

# ROLL TIDE PROPERTIES CORPORATION

April 3, 2026

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VIA E-MAIL

Mayor Kathleen Walker  
Members, Sandy City Council  
39250 Pioneer Boulevard  
Sandy, OR 97055

RE: SDC Fee Increases, Land Use Approval & ERU Allocation Deadlines

Dear Mayor Walker and City Council Members:

I am a member of an ownership group, which on December 5, 2022, a little over 3 years ago, received approval of a plan amendment, zone change and subdivision known as Bull Run Terrace.

In December 2025 I submitted a letter, and provided public comment at the meeting, discussing the unprecedented journey that this project has endured over the last 8 years. For some of you it was just a refresher, while for others it may have been mostly new information.

I will spare you from another detailed recap of that journey. My point was to make you aware of the numerous challenges we have faced, most of which would be considered very rare, leading up to today.

- A denial at a second reading after a 5-1 approval at the first.
- Almost exactly two years later, after having a "Plan B" design unanimously denied, our original plan (with minor modifications) was approved. Two wasted years.
- Meanwhile, a sewer moratorium was adopted to halt development.
- One and a half years later an ERU allocation program was adopted, providing assurance that we could connect to sewer.
- During that same period, parks and streets SDC fees were increased, adding \$1.2m to our project's cost.
- About a year after the ERU allocation, water and wastewater SDC fees were increased, adding \$1.65m to our project.
- At this point our project cost has increased \$2.85m due to SDC fee increases alone.
- In addition, over the same period above, interest rates increased, material costs increased, labor costs increased, while rental rates, and property values have decreased. The perfect storm, some might say.

I understand the predicament that the city finds itself in, regarding the need to generate more revenue to fund necessary improvements to the city's infrastructure. However, this massive increase is causing

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projects to no longer be feasible and will not be developed until some significant economic changes occur.

As you know, the prudent approach that the city should have taken was to incrementally increase fees over a longer period, as opposed to waiting for a catastrophic event where DEQ and EPA gets involved and assesses potentially massive fines. This negligence has created an environment where current developments are burdened with record-setting fee increases that could have been spread over many more units over the past several years. For this to turn into “bad timing” for a handful of developments is unfair. What would be fair is to allow current approved developments to proceed with prior fees, and phase in the increase in fees on a timeline that gives developers plenty of notice before deciding whether to pursue a project. Instead, developers spent millions of dollars on their projects, and in some cases right up to the point of pulling permits, and then with a snap of a finger costs increase millions of dollars. Pause, and think about how that might affect you personally if you were building a personal residence.

The increase in SDC fees will decrease the city’s revenue due to the decrease in building permits being pulled. For our project alone, the city is giving up \$3,095,246 in SDC fees due to the attempt to collect \$5,946,145.

A catch-22 really, where SDC fees are increased to generate more revenue while it has the opposite effect, due to it causing a decrease in permits pulled resulting in an overall decrease in revenue. Bull Run Terrace is real-time example of this.

The proposal on the table is a \$5,711 adjustment to water SDC’s, and \$1,789 for wastewater SDC’s. This equates to approximately \$455k for Bull Run Terrace, which is appreciated, but not enough. Unfortunately, the proportionally larger adjustment to water SDC’s has less impact on apartment development, due to fewer water connections.

I understand that fees need to increase to improve the infrastructure, **but I plead with you to consider making projects that were approved prior to the fee increases exempt from these massive increases.** Had the sewer moratorium not been necessary, many of the projects in the queue, including our 200 units, would already be built and providing the desperately needed housing in Sandy, and would have paid the pre-increased fees, with that revenue already in the city’s funds.

I’m happy to work with city staff to calculate the exact impact this would have on SDC revenue, but for Bull Run Terrace alone, it would be a difference of \$0 (not developed) compared to over \$3m if developed under lowered SDCs.

As we navigate through moratoriums and SDC fee increases rendering our projects infeasible, the clock keeps ticking on our land use approvals and ERU allocation expiration dates. For Bull Run Terrace our land use approval expires in 8 months, on December 5, 2026, and assuming we are granted our last available extension, our ERU allocation sunsets on June 11, 2027. Even if SDC fees were lowered to

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amounts that we could digest now, we don't have enough time to meet these deadlines. I am requesting that you consider adopting an ordinance to extend land use approvals and ERU allocations by two years, each. In conjunction with a hopeful resolution on the SDC fee increases for approved projects, this will give us the time we need, after being on pause again, to meet deadlines.

Given the unprecedented chain of events that we've experienced in Sandy over the last few years, it feels like a reasonable request to grant an extension of these deadlines. Without them, Bull Run Terrace has no chance of being developed, and it would be back to square one for this property if anyone were to want to pursue it, which would be devastating.

As a quick reminder, our project brings much needed housing to Sandy, extends Dubarko Rd. and connects it to HWY 26, and has already dedicated 1.755 acres of parkland that made the long-awaited Deer Pointe Park possible, all of which are huge wins for the City of Sandy.

I ask that you consider an exemption from SDC Fee increases for approved projects prior to the increases, and grant extensions to our land use approvals and ERU allocation expirations, otherwise the project that we've been working on for 8 years is dead, and will not provide any SDC revenue for the city.

Sincerely,

*Dave Vandehey*

Dave Vandehey

Roll Tide Properties Corporation