.090 of this chapter, or unless an exemption is granted pursuant to § 13.12.100 of this chapter.

§ 13.12.090 INSTALLMENT PAYMENT.

- A. When a system development charge is due and collectible, the owner of the parcel of land subject to the development charge may apply for payment in 20 semi-annual installments, to include interest on the unpaid balance, in accordance with O.R.S. 223.208.
- B. The Public Works Director or his or her designee shall provide application forms for installment payments, which shall include a waiver of all rights to contest validity of the lien, except for the correction of computational errors.
- C. An applicant for installment payments shall have the burden of demonstrating the applicant's authority to assent to the imposition of a lien on the parcel and that the property interest of the applicant is adequate to secure payment of the lien.
- D. The Public Works Director or his or her designee shall report to the Finance Director or his or her designee the amount of the system development charge, the dates on which payments are due, the name of the owner and the description of the parcel.
- E. The Finance Director or his or her designee shall docket the lien in the lien docket. From that time the city shall have a lien upon the described parcel for the amount of the system development charge, together with interest on the unpaid balance at the rate established by the Council. The lien shall be enforceable in the manner provided in O.R.S. Chapter 223.
- F. Upon written request of the Public Works Department, the Finance Director or his or her designee is authorized to cancel assessments of SDCs, without further Council action, where the new development approved by the building permit is not constructed and the building permit is cancelled.
- G. For property that has been subject to a cancellation of assessment of SDCs, a new installment payment contract shall be subject to the code provisions applicable to SDCs and installment payment contracts on file on the date the new contract is received by the city.

§ 13.12.100 EXEMPTIONS.

The following are exempt from System Development Charges:

- A. Additions to single-family dwellings that do not constitute the addition of a dwelling unit, as defined by the state's Uniform Building Code, ~~are exempt from all portions of the system development charge.~~
- B. An alteration, addition, replacement or change in use that does not increase the parcels or structures use of the public improvement facility ~~are exempt from all portions of the system development charge.~~
- C. Municipal projects or any other development which is being financed by City funds.
- B-D. Housing for low-income or elderly persons which is exempt from real property taxes under state law.

§ 13.12.110 CREDITS.

- A. When a development occurs that is subject to a system development charge, the system development charge for the existing use, if applicable, shall be calculated and if it is less

than the system development charge for the use that will result from the development, the difference between the system development charge for the existing use and the system development charge for the proposed use shall be the system development charge. If the change in the use results in the system development charge for the proposed use being less than the system development charge for the existing use, no system development charge shall be required. No refund or credit shall be given unless provided for by another subsection of this section.

- B. A credit shall be given to the permittee for the cost of a qualified public improvement upon acceptance by the city of the public improvement. The credit shall not exceed the improvement fee even if the cost of the capital improvement exceeds the applicable improvement fee and shall only be for the improvement fee charged for the type of improvement being constructed.
- C. If a qualified public improvement is located in whole or in part on or contiguous to the property that is the subject of the development approval and is required to be built larger or with greater capacity than is necessary for the particular development project, a credit shall be given for the cost of the portion of the improvement that exceeds the city's minimum standard facility size or capacity needed to serve the particular development project or property. The applicant shall have the burden of demonstrating that a particular improvement qualifies for credit under this subsection. The request for credit shall be filed in writing no later than 60 days after acceptance of the improvement by the city. The city may deny the credit provided for in this section if the city demonstrates that the application does not meet the requirements of this section or if the improvement for which credit is sought was not included in the improvement plan pursuant to § 13.12.070 of this chapter.
- D. When the construction of a qualified public improvement located in whole or in part or contiguous to the property that is the subject of development approval gives rise to a credit amount greater than the improvement fee that would otherwise be levied against the project, the credit in excess of the improvement fee for the original development project may be applied against improvement fees that accrue in subsequent phases of the original development project.
- ~~E.~~ Notwithstanding subsections A. through D. above, ~~when establishing a methodology for a system development charge,~~ the city may provide for a credit against the improvement fee, the reimbursement fee or both, for capital improvements constructed as part of the development which reduce the development's demand upon existing capital improvements and/or the need for future capital improvements, or a credit based upon any other rationale the Council finds reasonable.
- ~~E.F.~~ Notwithstanding subsections A. through D. above, the city may provide a credit against the improvement fee, the reimbursement fee, or both, for the dedication of land to the city, not including public rights-of-way, for the future expansion of the City's Water, Wastewater, Stormwater, Transportation, or Parks systems, however this credit shall only be applied toward the system (Water, Wastewater, Stormwater, Transportation, or Parks) for which the land is dedicated.
- ~~F.G.~~ Credits shall not be transferable from one development to another.
- ~~G.H.~~ Credits shall not be transferable from type of system development charge to another.
- ~~H.I.~~ Credits shall be used within ten years from the date the credit is given.

§ 13.12.120 NOTICE.

- A. The city shall maintain a list of persons who have made a written request for notification prior to adoption or modification of a methodology for any system development charge. Written notice shall be mailed to persons on the list at least 90 days prior to the first hearing to establish or modify a system development charge. The methodology supporting the system development charge shall be available at least 60 days prior to the first hearing to adopt or amend a system development charge. The failure of a person on the list to receive a notice that was mailed does not invalidate the action of the city.
- B. The city may periodically delete names from the list, but at least 30 days prior to removing a name from the list, the city must notify the person whose name is to be deleted, that a new written request for notification is required if the person wishes to remain on the notification list.

§ 13.12.130 SEGREGATION AND USE OF REVENUE.

- A. All funds derived from a particular type of system development charge are to be segregated by accounting practices from all funds of the city. That portion of the system development charge calculated and collected on account of a specific facility system shall be used for no purpose other than set forth in § 13.12.050 of this chapter.
- B. The appropriate city official shall provide the City Council with an annual accounting, by January 1 of each year, for system development charges showing the total amount of system development charge revenues collected for each type of facility and the projects funded from each account in the previous fiscal year. A list of the amount spent on each project funded in whole or in part, with system development charge revenues, shall be included in the annual accounting.

§ 13.12.140 REFUNDS.

- A. Refunds may be given by the Public Works Department upon finding that there was a clerical error in the calculation of the SDC.
- B. Refunds shall not be allowed for failure to timely claim credit or for failure to timely seek an alternative SDC rate calculation at the time of submission of an application for a building permit.
- C. The city shall refund to the applicant any SDC revenues not expended within ten years of receipt.

§ 13.12.150 IMPLEMENTING REGULATIONS—AMENDMENTS.

The City Council delegates authority to the City Manager or designee to adopt necessary procedures to implement provisions of this chapter including the appointment of an SDC program administrator. All rules pursuant to this delegated authority shall be filed with the office of City Manager and be available for public inspection.

§ 13.12.160 APPEAL PROCEDURE.

- A. A person challenging the propriety of an expenditure of system development charge revenues may appeal the decision or the expenditure to the City Council by filing a written request with the Public Works Director describing with particularity the decision of the Public Works Director and the expenditure from which the person appeals. An appeal of an expenditure must be filed within two years of the date of the alleged improper expenditure.
- B. Appeals of any other decision required or permitted to be made by the Public Works Director under this chapter must be filed in writing with Public Works Director within ten days of the decision.
- C. After providing notice to the appellant, the Council shall determine whether the Public Works Director's decision or the expenditure is in accordance with this chapter and the provisions of O.R.S. 223.297 to 223.314 and may affirm, modify or overrule the decisions. If the Council determines that there has been an improper expenditure of system development charge revenues, the Council shall direct that a sum equal to the misspent amount shall be deposited within one year to the credit of the account or fund from which it was spent. The decision of the Council shall be reviewed only as provided in O.R.S. 34.010 to 34.100, and not otherwise.
- D. A legal action challenging the methodology adopted by the Council pursuant to § 13.12.040 shall not be filed later than 60 days after adoption. A person shall contest the methodology used for calculating a system development charge only as provided in O.R.S. 34.010 to ORS 34.100, and not otherwise.
- E. A person who wishes to challenge the calculation of a system development charge must make a written challenge to the calculation of the system development charge and file the challenge with the Public Works Director within 30 days of receiving the calculation. The written challenge must describe with particularity the calculation which the person appeals.
 - 1.
 - a. The written challenge shall state:
 - (1) The name and address of the appellant;
 - (2) The nature of the calculation being appealed;
 - (3) The reason the calculation is incorrect; and
 - (4) What the correct determination of the appeal should be or how the correct calculation should be derived.
 - b. A person who fails to file such a written challenge within the time permitted waives his or her objections, and his or her objections shall be dismissed.
 - 2. After providing timely notice to the challenger, the Public Works Director shall determine whether the calculation is in accordance with the resolution containing the methodology used to establish or modify the system development charge adopted by the City Council.
 - 3. Unless the challenger and the city agree to a longer period, a written challenge to the calculation of the system development charge shall be heard by a hearings officer within 40 working days of the receipt of the written challenge. At least 15 working days prior to the hearing, the city shall mail notice of the time and location thereof to the person who made the written challenge.
 - 4. The hearings officer shall hear and determine the challenge on the basis of the person's written challenge and any additional evidence he or she deems appropriate. At the hearing, the challenger may present testimony and oral argument personally or by counsel. The rules of evidence as used by courts of law do not apply.
 - 5. The person challenging the calculation shall carry the burden of proving that the calculation being appealed is incorrect and what the correct calculation should be or how a correct calculation should be derived.

6. After exhausting the city's administrative review procedure pursuant to § 13.12.160 of this chapter, the person challenging the calculation of the system development charge may then petition for review of the city official's/hearings officer or Council's determination pursuant to O.R.S. 34.010 to 34.100.

§ 13.12.170 PROHIBITED CONNECTION.

No person may connect to the water, wastewater, stormwater, or sewertransportation systems of the city unless the appropriate system development charge has been paid or the lien or installment payment method has been applied for and approved.

§ 13.12.180 PENALTY.

Violation of this chapter constitutes a violation under the provisions of Chapter 9.36 of the Sweet Home Municipal Code and may be prosecuted under the provisions thereof as now enacted or hereafter amended. The prosecution shall not be exclusive, but shall be in addition to any other remedy the city may have available to it to enforce compliance with this chapter. Each day that a violation exists is a separate offense. A Violation Enforcement Officer authorized to issue citations for commission of violation(s) of this chapter shall include city's Code Enforcement Officer, Sweet Home police officer and Public Works Director.

§ 13.12.190 CONSTRUCTION.

For the purposes of administration and enforcement of this chapter, unless otherwise stated in this chapter, the following rules of construction shall apply.

- A. In case of any difference of meaning or implication between the text of this chapter and any caption, illustration, summary table or illustrative table, the text shall control.
- B. The word "shall" is always mandatory and not discretionary; the word "may" is permissive.
- C. Words used in the present tense shall include the future; and words used in the singular number shall include the plural and the plural the singular, unless the context clearly indicates the contrary.
- D. The phrase "used for" includes "arranged for", "designed for", "maintained for" or "occupied for".
- E. Where a regulation involves two or more connected items, conditions, provisions or events:
 1. "And" indicates that all the connected terms, conditions, provisions or events shall apply; and
 2. "Or" indicates that the connected items, conditions, provisions or events may apply singly or in any combination.
- F. The word "includes" shall not limit a term to the specific example, but is intended to extend its meaning to all other instances of like kind or character.

§ 13.12.200 SEVERABILITY.

The provisions of this chapter are severable and it is the intention to confer the whole or any part of the powers herein provided for. If any clause, section or provision of this chapter shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of this chapter shall be in full force and effect and be valid as if the invalid portion thereof had not been incorporated herein. It is hereby declared to be the Council's intent that this chapter would have been adopted had such an unconstitutional provision not been included herein.

§ 13.12.210 CLASSIFICATION.

The City Council determines that any fee, rates or charges imposed by this chapter are not a tax subject to the property tax limitations of Article XI, § 11(b) of the Oregon Constitution.

ORDINANCE BILL NO. 2 FOR 2021

ORDINANCE NO. 1294

SWEET HOME ORDINANCE PERTAINING TO SYSTEM DEVELOPMENT CHARGES

WHEREAS, the City of Sweet Home has undertaken a complete review of its system development charges in order to ensure its compliance with state law; and

WHEREAS, it is important to the City that costs of growth are equitably and rationally shared by new growth and development activities.

NOW THEREFORE,

The City of Sweet Home does Ordain as follows:

Section 1. The title of Sweet Home Municipal Code Chapter 13.12 titled WATER AND SEWER HOOKUP FEES AND SYSTEM DEVELOPMENT CHARGES is changed to read SYSTEM DEVELOPMENT CHARGES.

Section 2. Sweet Home Municipal Code § 13.12.010 PURPOSE is amended to read as follows:

The purpose of the system development charge is to impose a portion of the cost of capital improvements for water, wastewater, storm water, transportation and parks upon those development(s) that create the need for or increase the demands on capital improvements, consistent with State law.

Section 3. Sweet Home Municipal Code § 13.12.020 Definitions for the following defined words shall be amended to read as follows:

CAPITAL IMPROVEMENTS. Public facilities or assets used for the following:

1. Water supply, treatment, and distribution;
2. Wastewater collection, transmission, treatment, and disposal;
3. Drainage and flood control;
4. Transportation; or
5. Parks and recreation.

PERMITTEE. The person to whom a building permit, development permit, a permit or plan approval to connect to the sanitary sewer, stormwater or water system, or right-of-way access permit is issued.

SYSTEM DEVELOPMENT CHARGE. A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit or building permit, or connection to the capital improvement.

1. A SYSTEM DEVELOPMENT CHARGE includes that portion of a sanitary sewer, storm sewer or water system connection charge that is greater than the amount necessary to reimburse the city for its average cost of inspecting and installing connections with water, wastewater and/or stormwater facilities.
2. A system development charge does not include fees assessed or collected as part of a local improvement district or a charge in lieu of a local improvement district assessment or the cost of complying with requirements or conditions imposed by a land use decision.

Section 4. Sweet Home Municipal Code § 13.12.030 SYSTEM DEVELOPMENT CHARGE ESTABLISHED is amended to include the following subsection (C):

- C. Systems development charges for each system may be automatically adjusted on the first day of July of each calendar year. The City Recorder shall make the adjustment based upon the Seattle Construction Cost Index published by Engineering News Record (ENR) by calculating the percentage increase/decrease in the index for the period since the last adjustment and then applying that percentage increase/decrease in the index for the period since the last adjustment and then applying that percentage to the figures used to calculate the systems development charge and any credits.

Section 5. Sweet Home Municipal Code § 13.12.040 METHODOLOGY is amended to read as follows:

- A. The methodology used to establish or modify the reimbursement fee shall promote the objective that future systems users shall contribute no more than an equitable share of the cost of then-existing facilities. The methodology used to establish or modify a reimbursement fee shall, where applicable, be based on:
 1. Ratemaking principles employed to finance publicly owned capital improvements;
 2. Prior contributions by existing users;
 3. Gifts or grants from federal or state government or private persons;
 4. The value of unused capacity available to future system users or the cost of the existing facilities and
 5. Other relevant factors identified by the City Council.
- B. The methodology used to establish or modify an improvement fee shall demonstrate consideration of the estimated cost of projected capital improvements identified in an improvement plan (see §13.12.070 of this chapter) that are needed to increase the capacity of the systems to which the fee is related. The methodology shall be calculated to obtain the cost of capital improvements for the projected need for system capacity for future system users.
- C. The methodology used to establish or modify the improvement fee or the reimbursement fee, or both, shall be contained in a resolution adopted by the City Council.
- D. A change in the amount of a reimbursement fee or an improvement fee is not a modification of the system development charge if the change in amount is based on:
 1. A change in project costs, including the cost of materials, labor, or real property; or
 2. The periodic application of one or more specific cost indexes or other periodic data sources, including the cost index identified in §13.12.030(C) of this chapter. A specific cost index or periodic data source must be:
 - a. A relevant measurement of the average change in prices over an identified time period for materials, labor, real property, or a combination of the three;

- b. Published by a recognized organization or agency that produces the index or data source for reasons that are independent of the system development charge methodology; and
- c. Incorporated as part of the established methodology or identified and adopted by the City Council in a separate resolution, or if no other index is identified in the established methodology, then the index stated in §13.12.030(c) of this chapter.

Section 6. Sweet Home Municipal Code § 13.12.070 IMPROVEMENT PLAN is amended to read as follows:

- A. Prior to the establishment of a system development charge, the Council shall adopt a plan that includes a list of:
 - 1. The capital improvements that the City Council intends to fund in whole or in part with improvement fee revenues;
 - 2. The estimated cost and time of construction of each improvement and the percentage of that cost eligible to be funded with improvement fee revenues.
- B. In adopting this plan, the City Council may incorporate by reference all or a portion of any public facilities plan, master plan, capital improvements plan or similar plan that contains the information required by this section.
- C. The Council may modify the plan and list at any time. If a system development charge will be increased by a proposed modification to the list to include a capacity increasing public improvement the City Council will:
 - 1. At least 30 days prior to adoption of the proposed modification, provide written notice to persons who have requested notice pursuant to § 13.12.120 of this chapter; and
 - 2. Hold a public hearing if a written request for a hearing is received within seven days of the date of the proposed modification.

Section 7. Sweet Home Municipal Code § 13.12.100 EXEMPTIONS is amended to read as follows:

The following are exempt from System Development Charges:

- A. Additions to single-family dwellings that do not constitute the addition of a dwelling unit, as defined by the state's Uniform Building Code.
- B. An alteration, addition, replacement or change in use that does not increase the parcels or structures use of the public improvement facility.
- C. Municipal projects or any other development which is being financed by City funds.
- D. Housing for low-income or elderly persons which is exempt from real property taxes under state law.

Section 8. Sweet Home Municipal Code § 13.12.110 CREDITS, subsections (E), (F), (G), and (H) are amended and subsection (I) is added to read as follows:

- E. Notwithstanding subsections A. through D. above, the city may provide for a credit against the improvement fee, the reimbursement fee or both, for capital improvements constructed as part of the development which reduce the development's demand upon existing capital improvements and/or the need for future capital improvements, or a credit based upon any other rationale the Council finds reasonable.
- F. Notwithstanding subsections A. through D. above, the city may provide a credit against the improvement fee, the reimbursement fee, or both, for the dedication of land to the city, not including public rights-of-way, for the future expansion of the City's Water,

Wastewater, Stormwater, Transportation, or Parks systems, however this credit shall only be applied toward the system (Water, Wastewater, Stormwater, Transportation, or Parks) for which the land is dedicated.

- G. Credits shall not be transferable from one development to another.
- H. Credits shall not be transferable from one type of system development charge to another.
- I. Credits shall be used within ten years from the date the credit is given.

Section 9. Sweet Home Municipal Code § 13.12.170 PROHIBITED CONNECTION is amended to read as follows:

No person may connect to the water, wastewater, stormwater, or transportation systems of the city unless the appropriate system development charge has been paid or the lien or installment payment method has been applied for and approved.

Passed by the Council and approved by the Mayor this 9th day of March, 2021.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder

MEMORANDUM



TO: City Council
Ray Towry, City Manager
Interested Parties

FROM: Blair Larsen, Community and Economic Dev. Director

DATE: March 9, 2021

SUBJECT: Community and Economic Development Department Report for February, 2021

The Community and Economic Development Department (CEDD) consists of the City's Building, Planning, Engineering, Economic Development, Code Enforcement, and Parks and Recreation programs. The following is a summary of activities and notes on current projects from February 1st, to February 28th, 2021.

1. BUILDING

- Summary of Building Program Permits Issued.

Permit Category	February, 2021	January, 2021	2021 YTD	2020 Total	2016-2020 Annual Average
Residential 1 and 2 Family Dwellings	0	1	1	22	31.2
Residential Demolition	1	0	1	7	7
Residential Manufactured Dwellings	0	5	5	7	12.6
Residential Mechanical Permits	12	6	18	93	101.6
Residential Plumbing	2	2	4	27	26.2
Residential Site Development	0	0	0	0	1.2
Residential Structural	4	7	11	55	44.6
Commercial Alarm or Suppression Systems	0	5	5	2	1.4
Commercial Demolition	0	0	0	4	3
Commercial Mechanical	2	1	3	17	14.8
Commercial Plumbing	0	0	0	9	11.6
Commercial Site Development	0	0	0	2	2.6
Commercial Structural	1	5	6	29	40.0
Total Permits	22	32	54	274	297.8
Value Estimate of All Permits	\$135,159.90	\$734,113.51	\$869,273.41	\$15,074,659.04	\$15,649,218.08
Fees Collected	\$3,850.42	\$15,478.07	\$19,328.49	\$212,454.67	\$216,365.51

2. PLANNING

- Summary of Planning Division Applications Approved:

Application Type	February, 2021	January, 2021	2021 YTD	2020 Total	2016-2020 Annual Average
Annexations	0	0	0	1	0.4
Code Amendments	0	0	0	1	0.6
Conditional Use	0	0	0	5	6.6
Partition	1	2	3	8	5.6
Planned Development/Subdivision	1	1	2	1	0.6
Property Line Adjustments	1	2	3	15	8.8
Vacation	0	0	0	0	0
Variance	0	0	0	1	6.4
Zoning Map Amendment	1	0	1	4	1.4

- 7 land use applications were submitted in February.
- 9 Land Use Applications are pending final approval.
- 0 Fence Permits were issued in February.
- The overhaul of development code portions of the Sweet Home Municipal Code (SHMC) is progressing as planned. Staff has reviewed early drafts, and our consultants recently submitted the next draft, which has been reviewed by staff, and will soon be presented to the Planning Commission.
- The City has received a grant from the State to update our Transportation System Plan and create an Area Plan for the undeveloped land on the north side of the City. We will be meeting with ODOT in the next couple of months to work out an Intergovernmental Agreement, draft the Scope of Work, and hire a consultant.
- The next Planning Commission meeting is scheduled for April 5, 2021.

3. ECONOMIC DEVELOPMENT

- Now that the contract with Dougherty Landscape Architects (DLA) for the Downtown Streetscape and Parking Plan, work has begun on that project. Staff conducted an on-site tour of downtown with the Consultants and is providing them with GIS data and other support. We are planning for the first community meeting to be held on March 25th at 6PM.
- Staff is continuing to support our local businesses during the Coronavirus Pandemic. Efforts have focused on making sure that businesses know of state and federal programs that can help them and researching how we can fill in the gaps. Recently, the City was able to obtain a shipment of Personal Protective Equipment (PPE) from the State for distribution to businesses at no charge. The State has indicated that there will be an additional round of PPE distributed this month.
- Work on a property partition and right-of-way width change for 24th Ave is proceeding now that DEQ has issued a No Further Action (NFA) designation for the southern part of the Public Works Yard. This is part of a comprehensive 24th Avenue Corridor Improvement Project. Staff has finalized the agreement with the adjacent property owners and is ready to bring forward a Request for Council Action to approve the partition application and adopt a resolution to swap the land, however, the project was stalled due to the other party's concerns about liability for any additional environmental cleanup. Now that the NFA has finally been granted, the adjacent property owners are conducting their own legal review. Once they agree, Staff will put everything together for approval by the Council.

- Staff has submitted an application to ODOT for a Rail Crossing at 24th Avenue. Meetings with Albany & Eastern Railroad have been positive, and they have provided a letter of support that was included with the application. Linn County has provided a letter of support committing to additional ROW dedication and agreeing to the crossing. ODOT assigned a property manager, and has reviewed the request and suggested modifications. Staff has updated the application files, and are hoping to meet with the Railroad and ODOT soon to discuss any remaining obstacles and next steps.
- We continue to try to work with Linn County to develop a plan for the old Weyerhaeuser mill site. The remaining cleanup looks positive, and it is possible that it could be completed soon, however, some pollutants will be left in place, and would require a management plan that ensures that the ponds and the associated sediment are not disturbed. Staff has stayed in contact with DEQ regarding the cleanup efforts. Staff has recently met with a developer interested in the County's property, and a public-private-partnership to develop the City's property. We will continue to explore possibilities and present them to you at the appropriate time.

4. CODE ENFORCEMENT

- Summary of Actions.

Case Status	February, 2021	January, 2021	2021 YTD	2020 Total	2018-2020 Annual Average
New Complaints	5	12	17	76	N/A
New Officer-Detected Violations	1	2	3	N/A	N/A
Violations Resolved	18	19	37	195	326.33
Complaints Noted with No Violation Found	0	2	2	17	25
Open Cases at End of Period	9	21	9	28	N/A
Citations	3	0	3	5	1.67
Abatements	0	0	0	0	0
Enforcement Type	February, 2021	January, 2021	2021 YTD	2020 Total	2018-2020 Annual Average
Animal	3	6	9	49	50.33
Blight	1	0	1	1	1
Illegal Burn	0	0	0	0	2
Illegal Dumping	0	0	0	0	0.67
Illegal Parking	0	2	2	24	9.33
Illegal Sign	0	1	1	6	3.33
Junk/Abandoned Vehicle	0	0	0	8	10.67
Minimum Housing	0	0	0	4	4.33
Occupying an RV	0	0	0	50	47.33
Open Storage	1	2	3	84	79.33
Other	0	2	2	7	24
Public Nuisance	0	0	0	103	59
Public Right-of-way	1	1	2	13	16.33
Tall Grass & Weeds	0	0	0	161	142
Vacant Lot	0	0	0	0	0.33

The City's Code Enforcement Officer responds to complaints submitted through the City's website, and actively patrols the City and works to resolve identified code violations.

5. PARKS

- The Park and Tree Committee will meet next on March 17th, 2021.
- The Sweetheart Run was held on February 13th, 2021. Despite COVID regulations, the event went smoothly.
- Staff are now planning for this year's Movies in the Park and Harvest Festival.
- Construction of Sankey Park Improvements is continuing. Construction on the play structures has been completed, as well as much of the lighting installation. The first phase of

concrete has been completed, and the remaining concrete work continues. Work on the asphalt paths, remaining electrical and irrigation lines will continue into the Spring.

6. OTHER PROJECTS

- The Council has authorized ownership of the sculpture in the ODOT right-of-way near the East Linn Museum, and we have received a proposed Intergovernmental Agreement from ODOT. However, Citizens have come forward seeking to add a roofed structure over the artwork to protect it from the weather. Staff is working with ODOT to modify the IGA in order to allow the construction of a roofed structure. Staff inquired to learn if City acquisition of the property was a possibility. Initially, ODOT informed us that such action was not a possibility. However, after additional follow-up, ODOT is indicating that a right-of-way vacation is possible, which would add some of the property to the East Linn Museum property. Staff is waiting for a modified agreement from ODOT. In the meantime, staff is investigating spraying the sculpture with a protective coating.
- Willow Street Neighborhood LID: Appointed Viewers have reviewed the project scope and have recommended approval to the City Council to proceed, with concern on the cost burden for homeowners of both a water and a street project at the same time. A public meeting was held, and area residents stated concerns about cost and boundaries. Staff is currently reviewing the project scope to try and 1) reduce the project cost, and 2) reduce or mitigate the proportionately large costs two large parcels have in relation to the whole of the neighborhood. This relates to both the water system and the street system. Some alternate changes to the usual Assessment Method are being reviewed, options to come before Council again.
- The ODOT Foster Lake Sidewalk Project: Budgetary constraints have required that the project be limited to one side (the north) of US 20. The new scope also removes the section underneath the railroad bridge and calls for a soft-surface path in that location to be constructed by the City. Construction has been delayed until 2022, but engineering work is continuing throughout 2021.
- The CEDD systems analysis is ongoing. This project will “map” out all department processes so that efficiencies can be identified, delays can be removed, and operations can be made easier for both customers and staff. These process maps will be documented for staff continuity and to share with other departments.

MEMORANDUM



TO: Ray Towry, City Manager
 FROM: Greg Springman, Public Works Director
 DATE: March 9, 2020
 SUBJECT: Public Works Activities Report – February 2020

This memorandum provides a brief periodic update of specific projects, WTP/WWTP O&M and Compliance status, and activities performed by the Public Works Department.

This table section summarizes work done on key maintenance activities.

Work Type	February, 2021	January, 2021	2021 YTD	2020	2 Yr Ave
Bathrooms/Garbage	21	36	57	597	670
Catch Basin Inspection/cleaning	0	0	0	48	40
Leaf Collection	0	1	1	138.5	181
Hydrant Flushing	34	0	34	280	292
Locates	27	38	65	520	484
Meter Re-Read	95	53	148	830	636
Mowing	0	0	0	82	106
Playground EQ Inspection	10	9	19	21	60
Pothole Repair	46	75	121	667	638
Sewer CCTV Miles	0.00	0.00	0.00	5.71	4
Street Sweeping Miles	172	0	172	2086	3114
Water Main Repair	0	3	3	5	10
Water Service Repair	1	0	1	73	52
Water Turn Ons/Offs	245	50	295	914	977
Total Completed Work Orders	394	379	773	7895	8233

WWTP and WTP Key Performance Indicators (KPIs)

	January, 2021	December, 2020	2020	2019	5 Yr Ave
Potable					
MG Treated	30.45	26.95	345.13	444.48	434.89
Backwash Water in MG	6.23	4.8	18.42	22.90	13.50
Ave daily demand in MG	0.98	0.87	0.95	1.21	1.17
Sanitary					
MG Treated	87.64	86.73	596.71	547.14	559.36
Max Daily Flow in MG	4.69	6.66	6.66	7.30	6.02
Average Flow in MG	2.83	2.8	1.63	1.50	1.53

* MG is Million Gallons

Notes: There were zero water quality exceedances reported for the month of January

Current & Upcoming Projects

Treatment Facilities Working on bringing Operations in House

Scope: Council voted to resume operations of treatment facilities.

Status: Current proposed transfer on July1, 2021.

Wastewater Treatment Plant Improvement Project

Scope: Upgrades to equipment & processes for DEQ Compliance

Status: Project on schedule. WWTP Final design commenced in August, 2019. WWTP Improvement Project is at the 60% design completion. Staff completing Value Engineering Study with Keller Associates. Proceeding to 90% design.

Water Loss

Scope: Staff will continue to identify water leaks throughout the 54 miles of water distribution system.

Status: PW staff submitted updated Water Loss Charts to Council in November, 2020, projecting current water loss below 11%.

Radar Speed Signs

Scope: Purchase 6 radar speed signs throughout the community.

Status: Staff ordered 6 radar speed signs. Installed two signs, one on 1st Avenue, second on Airport Road. Permits applications have been approved by ODOT. Staff will install in March 2021.

Sankey Park Improvements

Scope: Install new paths, lighting, and playground equipment.

Status: Concrete was formed and poured in March 2021. CTC to remove several trees prior to path and light work resuming.

2021 Overlay Project

Scope: Overlay multiple streets through the community.

Status: Design with Civil West. Design scheduled for completion March 2021.

Water Distribution System Evaluation – West Yost

Scope: West Yost will perform a hydraulic water model of the water distribution system to pinpoint operations deficiencies and develop a plan to mitigate water system deficiencies.

Status: City staff purchased water modeling software, which West Yost to hydraulically model the water distribution system. Project currently in progress awaiting results from staff.

System Development Charges (SDCs) – Murraysmith

Scope: Provide an update to the current water and sewer system development charges (SDCs) and establish new transportation, parks, and stormwater SDCs based on current capital improvement plans. Council Workshop presentation took place on July 28, 2020.

Status: Hearing completed February 9, 2021. Adoption of Ordinance in March 2021.

Backwash Pump Evaluation – West Yost

Scope: Evaluate feasibility of adding a backwash pump and using clearwell for filter backwashes and the corresponding effects on the distribution system and treatment.

Status: In design with West Yost.

Finished Water Pump Evaluation – West Yost

Scope: Evaluate feasibility to add a Variable Frequency Drive (VFD) to the current finish water pumps to maintain a constant level in clearwell to help facilitate Backwash Pump.

Status: In design with West Yost.

WTP Disinfection Evaluation – The Automation Group (TAG) (sub from West Yost)

Scope: Murraysmith will perform a hydraulic water model of the water distribution system to pinpoint operations deficiencies and develop a plan to mitigate water system deficiencies.

Status: Staff procured equipment, Public Works staff to complete installation. TAG commencing with installation and programing, onsite installation scheduled for Dec 1st and 2nd.



Oregon

Kate Brown, Governor

Department of Environmental Quality
Agency Headquarters
700 NE Multnomah Street, Suite 600
Portland, OR 97232
(503) 229-5696
FAX (503) 229-6124
TTY 711

Certified Mail 7017 0530 0000 7760 7862

March 3, 2021

Sweet Home City Council
3225 Main St.
Sweet Home, OR. 97386

Re: EPA takes final action on *Revised Willamette Basin Mercury Total Maximum Daily Load*

Dear City Council Members:

This letter provides notification that the U.S. Environmental Protection Agency (EPA) released the *Total Maximum Daily Load (TMDL) for Mercury in the Willamette Basin, Oregon* on Feb. 4, 2021. EPA notified DEQ that, "EPA has established this TMDL and is hereby providing it to the State for implementation."

The EPA's TMDL says that the required reasonable assurance of implementation for the TMDL relies on DEQ's Water Quality Management Plan. The WQMP was issued on Nov. 22, 2019 as part of the DEQ *Final Revised Willamette Basin Mercury Total Maximum Daily Load*. You received this letter because DEQ listed the City of Sweet Home as a Designated Management Agency in the WQMP. Therefore, the City of Sweet Home is responsible for implementing strategies to reduce mercury according to requirements identified in the WQMP that are specific to the City of Sweet Home.

DEQ submitted its TMDL and associated documents to EPA for review and action on Nov. 22, 2019. EPA disapproved DEQ's TMDL on Nov. 29, 2019. On Dec. 30, 2019, EPA established the Willamette Basin Mercury TMDL, which was in effect until EPA released the revised TMDL on Feb. 4, 2021. EPA's 2019 TMDL, as revised in Feb. 2021, and DEQ's 2019 TMDL WQMP are in effect and apply to the City of Sweet Home. DEQ's WQMP and additional information can be accessed at: <https://www.oregon.gov/deq/wq/tmdls/Pages/willhgtmdlac2018.aspx>

As a DMA, the City of Sweet Home is required under OAR 340-42-080 to prepare a TMDL implementation plan to incorporate implementation requirements in the WQMP based on several criteria. TMDL implementation plans must be submitted to DEQ for review and approval by September 3, 2022, which is 18 months from the date of this letter. Should the City of Sweet Home fail to submit the plan by this date, this matter may be referred to the Department's Office of Compliance and Enforcement for formal enforcement action, including the assessment of civil penalties and/or a Department Order. Please note that civil penalties can be assessed for each day of violation.

Please contact your basin coordinator, Priscilla Woolverton, to determine what your specific requirements are and to discuss any questions you may have. Your basin coordinator will work closely with you to support your submittal of all TMDL- required documents and reports.

We appreciate the City of Sweet Home involvement in TMDL implementation to reduce mercury in the Willamette Basin in order to protect people who regularly eat fish and shellfish from streams and lakes across the basin.

Sincerely,



Zach Loboy
Water Quality Manager DEQ, Western Region
(541) 687-7425, Zach.LOBOY@deq.state.or.us
165 E. 7th Ave. Ste. 100, Eugene, OR. 97401

Priscilla Woolverton
Willamette Basin Coordinator DEQ, Western Region
(541) 687-7347, Woolverton.Priscilla@deq.state.or.us
165 E. 7th Ave. Ste. 100, Eugene, OR. 97401

ec: Greg Springman, Public Works Director, City of Sweet Home
Trish Rice, Public Works, City of Sweet Home