

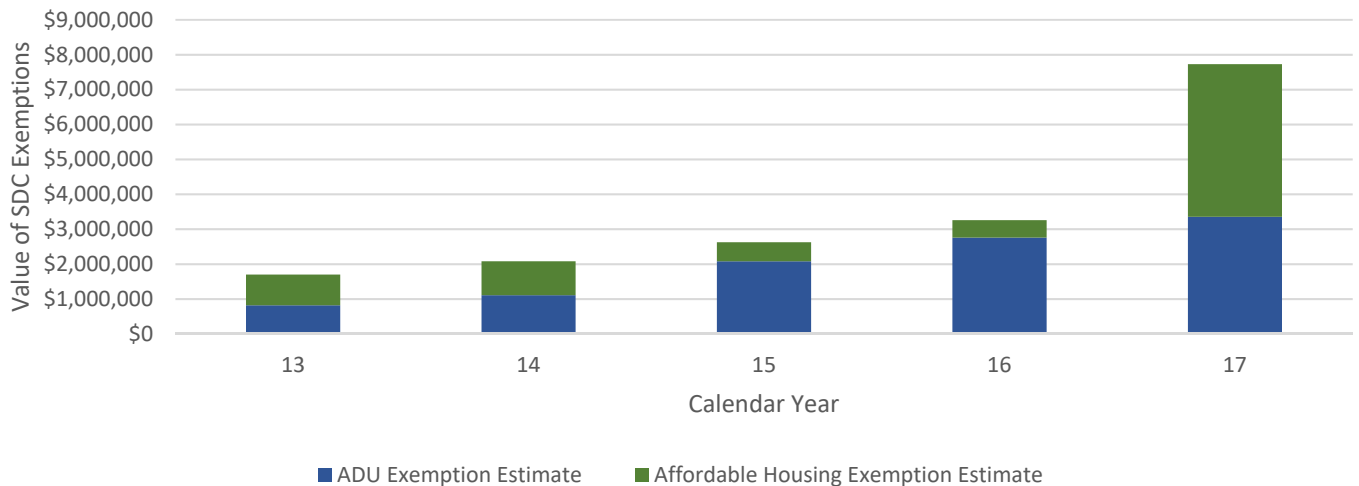
Background

The Parks SDC methodology is updated every 5 years, with updated methodology and rates approved by Council. In-between methodology updates, the Parks SDC code states that the rate shall be indexed on July 1 annually, and specifies the methodology for indexing the rates.

Exemptions

To further City goals for affordable housing and density, Accessory Dwelling Units (ADUs), and affordable housing are exempt from the Parks SDC fee. In 2017, the Parks SDC program exempted nearly \$8 Million* in fees for ADUs and affordable housing. The amount of exemption is an increasing trend, with a marked increase in 2017 in affordable housing exemptions due in part to Inclusionary Zoning. If the Residential Infill project results in additional ADUs being allowed on certain taxlots, we would expect the ADU exemptions to continue increasing.

Parks SDC Affordable Housing and ADU Exemptions by Calendar Year, 2013 - 2017



*Note: These are estimates from BTS (ADU) and PHB (Affordable Housing). ADU numbers assume that all ADU units are under 700 sf and in non-central city. Affordable housing figures may include some exempted projects that will be repaid in future (may not qualify for full required timeline).

FY19 Fee Index Results

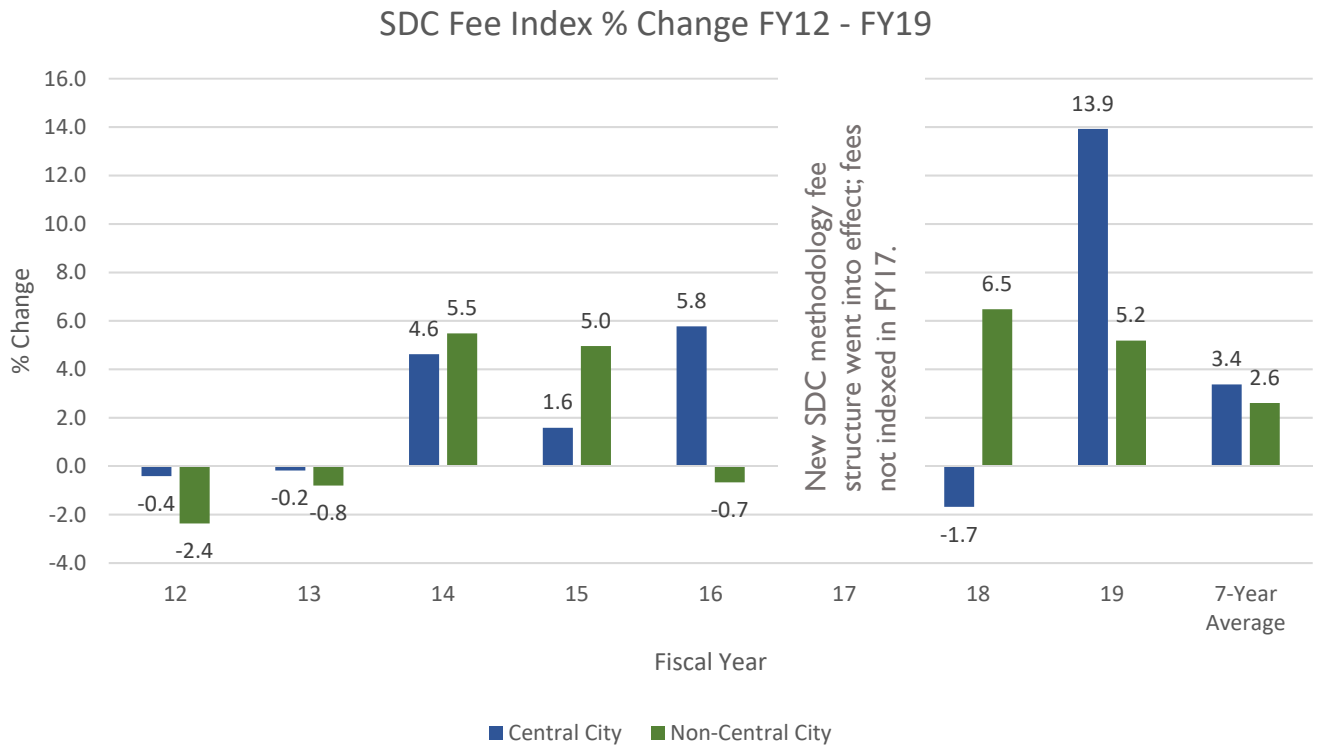
The SDC rate is comprised of a land component, and a development component. The land % is indexed based on the average value of unimproved taxlots by SDC sub-area, according to Multnomah County. The development component is indexed based on the Engineering News Record Seattle Construction Cost Index.

Reference: Code 17.13.040.D and E

<https://www.portlandoregon.gov/citycode/article/585453>

Using the fee index methodology for FY19, the cumulative rates over the 2-year period would have been more than 12%. This is primarily due to the increase in land value. In code, if the fee would increase more than 12% over a 2-year period, there is a provision to take the rate from 2 years prior and cap it at 12%. For FY19, the Parks SDC rates will be capped at a 12% increase of the rate from 2 years prior. The average Parks SDC fee index over the past 7 years has been 3%.

SDC Fee Index – Historical Trend and Average



SDC Fee Index Table – FY 2017 through FY 2019



PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Residential Park SDC Fee				
Use Type	Fees 7/1/2016 - 6/30/2017	Fees 7/1/2017 - 6/30/2018	Fees 7/1/2018 - 6/30/2019	% Fee change FY17 to 19
Non-Central City		Per Unit	Per Unit	
Less than 700 square feet	\$5,772	\$6,146	\$6,465	12%
700 - 1199 square feet	\$8,634	\$9,194	\$9,670	12%
1,200 - 1,699 square feet	\$10,381	\$11,054	\$11,627	12%
1,700 - 2,199 square feet	\$11,787	\$12,551	\$13,201	12%
2,200 or more square feet	\$13,049	\$13,895	\$14,615	12%
Central City		Per Unit	Per Unit	
Less than 700 square feet	\$4,648	\$4,570	\$5,206	12%
700 - 1199 square feet	\$6,953	\$6,836	\$7,787	12%
1,200 - 1,699 square feet	\$8,359	\$8,218	\$9,362	12%
1,700 - 2,199 square feet	\$9,491	\$9,331	\$10,630	12%
2,200 or more square feet	\$10,507	\$10,330	\$11,768	12%
Non-Residential Park SDC Fee				
Use Type	Fees 7/1/2016 - 6/30/2017	Fees 7/1/2017 - 6/30/2018	Fees 7/1/2018 - 6/30/2019	% Fee change FY17 to 19
Non-Central City		(Per sq ft)	(Per sq ft)	
Hospital, convalescent hospital, institutional day care	\$1.93	\$2.06	\$2.16	12%
Office, bank	\$1.83	\$1.95	\$2.05	12%
Retail, restaurant, nightclub	\$1.44	\$1.53	\$1.61	12%
Industrial, school, assembly hall, motel, hotel	\$0.91	\$0.97	\$1.02	12%
Warehouse, storage, parking garage, mausoleum	\$0.20	\$0.21	\$0.22	12%
Central City		(Per sq ft)	(Per sq ft)	
Hospital, convalescent hospital, institutional day care	\$2.52	\$2.48	\$2.82	12%
Office, bank	\$2.37	\$2.33	\$2.65	12%
Retail, restaurant, nightclub	\$2.03	\$2.00	\$2.27	12%
Industrial, school, assembly hall, motel, hotel	\$1.19	\$1.17	\$1.33	12%
Warehouse, storage, parking garage, mausoleum	\$0.26	\$0.26	\$0.29	12%