



City of McMinnville Parks, Recreation, and Open Space Master Plan Update: Park System Development Charge Update



City Council Work Session

June 25, 2024



Agenda

- Updated Park SDC
- Phased Implementation
- Questions
- Next Steps



Updated Park SDC

Park SDC calculations have been updated to incorporate revisions to the 20-year project list and Capital Improvement Plan (CIP).

Data from the CIP is used in the following calculations:

- Parks cost per acre
- Investment needed for growth and investment needed per person
- Adjusted cost per person to account for other revenue sources
- Net cost per person

Updated Park SDC

Park System Development Charge per Unit of Development (p. 19)

Type of Development	Park SDC per Unit of
Residential	
Less than 500 sq ft	\$6,042.16 dwelling unit
500 to 999 sq ft	\$9,560.46 dwelling unit
1,000 to 1,999 sq ft	\$12,513.07 dwelling unit
2,000 to 2,999 sq ft	\$13,820.14 dwelling unit
3,000 to 3,999 sq ft	\$15,029.40 dwelling unit
4,000 or more sq ft	\$15,576.50 dwelling unit
Nonresidential	
Industrial/Manufacturing	\$2.77 square foot
Warehousing	\$0.78 square foot
Retail/Restaurant/Hospitality	\$3.47 square foot
Office	\$2.96 square foot

Sources: U.S. Census American Community Survey 5-Year Estimates for the City of McMinnville and the U.S. Census America Housing Survey, 2019 for the Portland MSA and City of McMinnville, and Observed Building Densities from Table 4 in the Metro 1999 Employment Density Study.

Note: Office includes healthcare, education, finance and professional service types of development.

Phased Implementation

Implementing rate increases through a phased approach is an option the City may consider.

Type of Development	Unit	Year 1 @ 33%	Year 2 @ 66%	Year 3 @100%
Residential				
Less than 500 sq ft	dwelling unit	\$2,014	\$4,028	\$6,042
500 to 999 sq ft	dwelling unit	\$3,187	\$6,374	\$9,560
1,000 to 1,999 sq ft	dwelling unit	\$4,171	\$8,342	\$12,513
2,000 to 2,999 sq ft	dwelling unit	\$4,607	\$9,213	\$13,820
3,000 to 3,999 sq ft	dwelling unit	\$5,010	\$10,020	\$15,029
4,000 or more sq ft	dwelling unit	\$5,192	\$10,384	\$15,577
Nonresidential				
Industrial/Manufacturing	square foot	\$0.92	\$1.85	\$2.77
Warehousing	square foot	\$0.26	\$0.52	\$0.78
Retail/Restaurant/Hospitality	square foot	\$1.16	\$2.31	\$3.47
Office	square foot	\$0.99	\$1.97	\$2.96
Revenue				
Estimated Annual SDCs		\$1,299,820	\$2,599,640	\$3,899,459
Estimated SDCs foregone (annual)		(\$2,599,640)	(\$1,299,820)	\$0
Estimated SDCs foregone (cumulative)		(\$2,599,640)	(\$3,899,459)	(\$3,899,459)

Parks SDC Rollout Options

1. Full implementation – 90 days
2. Phased in over 3 years (30%, 60%, 100%)
3. Hybrid
 - ✓ ‘Grace Period’ of 3 months after ordinance adoption to submit (approx. 6 months from now – anything submitted after approx. January 1, 2025 would be under new SDC).
 - ✓ For those submitted prior to January 1, 2025 permits must be pulled by July 1, 2025.

Questions

- Which of the three rollout options should the SDC ordinance include?
- If none of the three options, should the park SDC ordinance include an alternative phased implementation?
- If so, how long should the phased implementation be to the maximum allowable rate?
- If not, should the ordinance include the maximum allowable rates or some reduction? If a reduction should be included, what level of reduction?

Next Steps

- Provide 90-days written notice to interested parties and work with the Chamber of Commerce to discuss the methodology with their members.
- Draft ordinance/resolution language and bring back for adoption at a public hearing.
- Begin the process to update the city's e-permitting software.

Q&A



Questions?