THE CITY OF MADRAS
EST. 1910
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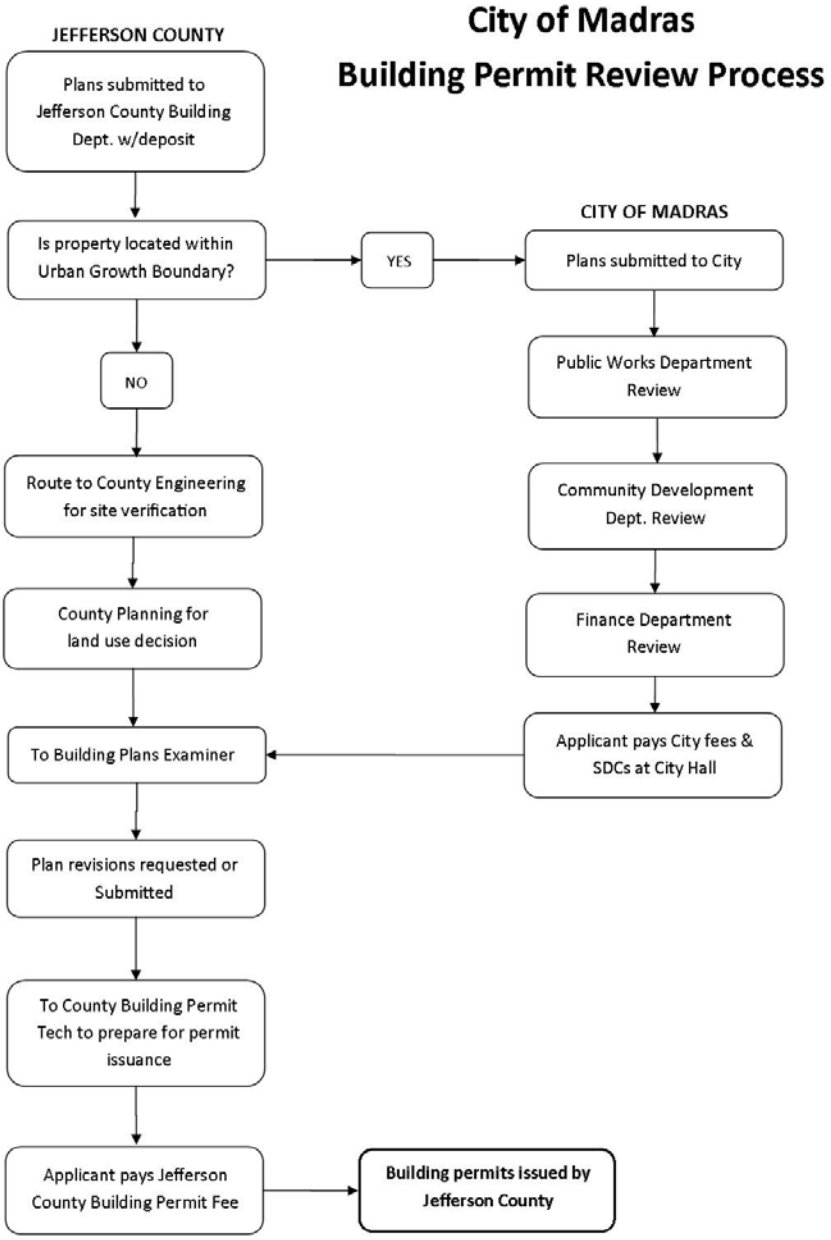
Self Help Worksheet

Understanding the Permitting Process & Calculating SDC Fees



1) When is a building permit required and who do I contact?

a. A building permit may be required for the following: new development, redevelopment, change of use, expansion, sign installation/changes, utility changes, and access changes. Contact the Jefferson County Building Department at (541) 475-4462 to determine if a building permit is required.

b. All building permits are generated from the Jefferson County Building Department. If the development is within the Urban Growth Boundary, the County Building Dept. will submit the building application to the City for review. Once the City's review is complete, and the applicant has pays its City fees to City Hall, the application will return to the County Building Department.

c. Questions regarding the City's permit review process can be addressed to the Community Development Department at (541) 325-0304.

2) What if I have questions about a site plan proposal?

a) Contact Community Development at (541) 325-0304

b) A free pre-development meeting can be coordinated through the Community Development Department that includes the Site Plan and Subdivision Committee (formed of CDD Director, PW Director, Building Official, and Fire Marshal). These meetings occur on the first and third Thursday of each month. Call Community Development at (541) 325-0304 to schedule.

3) What fees should I anticipate when permitting?

a. To understand the fees imposed on a permit, the following departments will assess fees:
    i. City of Madras:
        1. System Development Charges for water, wastewater, storm, transportation and parks (see self-help guide below)
        2. Administrative fees – building permit fee, etc.
        3. Public Works fees – inspection fees, etc.
        4. Community Development – Land use applications & building permit review
        5. See Current Fee Resolution for the most current information
    ii. Jefferson County Building Department – building permits
    iii. Deschutes Valley Water District (when property is served by this utility provider)

4) What are System Development Charges and how are they calculated?

<u>Background:</u>

System Development Charges (SDCs) are fees that are collected when new development, redevelopment, expansions, and/or change of building or property uses (to a higher land use/utility impact) occurs in the city. The SDCs are used to fund capital improvements to enhance and/or

expand city water, wastewater, transportation, parks and drainage systems. These fees are intended to recover a fair share of costs on existing and planned facilities that provide capacity to serve growth.

System Development Charge Methodology:

Oregon Revised Statute (ORS) 223.297 – 223.314 defines SDCs and specifies how they shall be calculated, applied, and accounted for. By statute, an SDC is the sum of two components:

- A *reimbursement fee*, designed to recover costs associated with capital improvements already constructed or under construction; and
- An *improvement fee*, designed to recover costs associated with capital improvements to be constructed in the future.

Reimbursement Fee Methodology: The dollar cost of unused, available, system capacity divided by the capacity it will serve. The unit of capacity used becomes the basis of the fee.

Improvement Fee Methodology: The total dollar cost of capacity-increasing capital projects divided by the capacity they will serve. The unit of capacity used becomes the basis of the fee.

(Currently Transportation and Wastewater are the only two SDCs calculated with this methodology.)

Transportation SDC Methodology:

The Transportation SDC fee is based upon the relative impact of the development upon the transportation system against the costs described in the Transportation System Plan. The methodology adopted by Resolution No. 20-2007 requires Transportation SDCs to be calculated using the number of peak hour trips (PHT) generated for any given land use as stated in the Institute of Transportation Engineers (ITE) Trip Generation manual and further clarified in the 2007 Transportation System Development Charge Study. The Transportation SDC fee is a combined rate of improvement fee (88%) and reimbursement fee (12%). The current fee is established through the City's annual fee resolution.

Examples: road improvements, mass transit facilities, bicycle & pedestrian facilities.

Example Transportation SDC Calculations* (numbers used are from Fee Resolution 17-2015; see most current fee resolution for most current rates):

1) Single Family Residential Home (land use 210)

Transportation: 1 trip X $3,466/Peak Hour Trip (PHT) = **$3,466.00 SDC Fee**

2) General Office Building (land use 710)

Transportation: 5,000 sq. ft. X 1.49 per 1,000 sq. ft. = 7.45 trips X $3,466/PHT = **$25,821.70 SDC Fee**

3) Industrial Park Business (land use 130)

Transportation: 5,000 sq. ft. X 0.85 per 1,000 sq. ft. = 4.25 trips X $3,466/PHT = **$14,730.50 SDC Fee**

4) Specialty Retail (land use 826)

Transportation: 5,000 sq. ft. X 2.71 per 1,000 sq. ft. = 13.55 trips X $3,466/PHT = **$46,964.30 SDC Fee**

***Since there are so many different land uses within the ITE Manual under Transportation, it is recommended to consult with the Public Works Director to confirm proper land use and corresponding trip generation data.*

Wastewater SDC Methodology:

The City performed a 2005 economic analysis to establish a methodology and fee schedule. The Wastewater SDC fee is a combined rate of improvement fee (83%) and reimbursement fee (17%). The current fee is established through the City's annual fee resolution.

The Wastewater SDC fee is based upon the expected impact to the wastewater system from the development, and to provide for capital improvements to the wastewater collection, transmission, treatment and disposal of systems necessary to provide for the development. These are determined based upon a Public Facilities Plan or Wastewater Capital Improvement Plan for such facilities, and shall be determined according to the demand equal to one single-family EDU[1]. For general purposes, one EDU assumes 195 gal/day at a B.O.D.[2] loading of 200 mg/l and a suspended solids loading of 216 mg/l. For industrial users, the average between the C.O.D.[3] concentration and B.O.D. concentration may be used for factoring the EDU. See the 2005 economic analysis study for a more complete methodology explanation.

[1] Equivalent Dwelling Unit (EDU)
[2] Biochemical Oxygen Demand (BOD)
[3] Chemical Oxygen Demand (COD)

Examples: replacement of large mains, enlargement, expansion or improvement of treatment facilities; increases in pumping capacity, increased or improved storage capacity; improvements of transmission facilities and/or improvement, enlargement or enhancement of disposal facilities.

Example Wastewater SDC Calculations (numbers used are from Fee Resolution 17-2015; see most current fee resolution for most current rates):

1) Single Family Residential Home (typical)

Wastewater: 5/8" x 3/4" meter size = 1 EDU X $5,010/EDU = **$5,010.00 SDC Fee**

2) Industrial (typical)

Wastewater: 1.5" meter size = 5 EDUs X $5,010/EDU = **$25,050.00 SDC Fee**

Wastewater SDC Rate Schedule:

SDC per Residence or Non-Residential Development (meter size)	Reimbursement Fee	Improvement Fee	Total SDC	Equivalent # EDUs
5/8" x 3/4"	$851.70	$4,158.30	$5,010.00	1.00
3/4"	$1,277.55	$6,237.45	$7,515.00	1.50
1"	$2,129.25	$10,395.75	$12,525.00	2.50
1.5"	$4,258.50	$20,791.50	$25,050.00	5.00
2"	$6,813.60	$33,266.40	$40,080.00	8.00
3"	$14,904.75	$72,770.25	$87,675.00	17.50
4"	$25,551.00	$124,749.00	$150,300.00	30.00
6"	$53,231.25	$259,893.75	$313,125.00	62.50
8"	$76,653.00	$374,247.00	$450,900.00	90.00
Multiple Family Residence per unit	$604.71	$2,952.39	$3,557.10	0.71
Lodging Facility per unit	$630.26	$3,077.14	$3,707.40	0.74

Water SDC Methodology:

The Water SDC fee is based on demand placed upon the water system for the development to provide adequate facilities for water treatment, water storage, water supply and water distribution necessary to accommodate the development. Based upon the expected demand to the system according to the equivalent demand a single-family EDU here such demand is determined by the rated capacity of a standard residential meter of 20 gallons per minute. Therefore, 1 EDU = 20 gpm capacity, and SDCs for water shall be based upon the rate or design flows of the proposed development according to the EDUs. The current fee is established through the City's annual fee resolution.

Examples: replacement or enlargement of mains, construction or enlargement of storage facilities, addition or replacement of fire hydrants, providing necessary treatment facilities, and construction improvement, or acquisition of sources of supply.

Example Water SDC Calculations (numbers used are from Fee Resolution 17-2015; see most current fee resolution for most current rates):

1) Single Family Residential Home (typical)

Water: 5/8" x 3/4" meter size = 1 EDU X $832/EDU = **$832.00 SDC Fee**

2) Industrial (typical)

Water: 1.5" meter size = 5 EDUs X $832/EDU = **$4,160.00 SDC Fee**

Water SDC Rate Schedule:

SDC per Residence or Non-Residential Development (meter size)	Total SDC	Equivalent # EDUs
5/8" x 3/4"	$832.00	1.00
3/4"	$1,248.00	1.50
1"	$2,080.00	2.50
1.5"	$4,160.00	5.00
2"	$6,656.00	8.00
3"	$14,560.00	17.50
4"	$24,960.00	30.00
6"	$52,000.00	62.50
8"	$74,880.00	90.00
Multiple Family Residence per unit	$590.72	0.71
Lodging Facility per unit	$615.68	0.74

Parks SDC Methodology:

The Parks SDC fee is based upon the expected demand for parks and recreation facilities according to the population increase and or system use increase resulting from the new development. The current fee is established through the City's annual fee resolution.

Examples: land acquisition, park improvements, recreation equipment, development of trails and building construction.

Example Park SDC Calculation (numbers used are from Fee Resolution 17-2015; see most current fee resolution for most current rates):

Park: (flat rate per new home, business or dwelling unit) = **$1,775.00 SDC Fee**

Storm Drainage SDC Methodology:

The Storm drainage SDC fee is based upon the square footage of impervious surfaces proposed for any new construction, relative to the costs of providing drainage or flood control as may established in the Storm Drainage Capital Improvement Plan or the Public Facilities Plan. Each 3,000 square feet of impervious surface within a proposed development shall be considered to be one Residential Drainage Equivalent (RDE). Where on-site drainage disposal is to be constructed along with a development, the RDE SDC may be reduced proportional to the expected effectiveness of the on-site drainage. In no case shall the credit for on-site disposal exceed 90% of the RDE for the development. The current fee is established through the City's annual fee resolution.

Examples: storm collector line improvements, culvert/bridge upsizing to reduce flooding, addition of storm system improvements such as catch basins, swales and detention facilities

Example Storm Drainage SDC Calculation (numbers used are from Fee Resolution 17-2015; see most current fee resolution for most current rates):

Single Family Residential Home (typical)

Storm Drainage: 4,000 sq. ft. impervious area ÷ 3,000 sq. ft./RDE = 1.33 RDE X $209/RDE = **$277.97 SDC Fee**

If you would like assistance with calculating or confirming your SDC and other fee estimate, please contact the Public Works Director at 541-325-0309 or email at jhurd@ci.madras.or.us.