

RESOLUTION NO. 3046

A RESOLUTION OF THE CITY OF WILSONVILLE ESTABLISHING AND IMPOSING JUST AND EQUITABLE PARKS, RECREATION AND OFF STREET TRAIL FACILITIES SYSTEMS DEVELOPMENT CHARGES AND REPEALING RESOLUTION NO. 2133.

WHEREAS, on October 6, 2008 Council adopted Resolution No. 2133 establishing and imposing a Parks and Recreation Capital Improvement Systems Development Charge for Parks, Recreation and Off Street Trail facilities; and

WHEREAS, the capital improvement plan for Resolution No. 2133 included \$41,279,629 million in projects which provided increased capacity for 18,992 new employees and an increase of 17,595 new residents; and

WHEREAS, the unit cost of service for the additional capacity was allocated to single and multi-family dwelling developments by dwelling unit type and to other non-residential developments by the expected number of employees by land use and square footage; and

WHEREAS, on October 15, 2018 Council adopted Ordinance No. 00826 which approved the Parks and Recreation Master Plan with an update of the Capital Improvement Plan (CIP) and parks and recreation requirements; and

WHEREAS, staff has further updated the CIP projects from the 2018 Parks and Recreation Plan and has determined that of the total cost of City Parks over the planning period \$70M in the CIP there are growth related projects totaling \$45M; and

WHEREAS, from 2023 to 2036 there will be additional projected growth in population of 8,276 residents and an additional 6,593 employees, or 350 residential equivalents, from new development; and

WHEREAS, the City has contracted with FCS GROUP to complete a systems development charge study; and

WHEREAS, FCS GROUP completed and filed with the City Recorder as part of the record herein a report titled "Parks System Development Charge Update" for the City of Wilsonville and Parks SDC costs including compliance costs rounded to the nearest dollar are as follows:

Single Family \$25,040 per dwelling unit

Multi-family \$16,819 per dwelling unit

Non-residential \$491 per employee; applied as shown below; and

	Industry Grouping (SIC)	Square Feet per Employee	Employees	
			per 1,000 Square Feet	SDC per 1,000 Square Feet
Ag., Fish & Forest Services; Constr.; Mining	1-19	590	1.695	\$ 832.02
Food & Kindred Projects	20	630	1.587	779.20
Textile & Apparel	22, 23	930	1.075	527.84
Lumber & Wood	24	640	1.563	767.02
Furniture; Clay, Stone & Glass; Misc.	25, 32, 39	760	1.316	645.91
Paper & Allied	26	1,600	0.625	306.81
Printing, Publishing & Allied	27	450	2.222	1,090.87
Chemicals, Petroleum, Rubber, Leather	28-31	720	1.389	681.80
Primary & Fabricated Metals	33, 34	420	2.381	1,168.79
Machinery Equipment	35	300	3.333	1,636.31
Electrical Machinery, Equipment	36, 38	400	2.500	1,227.23
Transportation Equipment	37	700	1.429	701.28
TCPU--Transportation and Warehousing	40-42, 44, 45, 47	3,290	0.304	149.21
TCPU--Communications and Public Utilities	43, 46, 48, 49	460	2.174	1,067.16
Wholesale Trade	50, 51	1,390	0.719	353.16
Retail Trade	52-59	470	2.128	1,044.45
Finance, Insurance & Real Estate	60-68	370	2.703	1,326.74
Non-Health Services	70-79	770	1.299	637.52
Health Services	80	350	2.857	1,402.55
Educational, Social, Membership Services	81-89	740	1.351	663.37
Government	90-99	530	1.887	926.21

WHEREAS, the max defensible rates listed above would result in a significant increase to the current rate, City Staff is recommending a lower rate that will still provide for meaningful funding of future park infrastructure; and

WHEREAS, the recommended rates are as follows:

- \$14,000 per Single Family dwelling unit
- \$9,404 per multifamily dwelling unit
- \$274 per employee

	Industry Grouping (SIC)	Square Feet per Employee	Employees	
			per 1,000 Square Feet	SDC per 1,000 SF
Ag., Fish & Forest Services; Constr.; Mining	1-19	590	1.695	\$ 465.19
Food & Kindred Projects	20	630	1.587	435.65
Textile & Apparel	22, 23	930	1.075	295.12
Lumber & Wood	24	640	1.563	428.85
Furniture; Clay, Stone & Glass; Misc.	25, 32, 39	760	1.316	361.13
Paper & Allied	26	1,600	0.625	171.54
Printing, Publishing & Allied	27	450	2.222	609.91
Chemicals, Petroleum, Rubber, Leather	28-31	720	1.389	381.20
Primary & Fabricated Metals	33, 34	420	2.381	653.48
Machinery Equipment	35	300	3.333	914.87
Electrical Machinery, Equipment	36, 38	400	2.500	686.15
Transportation Equipment	37	700	1.429	392.09
TCPU--Transportation and Warehousing	40-42, 44, 45, 47	3,290	0.304	83.42
TCPU--Communications and Public Utilities	43, 46, 48, 49	460	2.174	596.66
Wholesale Trade	50, 51	1,390	0.719	197.45
Retail Trade	52-59	470	2.128	583.96
Finance, Insurance & Real Estate	60-68	370	2.703	741.79
Non-Health Services	70-79	770	1.299	356.44
Health Services	80	350	2.857	784.18
Educational, Social, Membership Services	81-89	740	1.351	370.89
Government	90-99	530	1.887	517.85

Source: Metro, "1999 Employment Density Study," Table 4.

WHEREAS, charging non-residential parks user by employee does not accurately capture impacts on the Parks system since SDC's are charged at issuance of a building permit and the employees planned for initial occupancy do not reflect future systems demands; and

WHEREAS, a Metro "1999 Employment Density Study" links employment density and square footage by land use to reflect future systems demands; and

WHEREAS, ORS 223.309 requires that an approved CIP be used as a basis for SDC methodology; and

WHEREAS, approval of the CIP included in this Resolution provides an approved CIP; and

WHEREAS, on May 15, 2023 staff distributed a letter announcing that the methodology for calculation of Parks SDC's would be available on June 14, 2023 and a Public Hearing would be conducted on August 21, 2023; and

WHEREAS, the methodology was available on June 12, 2023 and distributed as requested;
and

WHEREAS, on June 14, 2023 staff conducted an open house for representatives of the development community to discuss the proposed methodology; and

WHEREAS, the Public Hearing was held on August 21, 2023 and the adopting Resolution was approved on September 7, 2023.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

ARTICLE I

PURPOSE

Section 1. Purpose

A. The purpose of this resolution is to provide a uniform framework for the imposition of a Parks System Development Charge for parks, recreation and off street trail facilities, including, but not limited to, administrative review procedures, credits and capital improvements providing added capacity which may be funded with Park SDC revenues.

B. This Park SDC is adopted to ensure that new development contributes to extra-capacity parks, recreation and off street trail improvements needed to accommodate additional use generated by such development.

Section 2. Definitions

A. "Construction Cost Index" means the Seattle Construction Cost Index based on a composite of the unit costs for specified construction components as published in the Engineering News Record.

B. "Department" means the Community Development Department.

C. "Director" means the Director of the Community Development Department.

D. "Extra-capacity facilities or improvements" mean those parks, recreation and off street trail improvements that are necessary in the interest of public health, safety and welfare to increase capacity to address new development. Such improvements

include, but are not limited to planning; design; administration; construction; and acquisition of property right of way easements, bridges and bike paths.

E. "Fee" means the systems development charge adopted herein.

F. "Non-residential users" include commercial, industrial and governmental users and employees in residential care facilities.

ARTICLE II

ADMINISTRATION AND ADMINISTRATIVE REVIEW

Section 1. The Community Development Director shall be responsible for developing administrative procedures for calculation and collection of SDCs, and developing and administering capital improvement programs and related activities.

A. Discretionary decisions of the Director or his designee shall be in writing and mailed by regular mail to the last known address of the applicant.

B. As provided by Wilsonville Code (WC) 11.040(10)(b) Appeal Procedures, any person aggrieved by a discretionary decision of the Director or his designee may appeal the decision to the City Recorder for consideration by the Wilsonville City Council. The appeal shall be in writing and must be filed with the City Recorder within 10 working days of the date the Director's decision was mailed and provide information stated in WC paragraph 11.040(10)(c).

Section 2. As provided by WC 11.040(10)(c) any interested person may challenge an expenditure of SDC revenues as being in violation of the Wilsonville Code paragraph 11.040 provided an appeal of expenditure is filed with the City Recorder for consideration by the Wilsonville City Council within two years of the expenditure.

Section 3. A person who makes a written objection to the calculation of a Parks SDC and has appealed the Director's determination to the City Council or has timely challenged an expenditure of SDC revenues, upon the City Council's determination, shall be notified of the right to petition for review pursuant to ORS 34.010 to 34.100.

ARTICLE III

METHODOLOGY

Section 1. Calculation of Parks SDCs

Calculation of Parks SDC was accomplished by FCS Group in a report titled "*Parks System Development Charge Update for the City of Wilsonville, March 2023*" on file with the City Recorder. Detailed calculations are in the report, are incorporated by reference as if fully set forth herein.

Section 2. Annual Review

The City shall annually review the Parks SDC to determine whether additional revenue should be generated to provide extra capacity improvements needed to address new development or to ensure that revenues do not exceed identified demands. In doing so the City shall consider:

- A. Construction of facilities by federal, state or other revenue sources.
- B. Receipt of unanticipated funds from other sources or construction of facilities.
- C. Upon completion of this review, the City shall consider such amendments including adjustments to the fee imposed per year end as are necessary to address changing conditions.

Section 3. Indexing

ORS 223.304 allows for the periodic indexing of SDCs for inflation, as long as the index used is:

- A. A relevant measurement of the average change in prices or costs 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 in a separate ordinance, resolution or order.

ARTICLE IV

PAYMENT

Section 1. Unless deferred, the SDC imposed hereby is due and payable at the time of issuance of a building permit by the city. Except as otherwise provided in WC 11.040(7) Collection of Charge, no building permit shall be issued for a development subject to the Parks SDC unless the Parks SDC is first paid in full.

ARTICLE V

CREDIT

Section 1. As provided in WC 11.040(9) Credits, an applicant for a building permit is eligible for credit against the Parks SDC for constructing a qualified capital improvement.

ARTICLE VI

EXEMPTIONS

Section 1. The following development is exempt from the Parks SDC:

- A. Remodeling or replacement of any single-family structure (including mobile homes) that does not increase the use of parks, recreation and off street trails capital improvements.
- B. Multi-family structure remodeling or replacement that does not increase the use of parks and trails capital improvements.
- C. Remodeling or reconstructing of office, business and commercial, industrial or institutional structures except to the extent it generates additional parks use by additional gross floor area beyond the gross floor area for which the structure was originally designed or by more intensive use than the use anticipated at prior issuance of a building permit, thereby increasing the use of parks capital improvements.
- D. Any exemption greater than \$15,000 shall be approved by the City Council; provided, however, in the event that a greater level of authority is delegated to the Director by virtue of any future amendment of WC 11.040(8)(a)(4) reserving a greater amount for approval of the City Council, then such amendment shall take precedent

over this provision.

E. Developments included in a development agreement in which the parks SDC is held firm in return for construction of parks facilities eligible for SDC credits at costs which are held firm irrespective of actual costs.

ARTICLE VII

DEDICATED FUND

Section 1. The city shall maintain a dedicated fund entitled "Parks Systems Development Fund", herein "fund". All moneys derived from the Parks SDC shall be placed in the fund. SDC improvement revenue, including interest on the fund, shall be used for no purpose other than those activities described as, or for the benefit of, extra capacity facilities.

Section 2. SDC improvement revenues may be spent to provide new or expanded parks or trails improvements as shown in Table 6 and 7 including all related improvements necessary to meet adopted standards. In addition, the reasonable and customary costs of administering this Parks SDC and projects funded hereunder, including repayment of debt, may be paid from Parks SDC revenues.

Section 3. Parks SDC reimbursement revenue may be spent on an approved parks capital improvement project.

ARTICLE VIII

REFUNDS

Section 1. Refunds of SDCs may be made upon initiation of the Director or upon written application filed with the Director. Refunds shall be allowed upon a finding by the Director that there was an actual clerical error in the calculation of the Parks SDC. Refunds shall be allowed for failure to claim a credit provided the claim for refund is in writing and actually received by the city within 30 days of the date of issuance of the building permit or final occupancy permit if deferral was granted. No refund shall be granted for any reason other than those expressly provided for herein.

ARTICLE IX

COLLECTION

Section 1. Notwithstanding issuance of a building or occupancy permit without payment, the Parks SDC liability shall survive and be a personal obligation of the permittee.

Section 2. Intentional failure to pay the Parks SDC within 60 days of the due date shall result in a penalty equal to 50% of the Parks SDC. Interest shall accrue from the 60 day point at the legal rate established by statute.

Section 3. In the event of a delinquency, in addition to an action at law and any statutory rights, the city may:

- A. Refuse to issue any permits of any kind to the delinquent party for any development.
- B. Refuse to honor any credits held by the delinquent party for any development.
- C. Condition any development approval of the delinquent party on payment in full, including penalties and interest.
- D. Revoke any previous deferrals issued to the delinquent party, in which case the amount immediately shall be due, and refuse to issue any new deferrals.
- E. Withdraw the amount due, including penalties and interest, from any offset account held by the jurisdiction for the delinquent party.

Section 4. For purposes of this section, delinquent party shall include any person or entity controlling a delinquent entity or individual permittee.

ARTICLE X

SEVERABILITY

Section 1. The invalidity of any section, subsection, paragraph, sentence, or phrase of this ordinance or the exhibit or Resolution which is incorporated herein, shall not affect the validity of the remaining portions thereof.

ARTICLE XI

INCORPORATION OF RECITAL

Section 1. The City council hereby adopts the above recitals as findings and incorporates them by reference as if fully set forth herein in support of this Resolution.

ARTICLE XII

EFFECTIVE DATE

This Resolution becomes effective the 1st day of January, 2024. Resolution No. 2133 is hereby repealed as of the Effective Date.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 21st day of August, 2023, and filed with the Wilsonville City Recorder this date.

JULIE FIZGERALD, MAYOR

ATTEST:

Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Fitzgerald

Council President Akervall

Councilor Linville

Councilor Berry

Councilor Dunwell

EXHIBIT:

A. Draft Report