



System Development Charge for Parks, Trails and Natural Areas

FREQUENTLY ASKED QUESTIONS

What is the System Development Charge for Parks, Trails & Natural Areas?

The Park System Development Charge (SDC) is a one-time fee assessed on new development. The funds collected through the Parks SDC program are used to help fund the acquisition and development of new parks, trails and natural areas needed as the city grows.

When did the Park SDC begin?

The Park SDC was established in 1998. In March 2008, following a 14 month-long public process, the Portland City Council approved a comprehensive program update to the Park SDC to improve effectiveness and increase funding capacity.

What changes are included in the updated Park SDC?

The update to the Park SDC will be phased in over two years, beginning in January 2009. The revised SDC will now apply to commercial development, address increased park land and development costs in the Central City, and recover 75% of the costs to provide park infrastructure to support new development.

What types of development are subject to the Park SDC?

The Park SDC applies to development projects that create new units of housing, and new square feet of commercial space. In commercial projects, only new construction or additional floor space added to a structure will be subject to the Park SDC. In the case of residential remodeling projects, a Park SDC will only be assessed if there is an increase in the number of housing units.

What type of projects do not result in Park SDC fees?

- If you have a valid demolition permit dated within 3 years of the date of your building permit application, you will get credit for the prior building. The SDCs charged on the new development will be reduced based on the amount of the credit.
- Occupancy changes, tenant improvements and residential remodels that do not increase floor space or add housing units are not subject to the Park SDC.

What are the fees based on?

The residential fees are assessed on new units of housing and vary by the average occupancy rate for the type of residence, i.e. single-family, multi-family, or accessory dwelling unit. The commercial or non-residential fees are charged per square foot, based on average employee occupancy per use type.

How do I estimate the Park SDC for my project?

System Development Charges vary according to the type of development project. The chart on page 3 can be used to estimate the Park System Development Charge for residential and commercial buildings. A calculator to estimate the fees for commercial projects is available at www.portlandparks.org. For more information or assistance to estimate the Park SDC fee, contact Kasandra Griffin at 503.823.5105, or Kasandra.griffin@ci.portland.or.us.

Are exemptions from the Park System Development Charge available?

Portland Parks & Recreation is committed to supporting an affordable community for families and as a result, exemptions from the Park SDC are offered on affordable housing projects. Qualified housing projects can receive exemptions on SDC fees through the Portland Development Commission. For more information, visit www.pdc.us.

Will Park SDC credits be offered for land donations?

Developers may apply for SDC credits in exchange for qualified donations to Portland's system of parks, trails, and natural areas. Credits are granted at 25% of the assessed value, and donations must meet objectives in the Parks Capital Improvement Plan and be approved by the Director of Parks & Recreation.

Why are fees different for projects in the Central City?

New parks in the Central City are far more expensive than in the rest of Portland. At the same time, population projections show that the Central City will be the area of Portland with the greatest growth. Additional parks and recreation facilities will be needed to serve all of these new residents, businesses and employees. The tiered Park SDC fee structure provides for a more equitable fee and will help Portland more effectively keep pace with growth.

How is the Park SDC collected?

The Park SDC is one of the final permit fees due before a building permit is issued. Two alternative payment options are available to all customers. The first is a 180-day deferral, for which there is no interest charged if the fee is paid in full within those 180 days. The second payment option is a five or ten-year low-interest loan. Both options require a signed contract and result in a lien on the property.

How are revenues generated by the Park SDC used?

The Park SDC Capital Plan directs PP&R to invest wisely to address current and future park needs created by growth. They are used to acquire and develop parks, trails and natural areas in growing neighborhoods across the city. The Park SDC is a key funding mechanism identified in the *Parks 2020 Vision*, a community-developed strategy for the future of Portland's park system.

Who do I contact with questions about the Park SDC?

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Park System Development Charges – Residential		
Non-Central City	January – December 2009	January – December 2010*
Single Family Residence	\$3,986	\$7,972
Multi-family Residence	\$2,616	\$5,232
Manufactured Housing	\$3,712	\$7,424
Accessory Dwelling Unit	\$2,172	\$4,344
Single Room Occupancy	\$1,801	\$3,602
Central City		
Single Family Residence	\$4,076	\$8,152
Multi-family Residence	\$2,621	\$5,242
Manufactured Housing	\$3,967	\$7,934
Accessory Dwelling Unit	\$2,297	\$4,594
Single Room Occupancy	\$2,344	\$4,688

Park System Development Charges – Commercial			
Non-Central City	Occupancy Code	Jan – Dec 2009 per 1000 sq. ft.	Jan – Dec 2010* per 1000 sq. ft.
Hospital, convalescent hospital, institutional day care	I-1, I-2, I-4	\$236	\$472
Office, bank	B	\$223	\$446
Retail, restaurant, nightclub	A-2, M	\$176	\$352
Industrial, school, assembly hall, motel and hotel	A-1, A-3, A-4, E, F-1, F-2, H-1, H-2, H-3, H-4, H-5, R-1	\$111	\$222
Warehouse, storage, parking garage, mausoleum	S-1, S-2, S-3, U	\$25	\$50
Central City			
Hospital, convalescent hospital, institutional day care	I-1, I-2, I-4	\$547	\$1,094
Office, bank	B	\$516	\$1,032
Retail, restaurant, nightclub	A-2, M	\$407	\$814
Industrial, school, assembly hall, motel and hotel	A-1, A-3, A-4, E, F-1, F-2, H-1, H-2, H-3, H-4, H-5, R-1	\$259	\$518
Warehouse, storage, parking garage, mausoleum	S-1, S-2, S-3, U	\$58	\$116

* 2010 Rates subject to indexing