

Excerpt from Proposed Fiscal Year 2012-2013 Master Fees & Charges Schedule

Department	Revenue Source	Fee or Charge	Effective Date
COMMUNITY DEVELOPMENT - DEVELOPMENT SERVICES PLANNING			
	Park System Development Charge (SDC)*		
	Single Family Unit	\$4,048.34 \$4,871.95 \$5,695.57	7/1/2011 7/1/2012 7/1/2013 (Please note add index in 2013)
	Multi-family Unit	\$3,254.20 \$3,903.21 \$4,552.23	7/1/2011 7/1/2012 7/1/2013 (Please note add index in 2013)
	Spaces in a manufactured home park	\$3,209.17 \$3,330.19 \$3,451.22	7/1/2011 7/1/2012 7/1/2013 (Please note add index in 2013)
	Commercial/industrial (per employee)	\$274.81 \$334.34 \$393.87	7/1/2011 7/1/2012 7/1/2013 (Please note add index in 2013)

***See Appendix for methodology used to calculate the charges.**

The Park System Development Charge (Park SDC) is a City of Tigard charge that is assessed on new development to support the acquisition and development of parks, greenways, and paved trails, all of which are used by residents of Tigard and by those who work here. The Park SDC is a one-time fee charged to new development to help pay a portion of the costs associated with building additional parks and trails to meet the needs created by both residential and commercial/industrial growth. The SDC revenues can only be used on capacity-increasing capital improvements and cannot be used to repair existing park facilities or correct existing park deficiencies.

Park SDCs are assessed on new residential development on a per-unit basis and against commercial and industrial development on a per-employee basis.

The amount of the charge for each land use category is adjusted each year, effective July 1st, in relation to two indices, one reflecting changes in development/construction costs and one reflecting changes in land acquisition costs.

For information about Park SDCs regarding a specific project contact the City's Permits/Projects Coordinator at 503-718-2426.

For more detailed information on calculating Park SDCs see "Report for Parks & Recreation System Development Charge Study," by FCS Group, March 23, 2012.

Park SDC Annual Adjustment

Parks SDC fees shall be adjusted annually on July 1st of each year beginning in 2011. The new fee will be determined by multiplying the existing fees by the average of two indices, one reflecting changes in development/construction costs and one reflecting changes in land acquisition costs. The average of these two indices is a reasonable approach because the Parks SDC fee is roughly split 50% between land acquisition land development components.

The index for the Land Acquisition component will be the base cost for residential tract land in Tigard, as determined by the Washington County Appraiser. The average cost for residential tract land was selected because it is readily identified and is the lowest priced of the buildable lands in Tigard. Changes in this base cost can be calculated in terms of a percentage increase, to create the level of change to the original index, and projected to the overall acquisition cost. In accordance with Measure 5, the Washington County Appraiser's office will determine appraised values on July 1 of each year.

The index for the Land Development component of the Parks SDC will be the Construction Cost Index for the City of Seattle as published in the December issue of the Engineering News Record (ENR). The Seattle cost index will be used because the city is the geographically closest to Tigard of twenty metropolitan areas for which the ENR maintains cost data. This index is adjusted monthly, quarterly, and annually. The annual index for each year will be selected beginning with the index for December 2012.

The Parks SDC fees were derived from the costs of land and projects provided in the Tigard Park System Master Plan Update, adopted July 2009 and the Tigard Greenway Trails Master Plan adopted in July 2011. The costs for projects in both plans were adjusted using both the Land Acquisition and Land Development indices for the appropriate years.

Park SDC Annual Adjustment (cont.)

Calculation Definitions:

SDC (2012) = Current SDC fee

L (2012) = Average cost of residential tract land 2012

L (2013) = Average cost of residential tract land 2013

L (2xxx) = Average cost of residential tract land 2xxx

C (2012) = Construction cost index of 2012

C (2013) = Construction cost index of 2013

C (2xxx) = Construction cost index of 2xxx

LCI = Land Cost Index: change from the current year from previous year

CCI = Construction Cost Index: change from the current year from previous year

ACI = Average cost index change of LCI + CCI

Formula:

L (2013) / L (2012) = LCI

and

C (2013) / C (2012) = CCI

therefore

LCI + CCI / 2 = ACI

then

SDC (2013) X ACI = SDC (2014)

Each year subsequent to 2012, the costs shall be revised using the current year and previous year's data. Notwithstanding the foregoing, all calculations shall be carried out to the thousandth place. A final product ending in .49 or less shall be rounded down to the nearest dollar, .50 or more up to the next dollar. Community Development staff will perform the adjustment calculation and prepare the resolution each year.