

CHAPTER 7 – SYSTEM DEVELOPMENT CHARGES

ARTICLE 7.1 – PARK AND RECREATION IMPROVEMENTS

SECTION 7.1.001 – PARK AND RECREATION IMPROVEMENTS

The purpose of this Chapter is to establish System Development Charges (SDC's) pursuant to Oregon Revised Statutes Section 223.297. SDC's are fees charged to new residential development within the City of La Grande Urban Growth Boundary or within the City limits to fund a portion of parks and recreation improvements that are required as a result of increased development. Adequate funding for growth-related capital improvements is vital to maintain the City's level of service in parks and recreation facilities.

SECTION 7.1.002 - SCOPE OF REGULATIONS

- A. Park and Recreation Improvement System Development Charges shall be required prior to the approval of the Final Plat by the Community Development Director/Planner for all persons seeking permit approvals to partition or subdivide land for residential development purposes; or prior to issuance of a Building Permit to construct a new dwelling unit within the City's Urban Growth Boundary or within the City limits as provided in this Article (7.1).
 1. For all partition or subdivision activities resulting in the creation of individual building lots, payment of Park and Recreation Improvement System Development Charges shall be required prior to the approval of the Final Plat by the Community Development Director/Planner.
 2. For all Building Permits to construct new dwellings, payment of Park and Recreation Improvement System Development charges shall be required prior to issuance of a Building Permit by the Building Official.

SECTION 7.1.003 - DETERMINATION OF SDC RATES

- A. Fees will be assessed only on new residential development.
- B. The level of service used to set the SDC rates cannot be higher than that currently provided to existing users of the service at the time the fee is levied.
- C. Costs used in the SDC rates shall reflect the City of La Grande's costs as revised annually to reflect the costs for constructing current capital improvements.
- D. The fee reflects a portion of the developer's equitable share or use of the park and recreation system for which the fee is set.
- E. Credit may be given for certain improvements that reduce a development's impact on the park and recreation system capacity pursuant to Section 7.1.006 of this Article.

SECTION 7.1.004 – CALCULATING THE SDC CHARGE

- A. The Park and Recreation SDC Fee shall be established by a rate-setting methodology that uses the measurable impact of a development and the current construction costs to set the fee, using current dollar value (i.e., replacement costs) of land acquisition, design, site preparation, landscaping and construction of parks and recreation facilities.

- B. The Park and Recreation SDC Fee shall be levied on a per capita capital investment cost based upon the value of the existing park and recreation improvements divided by the community's population according to the most recent State Governors' Office of Administration population estimate for the City of La Grande. This calculation yields the standard cost per capita.

$$\begin{array}{ccccc} \text{CURRENT QUANTITY} & & \text{CURRENT COST} & = & \text{STANDARD COST} \\ \text{PER CAPITA} & \times & \text{PER FACILITY} & & \text{PER CAPITA} \end{array}$$

- C. The standard cost charge per capita shall be multiplied by the average number of persons that occupy a residential dwelling unit to yield the SDC charge per dwelling unit.

$$\begin{array}{ccccc} \text{STANDARD COST} & & \text{PERSONS PER} & = & \text{SDC CHARGE} \\ \text{PER CAPITA} & \times & \text{DWELLING UNIT} & & \end{array}$$

- D. The SDC charge shall not exceed fifty percent (50%) of the standard cost per dwelling unit, and shall not exceed \$1,000 for any dwelling unit.

SECTION 7.1.005 – EXEMPTIONS

The following development shall be exempt from payment of the Park and Recreation SDC:

- A. Non-residential development.
- B. Alterations, expansion, or replacement of an existing dwelling unit where no additional dwelling units are created.
- C. The construction of accessory buildings or structures which will not create additional dwelling units and which do not create additional demands on the District's capital improvements.
- D. The issuance of a permit for a manufactured dwelling on which applicable SDC's have previously been made as documented by receipts issued for such prior payment.
- E. A residential unit applying for a Building Permit in a partition or subdivision where the Park and Recreation SDC was previously paid prior to the recordation of the Final Plat for the partition or subdivision.

SECTION 7.1.006 – CREDITS

- A. The City shall grant a credit of up to one hundred percent (100%) against the Park and Recreation SDC imposed for the donation of land and/or the construction of any qualified public improvement. Qualified public improvements do not include those capital improvements which are required as a condition of development approval but which are not included in the list of capital improvements for which SDC revenues are designated in the Capital Improvements Plan.
- B. Qualified Public Improvements
Prior to the issuance of a building or development permit (e.g., final plat), the applicant shall submit to the City Planner a proposed plan and estimate of cost for contributions of qualified public improvements. The proposed plan and estimate shall include:
 - 1. Drawings and specifications for the proposed capital improvements;
 - 2. A legal description of any land proposed to be donated and a written appraisal prepared by a qualified professional appraiser, jointly selected by the City and the applicant, and based upon

comparable public improvements of similar property between unrelated parties in a bargaining transaction;

3. A list of the contemplated capital improvements contained within the plan;
4. An estimate of proposed construction costs certified by a professional architect or engineer;
5. A proposed time schedule for completion of the proposed plan.

C. Determination of Qualified Public Improvement

The Community Development Director/Planner shall determine if the proposed qualified public improvement is:

1. Required as a condition of residential development approval;
2. Identified in the Capital Improvements Plan; and
3. Either (a) not located on or contiguous to property that is the subject of residential 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.
4. Upon determination that the proposed improvement is a Qualified Public Improvement and within ten (10) days of the request for such determination by an applicant the Community Development Director/Planner will notify the applicant in writing of the determination. If the proposed improvement is a Qualified Public Improvement the Community Development Director/Planner will schedule the matter for credit for a credit recommendation by the Parks and Recreation Advisory Commission, Planning Commission and final determination by the City Council, said recommendations and action to be scheduled for the next available meeting of each respective body.

D. Land Donation

Donation of land at a site designated for park use in the Comprehensive Plan shall be granted credit of up to one hundred percent (100%) of the Park and Recreation SDC fee, based upon the appraised value of the land dedicated to the City for park use.

1. The value of donated lands shall be based upon a written appraisal of fair market value by a qualified professional appraiser, jointly selected by the City and the applicant, based on comparable sales of similar property between unrelated parties in a bargaining transaction.
2. The cost of anticipated construction of qualified public improvements shall be based on cost estimates certified by a professional architect or engineer.
3. Preference will be given to land located in growth areas that fit the City's acquisition criteria for suitable park development.

- E. Credit up to fifty percent (50%) of the required Park and Recreation SDC fee may be awarded by the City Council for a residential development that includes in the overall design private park or recreation improvements that reduce a development's impact on the park and recreation system capacity.

- F. Review of a developer's request for credit against the required Park and Recreation SDC shall be subject to the recommendation of the Parks and Recreation Advisory Commission and Planning Commission and the approval of the City Council.