



Bend Metro Park & Recreation District

May 21, 2019

# Board of Directors

## Agenda and Reports

[www.bendparksandrec.org](http://www.bendparksandrec.org)



*play for life*



## **Our Vision**

To be a leader in building a community connected to nature, active lifestyles and one another.

## **Our Mission**

To strengthen community vitality and foster healthy, enriched lifestyles by providing exceptional park and recreation services.

## **We Value**

Excellence by striving to set the standard for quality programs, parks and services through leadership, vision, innovation and dedication to our work.

Environmental Sustainability by helping to protect, maintain and preserve our natural and developed resources.

Fiscal Accountability by responsibly and efficiently managing the financial health of the District today and for generations to come.

Inclusiveness by reducing physical, social and financial barriers to our programs, facilities and services.

Partnerships by fostering an atmosphere of cooperation, trust and resourcefulness with our patrons, coworkers and other organizations.

Customers by interacting with people in a responsive, considerate and efficient manner.

Safety by promoting a safe and healthy environment for all who work and play in our parks, facilities and programs.

Staff by honoring the diverse contributions of each employee and volunteer, and recognizing them as essential to accomplishing our mission.

*play for life*

District Office | Don Horton, Executive Director

799 SW Columbia St., Bend, Oregon 97702 | [www.bendparksandrec.org](http://www.bendparksandrec.org) | (541) 389-7275



# Board of Directors

May 21, 2019

District Office Building | 799 SW Columbia | Bend, Oregon

## AGENDA



### 4:00 p.m. EXECUTIVE SESSION –

This meeting will be held pursuant to ORS 192.660(2)(h) for the purpose of consultation with counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed and ORS 192.660(2)(i) for the purpose of reviewing and evaluating the performance of an officer, employee, or staff member. This session is closed to all members of the public except for representatives of the news media.

### 6:00 p.m. CONVENE MEETING

#### STAFF INTRODUCTIONS

Rob Soffa, Construction Specialist  
Bobby Mattingly, Park Worker – Construction  
Bronwen Mastro, Landscape Architect  
Ainsley Taylor- Fleet Technician  
Keith Anderson-Facility Specialist  
Brian Crossley- Facility Specialist  
Robin Neace- Rental Facility Specialist

#### WORK SESSION

1. Strategic Plan Update – *Michelle Healy (30 min)*

### 6:50 p.m. BREAK/TRANSITION

### 7:00 p.m. BUSINESS SESSION

#### VISITORS

The Board welcomes input from individuals at our public meetings about District-related issues. Meeting attendees who wish to speak are asked to submit a comment card provided at the sign-in table. Speakers will have 3 minutes for comments. If there are questions, follow up will occur after the meeting. Thank you for your involvement and time.

#### CONSENT AGENDA

1. Meeting Minutes – 04/16/2019

#### BUSINESS SESSION

1. Public Hearing and First Reading of SDC Ordinance No. 12 – *Sarah Bodo (30 min)*
2. PCMS Fields Award Construction Contract – *Jason Powell (15 min)*
3. Award Contract for Security Services – *Jeff Hagler and Dave Crowther (15 min)*
4. Executive Director Evaluation – *The Board*

**EXECUTIVE DIRECTOR'S REPORT**  
**PROJECT REPORT**  
**BOARD MEETINGS CALENDAR REVIEW**  
**GOOD OF THE ORDER**  
**ADJOURN**



Accessible Meeting/Alternate Format Notification

This meeting location is accessible. Sign and other language interpreter service, assistive listening devices, materials in alternate format or other accommodations are available upon advance request. Please contact the Executive Assistant no later than 24 hours in advance of the meeting at [sheilar@bendparksandrec.org](mailto:sheilar@bendparksandrec.org) or 541-706-6151. Providing at least 2 business days' notice prior to the meeting will help ensure availability.

<b>BOARD AGENDA COMMUNICATION</b>
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<b>AGENDA DATE:</b>	May 21, 2019
<b>SUBJECT:</b>	Update on the Bend Park and Recreation District Strategic Plan
<b>STAFF RESOURCE:</b>	Quinn Keever, Park Planner Michelle Healy, Planning & Park Services Director
<b>PREVIOUS BOARD ACTION:</b>	None
<b>ACTION PROPOSED:</b>	None
<b>STRATEGIC PLAN:</b>	
<b>Theme:</b>	Community Connection
<b>Objective:</b>	Analyze and Adapt to Changing Community Need
<b>Initiative:</b>	Review, monitor and periodically revise the Comprehensive Plan and Strategic Plan to ensure they provide direction to address system deficiencies, respond to the needs of the growing community and plan for equitable distribution of facilities.

The District's Strategic Plan sets the framework for how the District will serve the community and its staff through its internal operations. In essence, the plan asks the questions, "where are we now, where do we want to go, and how do we get there?"

After issuing a request for proposal (RFP) and conducting interviews, the District chose 110% Inc. to manage its update of the 2012-2017 Strategic Plan. Since that time, 110% Inc. has visited Bend four times and held 16 meetings with staff and two with the Board of Directors. In total, over 100 staff has shared their thoughts about the future of the District.

With input from staff and the Board, the project team has identified three pillars of the plan-- Employees and Workplace Culture, Community Relationships, and Operations and Management Practices. Within the pillars, there are 11 desired outcomes, 21 strategies, and numerous actions to support the strategies (Attachment A). During the Board meeting on May 21, staff will provide details on the strategic planning process to date, a description of the next steps towards finalizing the document, the Board approval process, and future implementation of the new plan.

#### **BUDGETARY IMPACT**

None at this time; however, once approved by the Board the new Strategic Plan will guide the District's future investments in a variety of key focus areas.

#### **STAFF RECOMMENDATION**

None, for informational purposes only.

**MOTION**

None, for discussion only.

**ATTACHMENT**

Attachment A: Draft Strategic Plan Action Matrix

# Attachment A: Draft Strategic Plan Action Matrix

## Bend Park & Recreation District 2019 - 2022 Strategic Plan

### EMPLOYEES & WORKPLACE CULTURE

#### Desired Outcome 1: Quality staff in all positions

**Strategy 1a. Be an employer of choice through recruitment and retention practices that reflect needs and work experiences desired by a modern work force.**

Action Number	Actions	Team
i.	Collect and analyze data to inform and improve employee retention strategies in areas with high turnover.	Administration
ii.	Collect and analyze data to inform and improve employee recruitment strategies.	Administration
iii.	Review existing benefit package, as well as new, and non-traditional benefits (identify what non-traditional benefits are).	Administration
iv.	Recruit to new audiences.	Administration
v.	Evaluate part-time/seasonal structure to determine if there are more responsive ways to meet business and employee needs.	Executive Team
vi.	Implement findings and recommendations from the Compensation and Pay Equity Study, and communicate to employees.	Executive Team/Administration
vii.	Evaluate effectiveness of onboarding process. Enhance consistency and delivery methods District-wide based upon evaluation.	Administration

#### Desired Outcome 2: All employees have an opportunity to learn and grow

**Strategy 2a. Plan for meeting future leadership transitions.**

Action Number	Actions	Team
i.	Enhance professional development program for interested employees.	Administration
ii.	Project and communicate potential future positions.	Executive Team

**Strategy 2b. Provide for effective and efficient District-wide training opportunities.**

Action Number	Actions	Team
i.	Evaluate effectiveness and value of mandatory training.	Administration
ii.	Develop alternative training delivery methods (more interactive).	Administration

#### Desired Outcome 3: A workforce that is heard, informed, involved and valued

**Strategy 3a. Engage and recognize staff.**

Action Number	Actions	Team
i.	Evaluate the effectiveness of the recognition program.	Employee Relations Committee
ii.	Transfer ERC from policy to charter and evaluate purpose and effectiveness.	Employee Relations Committee
iii.	Provide supervisors and managers tools and/or training to improve the performance evaluation process.	Human Resources

## EMPLOYEES & WORKPLACE CULTURE

### Strategy 3b. Continue to develop a collaborative work culture across departments.

<i>Action Number</i>	<i>Action</i>	<i>Team</i>
i.	Introduce or enhance communication tools to improve employees' ability to communicate with one another.	Community Relations and Administration
ii.	Identify and implement opportunities for cross departmental teams (e.g. interview teams).	Leadership Team

### Strategy 3c. Support work-life balance.

<i>Action Number</i>	<i>Action</i>	<i>Team</i>
i.	Evaluate the new Flexible Work Schedule Policy to determine if it is meeting the needs of employees, the District and the overall intent of the policy and adjust as necessary.	Human Relations
ii.	Develop specific policies and practices for use of trade/exchange/flex time for exempt staff.	Leadership Team
iii.	Address the need for on-call support in all departments.	Leadership Team



# Bend Park & Recreation District 2019 - 2022 Strategic Plan

## COMMUNITY RELATIONSHIPS

### Desired Outcome 1: The District is strategic about partnerships

#### Strategy 1a. Be viewed as a collaborative organization in the community.

Action Number	Actions	Team
i.	Develop a communications partnership plan.	Community Relations

#### Strategy 1b. Partner when there is shared mission and broad community benefit.

Action Number	Actions	Team
i.	Identify and formalize "legacy" community partnerships that have not yet been documented.	Executive Team
ii.	Revise the District's current partnership policy to define different levels of collaborative relationships and criteria (this includes sponsorships).	Community Relations
iii.	Create stronger and more meaningful partnerships with other governmental agencies.	Executive Team
iv.	Create a partnership management plan with supporting processes and systems.	Executive Team

### Desired Outcome 2: A community better informed about BPRD

#### Strategy 2a. Generate a greater public understanding that BPRD is the community's dedicated source for park and recreation serv

Action Number	Actions	Team
i.	Educate our internal workforce on how to respond effectively and professionally to misinformation about BPRD in the community. I.e. Projects, taxes or political issues, county vs. city.	Community Relations

#### Strategy 2b. Foster community trust in BPRD to use resources to best benefit the community.

Action Number	Actions	Team
i.	Develop questions for the public perception survey that are designed to identify trust-building opportunities.	Planning & Development
ii.	Develop a BPRD 101 fact sheet, presentation template and talking points.	Community Relations
iii.	Create a BPRD 101 Tour where District staff and/or Board members can present District information and happenings of interest at various community events and gatherings.	Community Relations
iv.	Develop method for ongoing education and information sharing with Board, Budget Committee members (especially new/er members) and the public on District finances and resource allocation decisions.	Administration

### Desired Outcome 3: District services that are accessible to all

#### Strategy 3a. Develop solutions and required resources to mitigate identified barriers to participation and involvement.

Action Number	Actions	Team
i.	Evaluate and prioritize additional barriers to participation (that are in addition to physical access, Latino population and low-income population).	Recreation

## COMMUNITY RELATIONSHIPS

ii.	Increase knowledge of and access to the District's scholarship program.	Recreation
iii.	Invest in targeted programming that minimizes barriers for low-income populations.	Recreation
iv.	Expand targeted outreach for the Latino population.	Recreation
v.	Evaluate the effectiveness of the Needs Based Assistance (NBA) policy and plans in 2022, and adjust as necessary.	Recreation
vi.	Develop maps, signage and other information highlighting accessible recreation opportunities.	Community Relations and Planning & Development
vii.	Analyze recreation participant data to identify underserved geographic areas in programming.	Recreation

### Strategy 3b. Foster a climate of inclusion for all community members.

<i>Action Number</i>	<i>Actions</i>	<i>Team</i>
i.	Develop a diversity, equity, and inclusion program that develops a value statement, policies, and training opportunities, etc.	Executive Team
ii.	Evaluate the value and feasibility of collecting demographic information through registration, and implement if determined.	Recreation

### Desired Outcome 4: Exceptional customer and community experiences

#### Strategy 4a. Provide exceptional experiences during each facet of the customer's interaction with the District.

<i>Action Number</i>	<i>Actions</i>	<i>Team</i>
i.	Create a District Customer Experience program which includes expectations and how-tos, helpful hints, etc.	Community Relations and Recreation
ii.	Develop and implement a Customer Loyalty Program.	Recreation
iii.	Launch Larkspur Community Center programming and operations, and integrate into the overall recreation program.	Recreation
iv.	Develop operational and communications strategies for the opening of the bike park at Big Sky and unique amenities at Alpenglow (i.e. rock climbing and the splash pad).	Planning & Development

# Bend Park & Recreation District 2019 - 2022 Strategic Plan

## OPERATIONS & MANAGEMENT PRACTICES

### Desired Outcome 1: Staffing levels that are consistent with District growth

#### Strategy 1a. Align staffing with desired levels of service.

Action Number	Action	Team
i.	Define minimum and desired staff levels for each service area of the District.	Recreation
ii.	Cross train employees to ensure there is back up and support for key functions in order to balance work loads.	Executive Team

### Desired Outcome 2: A balance between caring for existing infrastructure and new development

#### Strategy 2a. Continue to "take care of what we have" by prioritizing investments in the District's existing assets.

Action Number	Action	Team
i.	Determine additional steps and resources necessary to fully implement the District's Asset Management Plan.	Park Services
ii.	Develop a tool to forecast O & M costs prior to a project being listed on the CIP.	Park Services
iii.	Plan and prioritize funding for a new Park Services shop.	Planning & Development and Administration
iv.	Evaluate current preventative maintenance practices and adjust as needed.	Park Services

#### Strategy 2b. Ensure the District is maintaining its adopted Level of Service targets.

Actions:		Team
i.	Measure progress on meeting the Level of Service targets for parks and trails in the adopted Comprehensive Plan.	Planning & Development
ii.	Work with the Board of Directors to determine the District's role in providing transportation options within the urban trail system in collaboration with the City of Bend.	Planning & Development
iii.	Education and outreach for staff about the Comp Plan, LOS Targets and current status.	Planning & Development

### Desired Outcome 3: Be a local leader in environmental stewardship

#### Strategy 3a. Use environmentally responsible internal practices.

Actions:		Team
i.	Create a public awareness campaign to inform the public about the District's sustainability practices.	Community Relations
ii.	Develop specific environmental responsibility guidelines which drive purchasing decisions (including equipment, supplies, structures and furnishings, etc.)	Administration
iii.	Implement additional sustainable practices in each operational area which embrace environmental standards and supports the City of Bend's Climate Action Plan.	Sustainability Committee

#### Strategy 3b. Improve efforts to be responsible stewards of the natural environment.

Actions:		Team
i.	Complete the River Access Study that identifies the appropriate level of recreation access with environmental impacts on the Deschutes River.	Planning & Development

**OPERATIONS & MANAGEMENT PRACTICES**

ii.	Update Park Service's Integrated Pest Management program to consider a pilot program to eliminate the use of chemicals in certain areas.	Park Services
iii.	Integrate sustainability values and practices in recreation programming when feasible.	Recreation

**Desired Outcome 4: Financial well-being supported by strong business practices**

**Strategy 4a. Ensure staff are well-informed about the District's financial status and future plans.**

<i>Actions:</i>		<b>Team</b>
i.	Develop a communications plan to educate and inform District staff about operating and capital budgets (delivery method ideas: lunch and learn; PowerPoint; video; meetings; My BPRD).	Administration

**Strategy 4b. Invest in services that provide the greatest community benefit while maintaining financial stability.**

<i>Actions:</i>		<b>Team</b>
i.	Earn CAPRA re-accreditation.	Executive Team
ii.	Create business plans for recreation service areas to ensure services are responsive to community needs and support long term financial sustainability.	Recreation

**Strategy 4c. Plan for long-term financial health.**

<i>Actions:</i>		<b>Team</b>
i.	Implement risk-based approach to reserves and periodically evaluate.	Administration
ii.	Research best practices, methods and tools for long term planning and forecasting to enhance scenario analysis.	Administration



# Board of Directors

April 16, 2019

District Office Building | 799 SW Columbia | Bend, Oregon

## AGENDA



**4:30 p.m. EXECUTIVE SESSION** – The Board met in Executive Session prior to the regular meeting pursuant to ORS 192.660(2)(e) for the purpose of discussing real property transactions. This session was closed to all members of the public except for representatives of the news media.

## 5:30 p.m. MEETING CONVENED

### BOARD PRESENT

- Brady Fuller, Chair
- Ted Schoenborn, Vice Chair
- Nathan Hovekamp
- Lauren Sprang
- Ellen Grover

### STAFF PRESENT

- Don Horton, Executive Director
- Michelle Healy, Planning & Park Services Director
- Matt Mercer, Director of Recreation
- Julie Brown, Manager of Communications and Community Relations
- Lindsey Lombard, Administrative Services Director
- Sheila Reed, Executive Assistant
- Brian Hudspeth, Development Manager
- Michael Egging, Recreational Analyst
- Jeff Hagler, Park Stewardship Manager
- Kristin Stone, Youth Recreation Coordinator
- Sarah Bodo, Park Planner
- Sue Boettner, Recreation Manager
- Cheryl Kelly, Therapeutic Recreation Coordinator
- Kayla Sickard, Recreation Intern

### MEDIA

- Isaac Biehl, The Source

### WORK SESSION

1. Recreation Program Report: Adapted Aquatics Program – *Kristin Stone*

Ms. Stone presented the history of the Adapted Aquatics Program; the District is in the sixth year of running the 22 week program. This program is in partnership with the school district. The participants come from all over the school district and span all age groups. The program has grown year over year and has more than doubled since the District has taken the program over from the school district, serving 114 students this school year.

Ms. Stone spoke about the prevalence of drowning in the United States and pointed out that kids with disabilities are even more vulnerable to water accidents and death; because of these statistics, the goals of the program include:

- Promote water safety and awareness for kids with disabilities
- Promote functional swimming skills and exercise
- Promote social interaction outside of the school setting

Ms. Stone talked about the daily schedule for a student in the program: warm ups, swim lessons, and free time and games. The sessions are led by staff, interns, volunteers and school district staff. The participant goals are personalized for each individual student. The goals are determined by the student's own abilities when beginning with the program.

The program has other measured successes outside of the growth of the program. In the 2018-19 school year the following was reported:

- 75 percent of students met their goals
  - 10 students participated in a swim lesson for the first time
  - 16 student went from displaying moderate skills to swimming independently
  - 11 students registered for continued swim lessons or swim team
  - 51 students have participated in either Therapeutic Recreation or general recreation programs
2. System Development Charge (SDC) Ordinance Update – *Michelle Healy, Lindsey Lombard and Sarah Bodo (45 min)*

Ms. Healy reviewed the background of the SDC project. She said that there have been some minor changes to the methodology report since last meeting March 5. These changes include:

- Small corrections to the model (hotel occupancy updated, population growth adjusted to reflect only residents and visitors)
- Removed "trail acquisition, safety, and crossings"
- Added reimbursement fee for acquisition costs for Goodrich Park site and Northpointe Park site
- \$17 increase in the per person SDC

She reminded the Board that they may still direct changes before May 21 (project list, SDC schedule, etc.)

The report was published on the District website on March 22 for public review (60 days), emailed to the contact list, and mailed to COBA. No comments have been received as of the date of this meeting. There have been some comments to the report that resulted from staff meeting with other agencies. These comments are attached to the minutes. Ms. Healy explained that any further comments that come in to the District will be shared with the Board.

The ordinance will be provided on the May 21 meeting for first reading, and second reading will be held at the June 4 meeting. The ordinance will have resolutions associated with it; resolutions can be updated without updating the ordinance. The ordinance and resolutions are scheduled to be

adopted on June 4 and the ordinance will be implemented July 1. The implementation of tiered multifamily residences will be implemented July 1, 2020 and tiered single family residences will be postponed until the city completes their transportation SDCs. Both of these delays are in order to accommodate the City's requests.

Ms. Bodo reviewed the contents of the ordinance and explained that there are sections that will have additional updates:

1. Definitions: Describes the type of dwelling for SDCs
2. Collections: Ordinance will outline time of SDC collection as building permit, with adaptability to it if the state law changes.
3. Exemptions: Proposed exemptions for end of life facilities, additions or expansions to existing dwellings and some group housing.
4. Refunds, waivers and deferrals: SDCs for deed-restricted affordable housing units would be waived up to 400 units through December 31, 2022.
5. Effective Date: Some rates of the SDC will be phased in to accommodate the request of the city until they are able to complete an update to their systems and Transportation SDCs.

In addition, the ordinance would allow the Board to approve financing options in the future through a resolution.

Director Grover encouraged the Board to be open to financing options in the future through a resolution. The Board in general shared their disappointment that the SDC program cannot be fully implemented now that the District has reached the end of its process, but will choose to delay to accommodate coordination with the City's pending SDC implementation.

Ms. Bodo reviewed the next steps which includes ongoing coordination with the City and County staff on SDC administration and affordable housing waiver process. Continued public review of the methodology through May 21, first and second reading of the ordinance with implementation scheduled for July 1. Ms. Bodo concluded by encouraging the public to submit comments early so that the District has time to review and adjust if needed.

### 3. Legislative Update – *Don Horton*

Executive Director Horton explained that most of the work that the District does on legislation is done through ORPA through a committee. Executive Director Horton has been chair of this committee for 10 years. He explained that they meet 2-3 times throughout the legislative session and have a lobbyist that works on behalf of OPRA. The lobbying firm is called Rainmakers and they have identified 89 bills that have been prioritized as:

- Priority 1: Watch the bill
- Priority 2: Will add the District's name in support of other groups
- Priority 3: Want to take action (rarely happens, usually tag teaming with other groups)

Currently, there are 49 bills being tracked, it is a very diverse list with many bills that have no impact on the District. Executive Director Horton highlighted the following bills: HB 2083, HB 2003, and HB 3099. He also mentioned other bills that are less significant to the District, but still of interest: HB 2652, HB 2053, HB 2835, SB 75, SB 332, SB 448, and SB 479.

**6:50 p.m. BREAK/TRANSITION**

**7:00 p.m. BUSINESS SESSION**

**VISITORS**

None

**CONSENT AGENDA**

1. Meeting Minutes – 03/05/2019
2. Grant Temporary Construction Easement to City of Bend for the Murphy Rd Extension Project adjacent to Alpenglow Park

***Director Sprang made a motion to approve the consent agenda. Director Hovekamp seconded. The motion passed unanimously, 5-0.***

**BUSINESS SESSION**

1. 15<sup>th</sup> Street IGA with the City – *Brian Hudspeth*

Mr. Hudspeth explained the IGA with the City as a partnership for a safer crossing route on 15<sup>th</sup> Street that connects the Central Oregon Historic Canal Trails. This partnership with the City is part of the Murphy Road extension project; the District will pay the cost for the City to build the crossing. The crossing is designed with a median refuge island for safer bike and pedestrian crossings. In addition, this project provides another opportunity to work as a partner to the City.

***Director Hovekamp made a motion to authorize the Executive Director to execute an IGA with the City of Bend for the construction of the Central Oregon Historic Canal Trail crossing at SE 15<sup>th</sup> Street and Chloe Ln. and to authorize payment to the City of Bend upon completion of the project in an amount not to exceed \$373,000. Director Grover seconded. The motion passed unanimously, 5-0.***

**EXECUTIVE DIRECTOR'S REPORT**

**Nomination:** Executive Director Horton congratulated Director Grover on her nomination for the Chamber of Commerce Woman of the Year Award.

**Board handbook:** A Board handbook was recently created for the Board as a reference guide; each Board member received a copy.

**FC Timbers:** The District has a partnership with the FC Timbers; they are beginning construction on two new fields with a loan from Craft3, a local nonprofit lender.

**Leadership Bend:** As a session sponsor for the Leadership Bend meeting on May 19, Executive Director Horton and Michelle Healy will host a 30 min. talk about natural resource management.

**OSU State of the University Address:** The District has purchased a table for this event and the Board is invited to attend. Event will be held at the Riverhouse, May 6 at 6 p.m.

**Motorized scooters:** The City has postponed the consideration of a pilot program for motorized scooter rentals. The District and the Old Mill have been involved with the process of this decision. The Old Mill has decided against permitting scooter use on their property. The City heard opposition and decided not to rush the decision at this time.

**City Council listening session:** The City is hosting a listening session next Monday on Mirror Pond, Executive Director Horton and Director Hovekamp are scheduled to attend. The Board is also invited to attend as part of the audience.



**PROJECT REPORT**  
**BOARD MEETINGS CALENDAR REVIEW**  
**GOOD OF THE ORDER**  
**ADJOURN 7:52**



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Prepared by,  
Sheila Reed  
Executive Assistant

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Brady Fuller, Chair

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Ted Schoenborn, Vice-Chair

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Ellen Grover

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Nathan Hovekamp

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Lauren Sprang

<b>BOARD AGENDA COMMUNICATION</b>
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<b>AGENDA DATE:</b>	May 21, 2019
<b>SUBJECT:</b>	Public Hearing on Proposed SDC Methodology and First Reading of Ordinance No. 12 -System Development Charge (SDC)
<b>STAFF RESOURCE:</b>	Michelle Healy, Planning & Park Services Director Lindsey Lombard, Administrative Services Director Sarah Bodo, Park Planner
<b>GUEST PRESENTERS:</b>	Paul Taylor, Attorney, Bryant, Lovlien & Jarvis Deb Galardi, Principal, Galardi Rothstein Group
<b>PREVIOUS BOARD ACTION:</b>	Update, November 6, 2018 Board Workshop, January 29, 2019 Update, February 19, 2019 Update, April 16, 2019
<b>ACTION PROPOSED:</b>	Conduct Public Hearing and First Reading of Ordinance No. 12 – System Development Charges
<b>STRATEGIC PLAN:</b>	
<b>Theme:</b>	Financial Stewardship
<b>Objective:</b>	Invest in the Future
<b>Initiative:</b>	Maintain the District’s Systems Development Charge (SDC) program to ensure adequate funding for future facility needs to meet population growth.

**BACKGROUND**

The District first adopted its own SDC methodology and set fees in 1997, and updated the SDC methodology in 2002 and 2009. Following the adoption of the District’s 2018 comprehensive plan, the District began an update to the SDC methodology. The comprehensive plan provided a starting point for determining the community’s desired level of service for parks, trails, and recreational facilities and a project list. The comprehensive plan and Board called for the methodology to consider several updates. These included:

- Whether to fund indoor facilities through SDCs,
- Whether to assess SDCs to nonresidential development, and
- Whether to contribute to housing affordability in Bend by waiving park SDCs for affordable housing and implementing a tiered SDC fee structure by dwelling size.

In addition to addressing these considerations, the project incorporated stakeholder and public input for recommendations for a new SDC methodology. On March 22, staff notified interested parties that the new SDC Methodology Report (Attachment A) could be accessed through the

project website (<http://www.bendparksandrec.org/sdc>) for a 60 day review period in advance of the planned public hearing on May 21. The District did not receive any comments during the 60 day review period.

The District's SDC ordinance is an administrative framework that provides for the assessment, collection and accounting of park system development charges pursuant to ORS 223.297. Legal counsel drafted the ordinance to implement the new methodology and fees. If approved, the proposed Ordinance No. 12 – System Development Charges (Attachment B) would replace the District's current ordinance No. 8 (Attachment C), as amended by ordinance No. 10 (Attachment D).

The process to adopt the new SDC ordinance requires a first and second reading (the Board may make a motion to choose that the reading be by title only) during a regular meeting of the Board of Directors on two different days at least six days apart. The second reading is proposed for June 4, 2019, and if adopted, the Board would then adopt resolutions detailing the SDC methodology report, SDC project list, affordable housing waiver, and SDC fee schedule.

### **BUDGETARY IMPACT**

The SDC methodology has impacts on future SDC fee revenues and the funding available for SDC eligible projects in the District's adopted capital improvement plan and in the newly adopted comprehensive plan.

### **STAFF RECOMMENDATION**

Staff recommends that the Board conduct a public hearing on the SDC methodology and proposed Ordinance No. 12, followed by the first reading of Ordinance No. 12 – System Development Charges. The Board may choose to direct the first reading of the ordinance be done by title only. A second reading of the ordinance and adoption is scheduled for June 4, 2019.

### **MOTION**

***I move to conduct the first reading of Ordinance No. 12 by title only.***

### **ATTACHMENTS**

Attachment A – Methodology Report Park System Development Charges

Attachment B – Ordinance No. 12 System Development Charges

Attachment C – Ordinance No. 8 System Development Charges

Attachment D – Ordinance No. 10 System Development Charges - Amending Ordinance No. 8



# Methodology Report Parks System Development Charges

March 21, 2019



KEARNS WEST



Clifton-Currans, LLC

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## SECTION 1

# 1. Introduction

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## 1.1 Authorization

In August 2018, the Bend Park & Recreation District (District or BPRD) contracted with Galardi Rothstein Group to update its System Development Charge (SDC) methodology. This report presents the updated methodology that was developed in conformance with Oregon legal requirements, standard industry practice, and the District's policy objectives and comprehensive plan.

## 1.2 Report Organization

This section presents information on the District's SDC project objectives, and the policy and legal framework for the methodology. Subsequent sections of this report present the SDC methodology, including:

- **Section 2 – SDC Cost Basis** – Presents the current and future levels of service used to determine growth capacity needs, and the growth-related costs in aggregate based on the updated SDC project list.
- **Section 3 – SDC Assessment** – Provides information on system-wide unit costs per person, assumptions of number of persons per dwelling unit, and the process for determining future inflationary adjustments.

Separate from the methodology, the District will adopt by resolution, the following items which are included in the appendix of this report:

- **Appendix A – SDC Project List** – Provides the list of projects needed to increase park, trails, and recreation system capacity for future growth, that are to be funded with SDC revenue. The list includes the project description, and the estimated cost, timing, and portion of cost eligible for SDC funding.
- **Appendix B – SDC Schedule** – Provides the results of the regression analysis used to estimate persons per household for different sizes of single-family residential homes, which forms the basis for a tiered SDC fee structure. Also lists SDCs by residential development type and fee structure (average and tiered), based on the methodology and project list presented in this report. Consistent with Oregon law and the District's SDC ordinance, the fees presented in Appendix B may be adjusted periodically for changes in costs or changes in the project list.

*Note: The calculations contained in this report were produced by computer spreadsheets where numbers extend beyond the decimal places shown in the tables presented, so slight variations exist due to rounding. However, these variations are not material.*

## 1.3 Background

System development charges are an important funding source for parks, trails, and recreation facility capital improvement projects. The District last updated its SDC methodology in 2009.

In July 2018, the District completed the *Bend Park & Recreation District Comprehensive Plan* (comprehensive plan) and subsequently embarked on an effort to update the parks SDC methodology.

The primary objectives of the SDC update are to (1) revise the project list and SDC calculations to reflect the new comprehensive plan project priorities and levels of service and (2) evaluate the following SDC-related policy issues:

- Consider allocating a portion of growth costs to nonresident employees
- Evaluate SDC assessment options for residential development
- Create a more equitable distribution of SDCs among varying types of residential development
- Consider inclusion of SDC waivers for deed-restricted affordable housing

## 1.4 Policy Framework

Oregon legislation (Oregon Revised Statutes 223.297-314) establishes guidelines for the calculation and administration of SDCs. Within these guidelines, local governments have latitude in selecting approaches that best align with local policy objectives.

The updated methodology presented in this report reflects feedback from stakeholders obtained through a combination of facilitated stakeholder group meetings, written comments, and discussions with individual stakeholders and the District Board of Directors. In addition, community feedback during the comprehensive plan shaped the SDC methodology update. Key elements of the updated methodology are summarized in Table 1-1 below.

**Table 1-1**  
*Key Elements of the Methodology*

Methodology Element	Recommendations	Considerations
Growth Cost Allocation	Allocate costs to residents plus overnight visitors only.	No definitive data source on relative park use by nonresident employees currently exists. Inclusion of a commercial SDC would add administrative complexity and contribute minimal revenue.
Residential SDC Assessment	Scale SDCs based on dwelling size: <ul style="list-style-type: none"> <li>• Single-family residential based on square feet tiers</li> <li>• Multifamily based on number of bedrooms</li> </ul>	Statistical analysis of local data shows average occupancy increases with size of home. Implementation issues differ between single-family and multifamily dwellings.

In addition, the following recommendations related to SDC implementation and administration were developed as part of the SDC update:

- Waive SDCs for the first 400 deed-restricted affordable housing units through December 31, 2022. Specific details about the implementation and requirements of this waiver will be adopted by separate District resolution.

- Defer implementation of tiered SDCs for residential development as follows:
  - Single-family tiers implemented after the City of Bend’s transportation SDC update is completed so that any adjustments to preliminary tier thresholds may be coordinated. In the meantime, the updated SDC will be implemented on July 1, 2019, on an average unit basis.
  - Multifamily tiers implemented July 1, 2020. This allows for completion of the City of Bend’s permitting software update. In the meantime, the average rate for all multifamily dwelling sizes will be implemented on July 1, 2019.

## 1.5 Legal Framework

Oregon Revised Statutes (ORS) 223.297 through 223.314 authorize local governments to assess SDCs for the following types of capital improvements:

- Drainage and flood control (i.e., storm water)
- Water supply, treatment, and distribution
- Wastewater collection, transmission, treatment, and disposal
- Transportation
- Parks and recreation

In addition to specifying the infrastructure systems for which SDCs may be assessed, the SDC legislation provides guidelines on the calculation and modification of SDCs, accounting requirements to track SDC revenues, and adoption of administrative review procedures. Key elements of provisions that pertain to the methodology and project list are summarized below.

### 1.5.1 SDC Structure

An SDC may include a reimbursement fee, an improvement fee, or a combination of the two.

#### 1.5.1.1 Reimbursement Fee

The reimbursement fee is based on the value of available capacity associated with capital improvements already constructed or under construction. The methodology used to calculate the reimbursement fee must consider the cost of existing facilities, prior contributions by existing users, the value of unused capacity, grants, and other relevant factors. The objective of the reimbursement fee methodology is to require new users to contribute an equitable share of the capital costs of existing facilities.

#### 1.5.1.2 Improvement Fee

The improvement fee is designed to recover the costs of planned capital improvements that add system capacity to serve future users. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the improvements funded by improvement fees must be related to the need for increased capacity to provide service for future users.

### 1.5.2 Project List

Local governments are required to prepare a capital improvement program or comparable plan, prior to establishment of an SDC, that includes a list of the improvements that the jurisdiction intends to fund with improvement fee revenues and the estimated timing, cost, and eligible



portion of each improvement. The project list may be updated at any time. If an SDC is to be increased by a proposed modification to the list then required action includes: (1) written notice provided to interested parties at least 30 days prior to adoption of the proposed modification and (2) hold a public hearing on the proposed modification if a request is received in writing up to seven days before the date of the planned adoption.

### 1.5.3 Credits

A credit must be provided against the improvement fee for the construction of “qualified public improvements.” Qualified public improvements are improvements required as a condition of development approval, identified in the system’s capital improvement program, and either (1) not located on or contiguous to the property being developed or (2) located in whole or in part, on or contiguous to, property that is the subject of development approval and required to be built larger or with greater capacity than is necessary for the particular development project to which the improvement fee is related.

### 1.5.4 Methodology Review and Notification Requirements

The methodology for establishing or modifying improvement or reimbursement fees must be available for public review prior to adoption. The local government must maintain a list of persons who have made a written request for notification prior to the adoption or amendment of such fees that are resultant of a methodology amendment. The requirements for any changes to the fees that represent a modification to the methodology are: (1) 90-day written notice prior to first public hearing, and (2) SDC methodology made available for review 60 days prior to the public hearing.

Application of one or more cost indices periodically is allowable and is not considered a change in the methodology, and is therefore not subject to the above review and notification procedures, provided that the index is published by a recognized agency, independent from the methodology, and incorporated into the methodology or adopted separately by ordinance or resolution. Furthermore, “a change in the costs of materials, labor, or real property as applied to projects or project capacity”<sup>1</sup> in the adopted project list are not considered modifications to the SDC methodology. As such, the local government is not required to adhere to the methodology notification provisions.

### 1.5.5 Other Provisions

Other provisions of the legislation include:

- Deposit of SDC revenues into dedicated accounts and annual accounting of revenues and expenditures, including a list of the amount spent on each project funded, in whole or in part, by SDC revenues.
- Expenditure of SDCs may include costs of complying with the provisions of the law, including costs of developing SDC methodologies and providing an annual accounting of SDC expenditures.
- Creation of an administrative appeals procedure, in accordance with the legislation, whereby a citizen or other interested party may challenge an expenditure of SDC revenues. Furthermore, in the event a written objection to the calculation of an SDC is received, the

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<sup>1</sup> 2017 Oregon Revised Statutes 223.304 (8)(b)(A)

local government must provide information on the right to petition for review pursuant to ORS 34.010, and about any locally adopted administrative review procedures.

SECTION 2

## 2. SDC Cost Basis

### 2.1 Introduction

The methodology used to calculate parks SDCs begins with the determination of growth costs (the costs in aggregate associated with meeting the capacity needs of future growth).

This section presents the projected future growth needs and the basis for determining the costs that will be recovered from growth through the SDCs (growth share).

### 2.2 Level of Service

The District – through adoption of the comprehensive plan – is planning for acquisition and development of the park system consistent with the community’s desired level of service (LOS).

As identified in the comprehensive plan, LOS targets include both access goals (neighborhood/community parks within ½ mile walking distance of all residences) and park quantity goals (e.g., acres per thousand population). Both goals are considered in development of the specific projects included on the SDC project list. However, for purposes of determining growth’s share of project list costs, the SDC methodology focuses on the planned LOS for a particular park or facility as defined by the equation below:

$$\frac{\text{Existing } Q + \text{Planned } Q}{\text{Future Population Served}} = \text{Planned LOS}$$

Where:

*Q* = quantity (acres of parks, miles of trails, or area of facilities) and  
*Future Population Served* = projected 2028 resident population + overnight visitors

#### 2.2.1 Population

Park capacity is measured in terms of people served; in the case of the SDC methodology this includes service area resident population and nonresident overnight visitors.

Table 2-1 provides resident and overnight visitor population data derived from recent planning documents and other data sources.

**Table 2-1**  
*Service Area Population Estimates*

Item	2018	2028	Growth
Population <sup>1</sup>	90,137	113,004	22,867
Overnight Visitors <sup>2</sup>	5,189	6,158	969
Total Population	95,326	119,162	23,836

<sup>1</sup> From BPRD Comprehensive Plan

<sup>2</sup> 2018 number of rooms (3,007) from Visit Bend x average occupants per room (1.73) where occupants per room based on 2.5 persons (RRC Associates) and occupancy rate of 69% (Smith Travel Research Data); growth over the planning period based on 2040 Bend area employment forecast (Bend Metropolitan Planning Organization).

For purposes of the SDC analysis, overnight visitor population is the number of traveler accommodation rooms multiplied by 1.73 occupants per room (2.5 people adjusted for an average occupancy rate of 69.0 percent). Consistent with the current methodology and other Oregon communities, overnight visitors, while visiting the District, are assumed to equal residents in terms of potential for park use.

### 2.2.2 Current and Future LOS

The comprehensive plan identifies the following park classifications that are included in the SDC analysis:

- Neighborhood & Community Parks
- Regional Parks
- Trails
- Indoor Recreation Facilities

Table 2-2 summarizes existing and planned future park quantities for each classification in order to calculate the existing and future LOS and SDCs.

The comprehensive plan identifies planned projects designed to maintain (in the case of neighborhood and community parks) or enhance (in the case of trails and recreation facilities) the future LOS for all existing and future park users. Only a portion of the comprehensive plan projects are included in the SDC project list shown in Appendix A. Table 2-2 shows the planned additional quantities resulting from the SDC project list.

**Table 2-2**

*Summary of Existing and Planned Parks, Trails, and Facilities<sup>1</sup>*

Type	Unit Type	Existing Developed Units	Planned Additional Units <sup>1</sup>	Total Future Units
Parks				
Neighborhood & Community	Acres	716.7	116.9	833.6
Regional	Acres	1,144.3	0.0	1,144.3
Trails	Miles	69.8	22.5	92.3
Indoor Recreation Facilities <sup>2</sup>	SQ FT	130,901	37,603	168,504

<sup>1</sup> Based on new parks from SDC project list (Table A-1); planned indoor recreation facility expansion funded partially from other non-SDC sources

<sup>2</sup> Includes Juniper Swim and Fitness Center, Larkspur Community Center, and The Pavilion

Table 2-3 shows the existing and future LOS by park type. The future LOS for neighborhood and community parks and regional parks is lower than the existing LOS. The future LOS for both trails and recreation facilities increases slightly as a result of the community’s desire for enhanced LOS, as determined through the comprehensive plan process. The District will acquire and develop additional parks and trails beyond those included in the SDC project list with other non-SDC funding sources, in order to achieve the LOS targets established in the comprehensive plan.

**Table 2-3**

*Existing and Planned Levels of Service (Units per 1,000)*

Type	Unit	Units/1,000 Population <sup>1</sup>	
	Type	Existing	Future <sup>2</sup>
Parks			
Neighborhood & Community	Acres	7.5	7.0
Regional	Acres	12.0	9.6
Trails	Miles	0.73	0.77
Indoor Recreation Facilities	SQ FT	1,373	1,414

<sup>1</sup> Existing and total future park quantities (Table 2-2) divided by 2018 and 2028 total population per 1,000 (from Table 2-1)

<sup>2</sup>Based on new parks from SDC project list only (Table A-1)

### 2.2.3 Implications for SDC Cost Basis

The LOS analysis provides a basis for determining the capacity needs of growth by park type in order to determine an equitable share of project list costs (for purposes of development of the improvement fee cost basis) and capacity available in the existing system to meet growth's needs (for purposes of the reimbursement fee cost basis).

Table 2-4 provides a summary of the capacity analysis. It begins with determination of park units needed by 2028 based on the planned LOS (Table 2-3) and the 2028 population (Table 2-1). Then, the source of the units – existing system inventory and planned improvements from the project list – is identified for each park classification. Existing development needs are assumed to be met first from the existing inventory of parks and facilities; any additional need resulting from a planned increase in the LOS is met through a portion of the project list improvements.

**Table 2-4**

*Capacity Needs – Developed Acreage, Trails and Recreation Facilities*

Type	Unit Type	Total Units Needed <sup>1</sup>	Units From Existing Inventory <sup>2</sup>	Units From Project List <sup>3</sup>	Project List Allocation (%) <sup>4</sup>
<b>Future Growth Units</b>					
Parks					
Neighborhood & Community	Acres	166.7	49.9	116.9	100.0%
Regional	Acres	228.9	228.9	0.0	0.0%
Trails	Miles	18.5	0.0	18.5	82.0%
Indoor Recreation Facilities	SQ FT	33,706	0	33,706	89.6%
<b>Existing Development Units</b>					
Parks					
Neighborhood & Community	Acres	666.8	666.8	0.0	0.0%
Regional	Acres	915.4	915.4	0.0	0.0%
Trails	Miles	73.8	69.8	4.0	18.0%
Indoor Recreation Facilities	SQ FT	134,798	130,901	3,897	10.4%
<b>Total Units</b>					
Parks					
Neighborhood & Community	Acres	833.6	716.7	116.9	100.0%
Regional	Acres	1,144.3	1,144.3	0.0	0.0%
Trails	Miles	92.3	69.8	22.5	100.0%
Indoor Recreation Facilities	SQ FT	168,504	130,901	37,603	100.0%

<sup>1</sup> Future LOS (Table 2-3) x Population/1,000 (Table 2-1)

<sup>2</sup> Existing inventory (from Table 2-2) first meets needs of existing development; any excess capacity available to meet growth needs

<sup>3</sup> Total need, less units from existing inventory

<sup>4</sup>Equal to number of units needed from project list divided by total project list additional units (Table 2-2)

In cases where the future LOS is *lower* than the existing LOS, a portion of growth’s capacity needs will be met through excess capacity in existing developed park acreage. This is most significantly the case for regional parks.

In cases where the future LOS is *higher* than the existing LOS, there is no excess capacity and a portion of the project list units are needed to serve existing development. This is the case for trails and indoor recreation facilities. The project list allocation percentage is the capacity need met by the project list, divided by the total additional units from the project list (from Table 2-2).

## 2.3 Improvement Fee Cost Basis

The project list allocation percentages by park type shown in Table 2-4 are applied to the planned project improvement costs from the project list (shown in Table A-1) in order to determine the total costs to be recovered from growth through the improvement SDC.

The improvement fee cost basis is limited to the costs of new parks, trails and facilities that are needed to meet the needs of future development (Table A-1). Existing available SDC funds (collected from what is now existing development) will be used to fund capacity improvements at existing parks; these improvements are shown in Appendix A, Table A-2, and are excluded from improvement fee costs shown in Table 2-5. The improvement fee cost basis also excludes the portion of indoor recreation facility expansion that will be funded through other (general fund) sources.

Table 2-5 shows the development of the improvement fee cost basis for new parks and facilities based on the total costs by park type from the project list (Table A-1). The SDC share by park type is based on the project cost allocations shown in Table 2-4. The total improvement fee cost basis is about \$72.5 million.

**Table 2-5**  
*Improvement Fee Cost Basis*

<b>Type</b>	<b>New Parks/ Facilities \$<sup>1</sup></b>
<b>Neighborhood &amp; Community Parks</b>	\$56,884,087
SDC Share %	100%
SDC \$	\$56,884,087
<b>Regional Parks</b>	\$0.00
<b>Trails</b>	\$4,756,652
SDC Share %	82.0%
SDC \$	\$3,901,724
<b>Indoor Recreation Facilities</b>	\$13,114,467
SDC Share %	89.6%
SDC \$	\$11,755,342
<b>All Parks</b>	
Total	\$74,755,205
<b>SDC \$</b>	<b>\$72,541,152</b>

<sup>1</sup> Costs from project list (Appendix Table A-1); SDC Share % from Table 2-4

## 2.4 Reimbursement Fee Cost Basis

While growth capacity needs will primarily be met through future acquisition and development, there are a couple of notable exceptions: (1) prior acquisition of parkland that will be developed by the District during the 10-year planning period in order to meet part of growth's capacity needs for neighborhood and community parks, and (2) prior investment in regional parks that will meet capacity need for growth through existing available capacity. The reimbursement fee cost basis for these two components is shown in Table 2-6.

**Table 2-6**  
*Reimbursement Fee Cost Basis*

Type	Existing Acreage For Growth <sup>1</sup>	Acquisition Cost	Less Outstanding Bond Principal	SDC Cost Basis
Neighborhood and Community <sup>2</sup>	47	\$4,978,535	\$3,019,996	\$1,958,538
Regional <sup>3</sup>	224	\$6,484,904	\$2,583,745	\$3,901,159
<b>Total</b>		<b>\$11,463,439</b>	<b>\$5,603,742</b>	<b>\$5,859,697</b>

<sup>1</sup> Prior acquisition of park acreage that will be developed for growth during the 10-year period

<sup>2</sup> Includes purchase cost of Alpenglow Park (36.7 acres), Goodrich Pasture Park (2.5 acres), Northpointe Park (2.7 acres) and Pine Nursery Park (5 acres)

<sup>3</sup> Includes purchase cost of Riley Ranch Nature Reserve (181 acres) and a portion of Shevlin Park (43 acres)

The District previously acquired acreage at Alpenglow Park (36.7 acres), Pine Nursery Park (5 acres), Goodrich Pasture Park (2.5 acres) and Northpointe Park (2.7 acres), all of which will be used to meet capacity needs of future growth. For purposes of the reimbursement fee cost basis, the prior acquisition costs are included in Table 2-6 for neighborhood and community parks.

Because the acquisition of Alpenglow Park was funded through a District bond, the portion of the outstanding bond principal associated with the purchase is deducted from the total acquisition cost, as the remaining bond costs will be paid through taxes.

For regional parks, the cost basis includes acquisition costs for Riley Ranch Nature Reserve and a portion of Shevlin Park, which total 224 acres. Much of other existing regional parkland was donated. A portion of Riley Ranch Nature Reserve was bond funded, so an adjustment is made to deduct outstanding bond principal from the cost basis. As shown in Table 2-6, the total reimbursement cost basis is about \$5.9 million.

## 2.5 SDC Compliance Costs

Local governments may spend SDCs on the costs of complying with the SDC statutes. Compliance costs include costs related to developing the SDC methodology and project list, as well as annual accounting, budgeting, and legal costs.

Table 2-7 shows the calculation of the estimated compliance costs based on a 10-year planning period. As shown in Table 2-7, the estimated compliance costs include 50 percent of the comprehensive plan costs (associated with development of the project list and other information needed for the SDC methodology).

**Table 2-7**  
*SDC Compliance Costs*

<b>Component</b>	<b>Total Costs<sup>1</sup></b>	<b>Growth</b>	
		<b>%</b>	<b>\$</b>
Comprehensive Plan	\$195,000	50%	\$97,500
Accounting, Budgeting, Legal	342,000	100%	342,000
SDC Methodology Update	129,500	100%	129,500
<b>Total</b>	<b>\$666,500</b>		<b>\$569,000</b>

<sup>1</sup>10-year planning period

Other compliance costs include District administration costs associated with accounting, budgeting, legal, external costs for SDC consulting, and auditing. Total compliance costs over the 10-year planning period are estimated to be \$569,000.



SECTION 3

## 3. SDC Assessment

### 3.1 Introduction

Once the aggregate growth costs have been determined, the next step in the methodology is to determine how the SDCs will be assessed to individual developments.

The SDC for an individual development is based on the system-wide unit cost per person and the number of people attributable to a particular development. This section presents the system-wide unit costs and the assumptions related to estimated people per dwelling unit for different residential development types.

### 3.2 System-wide Unit Costs (\$/Person)

The growth in total population (23,836) is divided into the growth costs described in Section 2 to determine the costs per unit, as shown in Table 3-1.

**Table 3-1**  
*System-wide Unit Costs/Person*

Component	Cost Basis <sup>1</sup>	\$/Person	% of Total
Improvement SDC Cost Basis	\$72,541,152	\$3,043	93%
Reimbursement SDC Cost Basis	5,859,697	246	8%
SDC Compliance Costs	569,000	24	1%
Bond Credit <sup>2</sup>		-54	-2%
<b>Total</b>	<b>\$78,969,849</b>	<b>\$3,259</b>	<b>100%</b>

<sup>1</sup>From Tables 2-5, 2-6, and 2-7

<sup>2</sup>Present value of future annual debt payments per person associated with recreation facilities

#### 3.2.1 Bond Credit

As discussed previously, the District issued a general obligation bond in 2012 to pay for a limited number of park improvements. The portion of outstanding bond funds associated with community and regional parks was deducted directly from the reimbursement fee cost basis.

The District also funded a portion of existing indoor recreation facilities (The Pavilion) with bond funds. Since the SDC project list includes indoor facility costs associated with future growth, a credit is provided against the total SDCs for the portion of outstanding bond principal associated with existing indoor recreation facility investments<sup>2</sup>. The credit is calculated as the present value of future bond principal costs per person and equals \$54, as shown in Table 3-1.

#### 3.2.2 Total Costs per Person

The total growth cost to be recovered through SDCs is about \$79.0 million as shown in Table 3-1. Each component of the growth cost is divided by the total growth in population during the

<sup>2</sup> As of the end of fiscal year 2019, the District will have paid \$5.2 million (17%) of the total \$30.6 million in bond principal owed. Recreation facility costs represent about 38% (\$11.6 million) of total bond costs; therefore, the credit is based on a present value of 38% of future bond principal payments (about \$9.0 million to be paid over 14 years).

planning period (23,836 as shown in Table 2-1) to determine the SDC cost per person. The combined cost per person, net of the bond credit, is \$3,259, shown in Table 3-1.

### 3.2.3 Administrative Costs

Separate from the compliance and infrastructure costs discussed in Section 2, the District incurs other costs associated with administration of the SDC program. These costs include both internal administration as well as payments to the City of Bend and Deschutes County for assessment and collection of the SDCs. The administrative costs are established by each entity and are in addition to the costs per person shown in Table 3-1. Administrative costs are reviewed periodically by each entity separate from the SDC methodology update process, and as such are adopted and modified by resolution.

## 3.3 Development Occupancy Assumptions

SDCs are assessed to different development types based on average dwelling and visitor room occupancy. Local, regional, and national data were analyzed, and the results show that the typical household size (i.e., people per dwelling unit) varies by the size of the housing unit (as measured by number of bedrooms and quantity of living space) and the type of unit (single family, multifamily, and mobile or manufactured homes).

For this analysis, “local” data refers to information for the City of Bend, Oregon, and/or Deschutes County, depending on the data set. The “single family” analysis was conducted specifically on data for single-family detached units, while multifamily reflects analysis for structures with two or more attached units.

### 3.3.1 Single-Family Residential

U.S. Census data, specifically, from the American Community Survey (ACS) Public Use Microdata Sample (PUMS) for Deschutes County were used to estimate occupancy for all single-family residential dwelling units, which as shown in Table 3-2, averages 2.5 persons per dwelling unit.

**Table 3-2**  
*Single-Family Dwelling Unit Occupancy*

Category	Avg. People per Dwelling Unit
<b>All Single-Family Dwelling Sizes<sup>1</sup></b>	2.50
<b>4-Tier Structure<sup>2</sup></b>	
<1,000 SQFT	1.86
1000-1600 SQFT	2.16
1601-3000 SQFT	2.45
>3,000 SQFT	2.74

<sup>1</sup>2017 ACS PUMS for Deschutes County, weighted average for all single-family households in Deschutes County (Public Use Microdata Area 00400)

<sup>2</sup> Based on 2011 Oregon Housing Activity Survey & 2012 tax lot SQFT estimates for BPRD tax boundary from Deschutes County Assessor’s Office

In addition, Oregon Household Activity Survey (OHAS) data collected within the BPRD Tax District in 2011, the most recent survey available, were used to develop a tiered SDC structure, based on dwelling unit size, as measured by square footage. The OHAS data were spatially linked to tax lot and improvement information for a similar year (2012) from the Regional Land

Information System (RLIS), allowing for locally derived estimates of people per dwelling unit to be calculated for different square footage categories<sup>3</sup>.

Initially, a three-tier structure was developed from the data, through an iterative process, beginning with more disaggregate square footage categories and then aggregating based on sample size and similarities in average persons per dwelling.

However, following feedback from stakeholders, an additional tier was added on the lower end of the range, based on a linear-logarithmic regression analysis<sup>4</sup>. Table B-1 in Appendix B shows the detailed occupants per household estimated by the regression model, and the averages within each tier that were used to develop the occupancy estimates by tier shown in Table 3-2. Based on the regression analysis, the persons per household range from 1.86 for tier 1 (less than 1,000 SQ FT) to 2.74 for tier 4 (over 3,000 SQ FT). The regression analysis shown in Appendix B may be used by the District in the future to modify the tier thresholds shown in Table 3-2, in order to coordinate a scaled single-family residential fee structure with the City of Bend’s transportation SDC update.

### 3.3.2 Multifamily Residential

As with single-family residential, U.S. Census data were used to estimate occupancy for all multifamily residential dwelling units, which as shown in Table 3-3, averages 1.70 persons per dwelling unit.

Furthermore, a dwelling size option was also developed, but in the case of multifamily, each tier is based on the number of bedrooms, as opposed to dwelling area. Limitations on data and concerns over administration requirements of a dwelling area basis resulted in the recommendation to use number of bedrooms.

Table 3-3 provides the average people per dwelling unit for each bedroom category. The bedroom data were calculated from the ACS PUMS 2017 aggregated Deschutes & Lane counties sample to provide a sufficiently robust sample size, as compared to Deschutes County alone.

**Table 3-3**  
*Multifamily Dwelling Unit Occupancy*

Category	Avg. People per Dwelling Unit
<b>All Multifamily Dwelling Sizes<sup>1</sup></b>	1.70
<b>Number of Bedrooms Category<sup>2</sup></b>	
0 Bedrooms	1.08
1 Bedrooms	1.19
2 Bedrooms	1.93
3+ Bedrooms	2.50

<sup>1</sup> 2017 ACS PUMS for Deschutes County, weighted average for all multifamily households

<sup>2</sup> 2017 ACS PUMS for Deschutes & Lane counties

<sup>3</sup> Based on square footage of the home (excluding garages or structures outside the living area of the home). As defined by the Deschutes County Assessor’s Office, household living area also includes basement and attic area.

<sup>4</sup> A linear-logarithmic relationship assumes that the rate of change (or number of people) increases initially, but then levels off once the dwelling reaches a certain size.

### 3.3.3 Other Housing

Table 3-4 presents occupancy assumptions for other types of housing. Occupancy for mobile homes is based on 2017 ACS data for Deschutes County. Accessory Dwelling Units (ADUs) will be assessed based on the same occupancy as the smallest multifamily residential category (0 bedrooms).

**Table 3-4**  
*Occupancy Assumptions - Other Housing*

Category	Avg. People per Unit
Mobile homes (per home) <sup>1</sup>	2.26
Accessory Dwelling Units (per unit) <sup>2</sup>	1.08

<sup>1</sup> 2017 ACS for Deschutes County

<sup>2</sup> Based on Multifamily 0 bedrooms (Table 3-3)

Residential occupancy for dormitories will be estimated on the per person cost basis for each individual development at the time of permitting. Developments that provide housing for those wholly dependent upon care by others, such as memory care facilities, will be exempt from paying an SDC.

### 3.3.4 Overnight Visitors

Occupancy assumptions for overnight visitor accommodations are based on estimated persons per room of 2.5<sup>5</sup>, adjusted down for an average annual room occupancy rate of 69 percent, based on the historical average from 2014 to 2018 from Visit Bend Hotel Occupancy Report. The resulting persons per room is 1.73.

## 3.4 SDC Schedule

The SDC for each development type is determined by multiplying the net cost per person from Table 3-1 by the average number of people per unit for each residential development type.

Table B-2 in Appendix B includes the updated SDCs and occupancy assumptions for each residential category. As discussed previously, administration charges adopted by Board resolution are added to the SDCs; Table B-2 also shows the SDCs inclusive of the District and other agency (City of Bend and Deschutes County) administration costs of about 1.9 percent, combined.

### 3.4.1 Inflationary Adjustments

As allowed by Oregon law, the District will annually update the SDCs by resolution based on application of cost indices. The SDC project list includes a combination of land acquisition and development costs; therefore, the District will use information published by the Deschutes County Assessor's Office and the Engineering News Record (ENR) U.S. 20-City Average Construction Cost index to determine the annual inflationary adjustment.

<sup>5</sup> Source: Estimation of Bend, Oregon, Visitor-Trips and Visitor-Days, prepared by RRC Associates, February 16, 2015.

The inflationary adjustment will be based on the following formula:

*Annual percent change in ENR Construction Cost index x percent of project list costs for development +  
Annual percent change in land value within the District x percent of project list costs for land acquisition*

The specific percentages attributable to land and development will change as the SDC project list changes; therefore, the District may implement modifications to the inflationary adjustment formula through adoption of separate future resolution(s). The cost components of the current project list are: development (77%) and land acquisition (23%).

The District intends to base the adjustment on the ENR index published for December of each year. Land costs will be based on the market value of all real property, adjusted for the estimated value of improvements added, as reported by the Assessor's Office annually in the fall.

The District may make future changes to the inflationary adjustment process, assumptions and cost indices through adoption of a separate Board resolution.

APPENDIX A

# SDC Project List

Table A-1

SDC Project List - New Parks, Facilities and Trails (2019-2028)<sup>1</sup>

Project Name	Project Description	Timeline	Quantity	Unit	Improvement SDC	
		(Years)			Cost (\$)	%
<b>NEIGHBORHOOD PARKS</b>						
Goodrich Site	New park development	1-5	2.5	acres	\$823,222	100%
Park for Current UGB Expansion area (Park Search Area 24)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park for Current UGB Expansion Area (Park Search Area 4)	New park land acquisition & development	1-5	4	acres	2,254,972	100%
Park for Future UGB Expansion (Park Search Area 5)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 15)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 17)	New park land acquisition	1-5	N/A	acres	1,005,938	100%
Park to Serve New Density (Park Search Area 17)	New park development	6-10	4	acres	1,249,034	100%
Park to Serve New Density (Park Search Area 19)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 20)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 21)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 23)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 26)	New park land acquisition	6-10	N/A	acres	1,005,938	100%
Park to Serve New Density (Park Search Area 26)	New park development	6-10	4	acres	1,249,034	100%
Park to Serve New Density (Park Search Area 27)	New park land acquisition & development	1-5	4	acres	2,254,972	100%

Project Name	Project Description	Timeline			Improvement SDC	
		(Years)	Quantity	Unit	Cost (\$)	%
Park to Serve New Density (Park Search Area 28)	New park land acquisition & development	6-10	4	acres	2,254,972	100%
Park to Serve New Density (Park Search Area 6)	New park land acquisition	1-5	N/A	acres	1,005,938	100%
Park to Serve New Density (Park Search Area 6)	New park development	6-10	4	acres	1,249,034	100%
Park to Serve New Density (Park Search Area 9)	New park development	1-5	4	acres	1,249,034	100%
Park to Serve New Density with Field Space (Park Search Area 18)	New park land acquisition	1-5	N/A	acres	1,508,906	100%
Park to Serve New Density with Field Space (Park Search Area 18)	New park development	6-10	6	acres	1,560,578	100%
Park to Serve New Development (Discovery West)	New park land acquisition & development	6-10	3	acres	2,374,848	100%
Park in Central District	New park/urban plaza development	6-10	1	acres	1,249,034	100%
Park Search Area--Northpointe Site	New park development	1-5	2.7	acres	1,755,030	100%
Park Search Area--Search area 14 (Litchfield Site)	New park development	1-5	4	acres	2,254,972	100%
<b>Subtotal</b>			<b>75.2</b>		<b>\$42,090,257</b>	
<b>COMMUNITY PARKS</b>						
Park Search Area--Alpenglow Park	New park development	1-5	36.7	acres	\$9,601,433	100%
Pine Nursery Park Phase 5	Development of additional acreage	1-5	5	acres	5,192,397	100%
<b>Subtotal</b>			<b>41.7</b>		<b>\$14,793,830</b>	
<b>RECREATION FACILITIES</b>						
Art Station	Acquisition of leased space and land	6-10	2,292	SQ FT	\$930,856	89.6%
Larkspur Community Center	Expansion of recreation facility	1-5	35,311	SQ FT	10,824,486	89.6%
<b>Subtotal</b>			<b>37,603</b>		<b>\$11,755,342</b>	

Project Name	Project Description	Timeline			Improvement SDC	
		(Years)	Quantity	Unit	Cost (\$)	%
<b>TRAILS</b>						
Arnold Canal Trail and Trailhead	New trailhead and trail development	6-10	1.5	miles	\$452,549	82.0%
COHCT from Blakely Road to DRT (incl. Brookwood undercrossing)	New trail development	1-5	0.5	miles	15,382	82.0%
COHCT from Blakely Road to Hansen Park	New trail development	1-5	2.6	miles	560,078	82.0%
COHCT from Hansen Park to Eastgate Park	New trail development	6-10	3.6	miles	147,667	82.0%
DRT Putnam to Riley Ranch Nature Reserve Bike/Pedestrian Bridge	New trail development	6-10	1.2	miles	131,659	82.0%
Discovery West Trail Undercrossing	New trail development	1-5	1.5	miles	553,690	82.0%
DRT Connector to Shevlin Park	New trail development	6-10	0.5	miles	67,870	82.0%
DRT Galveston to Miller's Landing	New trail development	1-5	0.3	miles	590,832	82.0%
DRT Kirkaldy to Putnam	New trail development	1-5	0.1	miles	50,604	82.0%
High Desert Park Trails	New trail development	6-10	1	miles	180,986	82.0%
Manzanita Trail	New trail development	6-10	0.25	miles	33,935	82.0%
North Unit Canal Trail	New trail development	6-10	4	miles	164,075	82.0%
Park Search Area--Riley Ranch Nature Reserve Neighborhood Access	New trail development	6-10	0.8	miles	17,271	82.0%
Pilot Butte Canal Trail	New trail development	6-10	4	miles	164,075	82.0%
Quail Trail	New trail development	6-10	0.66	miles	89,588	82.0%
Riley Ranch Nature Reserve Bike/Pedestrian Bridge	New bridge development	6-10	0.02	miles	681,464	82.0%
<b>Subtotal</b>			<b>22.5</b>		<b>\$3,901,724</b>	
<b>GRAND TOTAL</b>					<b>\$72,541,152</b>	

Central Oregon Historic Canal Trail (COHCT)  
Deschutes River Trail (DRT)

<sup>1</sup> Includes the SDC portion of projects (as of July 1, 2019). Some projects will be partially funded by other sources. Furthermore, cost estimates do not include funding investments made by BPRD prior to July 1, 2019. Total costs include: park development costs = 77% and land acquisition costs = 23%.



**Table A-2**

*SDC Project List - Capacity Improvements to Existing Parks; New Recreation Facilities and Trails (2019-2028)*

Project Name	Project Description	Timeline (Years)	SDC Eligible <sup>1</sup> \$
<b>IMPROVED LEVEL OF PERFORMANCE / DEVELOPMENT</b>			
Big Sky Park Expansion	Bike park and amenities	1-5	\$3,415,748
Discovery West (Shevlin Park South Trailhead Parking)	New trailhead development	6-10	145,387
Hansen Park Trailhead	New trailhead development	6-10	80,067
Haul Road Trail	Completion and paving of the trail	1-5	468,547
Park Search Area--DRT North Trailhead	New trailhead development	1-5	332,313
Pine Nursery Park Phase 4 (Pending Partnership)	New fields	1-5	207,696
Stone Creek (Acquisition and Development Reimbursement)	Reimbursement to park developer	1-5	534,765
Westside Recreation Center Planning and Infrastructure	Infrastructure contribution & preliminary planning	1-5	726,936
<b>NEW OR EXPANDED AMENITIES OR ACCESS</b>			
Discovery Park Phase 2	New park amenities	1-5	643,857
Drake Park DRT and Bank Improvements	New park amenities	1-5	3,931,649
Empire Crossing Park	New park development	1-5	129,810
Hollinshead Park Master Plan and Renovation	Renovation	1-5	259,620
Juniper Park	Park redevelopment	1-5	1,259,337
Pacific Crest Athletic Field Development	New fields	1-5	1,401,947
Park Search Area--8th St. Crossing	New pedestrian street crossing	6-10	18,693
Park Search Area--Brookwood Blvd Crossing	New pedestrian street crossing	6-10	15,577
Park Search Area--Neff and Hamby Rd. Crossings	New pedestrian street crossing	6-10	10,385
Park Search Area--Reed Market Road Trail Crossing to Larkspur Park	New pedestrian street crossing	6-10	15,577
Ponderosa Master Plan and Renovation	Park redevelopment	1-5	363,468
Rockridge Park Phase 2	New restroom	1-5	347,891

Project Name	Project Description	Timeline (Years)	SDC Eligible <sup>1</sup> \$
Bend Golf and Country Club - Parrell Road Neighborhood Park	New park development	1-5	1,264,141
Lot 70 Acquisition and Bridge	New bridge to Alpenglow Park	1-5	1,112,487
<b>RECREATION FACILITIES</b>			
Art Station	Acquisition of leased space and land	6-10	107,623
Larkspur Community Center	Expansion of recreation facility	1-5	1,251,501
<b>TRAILS</b>			
Arnold Canal Trail and Trailhead	New trailhead and trail development	6-10	99,160
COHCT from Blakely Road to DRT (incl. Brookwood undercrossing)	New trail development	1-5	3,370
COHCT from Blakely Road to Hansen Park	New trail development	1-5	122,722
COHCT from Hansen Park to Eastgate Park	New trail development	6-10	32,356
DRT Putnam to Riley Ranch Nature Reserve Bike/Pedestrian Bridge	New trail development	6-10	28,849
Discovery West Trail Undercrossing	New trail development	1-5	121,322
DRT Connector to Shevlin Park	New trail development	6-10	14,871
DRT Galveston to Miller's Landing	New trail development	1-5	129,460
DRT Kirkaldy to Putnam	New trail development	1-5	11,088
High Desert Park Trails	New trail development	6-10	39,657
Manzanita Trail	New trail development	6-10	7,436
North Unit Canal Trail	New trail development	6-10	35,951
Park Search Area--Riley Ranch Nature Reserve Neighborhood Access	New trailhead and trail development	6-10	3,784
Pilot Butte Canal Trail	New trail development	6-10	35,951
Quail Trail	New trail development	6-10	19,630
Riley Ranch Nature Reserve Bike/Pedestrian Bridge	New bridge development	6-10	149,319
<b>GRAND TOTAL</b>			<b>\$18,899,949</b>

<sup>1</sup> From existing SDC fund balance.

APPENDIX B

# SDC Schedule

Table B-1		
<i>Estimated People Per Household - Single Family Residential</i>		
Square Feet	Estimated People per Household	
	LIN-LOG Regression <sup>1</sup>	4-Tier Structure
500	1.71	1.86
600	1.79	
700	1.87	
800	1.93	
900	1.99	
1000	2.04	2.16
1100	2.09	
1200	2.13	
1300	2.17	
1400	2.21	
1500	2.24	2.45
1600	2.27	
1700	2.30	
1800	2.33	
1900	2.35	
2000	2.38	
2100	2.40	
2200	2.43	
2300	2.45	
2400	2.47	
2500	2.49	2.74
2600	2.51	
2700	2.52	
2800	2.54	
2900	2.56	
3000	2.58	
3100	2.59	
3200	2.61	
3300	2.62	
3400	2.64	
3500	2.65	
3600	2.66	
3700	2.68	
3800	2.69	
3900	2.70	
4000	2.72	
4100	2.73	
4200	2.74	
4300	2.75	
4400	2.76	
4500	2.77	
4600	2.78	
4700	2.79	
4800	2.80	
4900	2.81	
5000	2.82	
5100	2.83	
5200	2.84	
5300	2.85	
5400	2.86	
5500	2.87	

<sup>1</sup> Based on LIN-LOG regression analysis of 2011 OHAS and 2012 Taxlot data: PPHH = 2.042 +0.486 \* LN(SQFT in 1000s)

**Table B-2**  
*SDC Schedule*

<b>Development Type</b>	<b>Avg. People per Unit</b>	<b>SDC<sup>1</sup></b>	<b>SDC w/Admin Charges<sup>2</sup></b>
Single Family <sup>3</sup> Avg. (\$/dwelling unit)	2.50	\$8,148	\$8,300
SQ FT Tiers (\$/dwelling unit)			
<1,000 SQ FT	1.86	\$6,062	\$6,175
1000-1600 SQ FT	2.16	\$7,040	\$7,171
1601-3000 SQ FT	2.45	\$7,985	\$8,134
>3,000 SQ FT	2.74	\$8,930	\$9,097
Multifamily <sup>4</sup> Avg. (\$/dwelling unit)	1.70	\$5,540	\$5,644
Bedroom Tiers (\$/dwelling unit)			
0 Bedrooms	1.08	\$3,520	\$3,586
1 Bedroom	1.19	\$3,878	\$3,951
2 Bedrooms	1.93	\$6,290	\$6,407
3+ Bedrooms	2.50	\$8,148	\$8,300
Other Housing			
Mobile Homes (\$/unit)	2.26	\$7,366	\$7,503
Accessory Dwelling Units (\$/unit)	1.08	\$3,520	\$3,586
Dormitories (\$/person)	1.00	\$3,259	\$3,320
Overnight Visitor Accommodation (\$/room)	1.73	\$5,624	\$5,729

<sup>1</sup> Cost per person (\$3,259) X people per unit

<sup>2</sup>Includes Deschutes County and City of Bend Administration Charges (1.9% combined)

<sup>3</sup>Single family includes tiny homes

<sup>4</sup>Multifamily includes housing with 2 or more units; including senior housing (independent living) and assisted living

**BEND PARK AND RECREATION DISTRICT**  
**Ordinance No. 12 - System Development Charges**

THE BEND PARK AND RECREATION DISTRICT ORDAINS AS FOLLOWS:

**SECTION 1. PURPOSE AND SCOPE**

- A. Future growth within the Bend Park and Recreation District (“District”) should contribute its fair share to the cost of capacity-increasing acquisitions and improvements to parks, trails, and recreation facilities needed to accommodate such growth.
- B. System Development Charges will provide a source of revenue to finance the acquisition, construction, improvement, or expansion of District parks, trails, and recreation facilities to accommodate growth.
- C. ORS 223.297 – 223.314 authorize local governments, including special districts, to impose System Development Charges for parks and recreation.
- D. This Ordinance replaces Ordinance No. 8 – System Development Charges, and its modifying Ordinance No. 10.

**SECTION 2. DEFINITIONS**

- A. “Accessory Dwelling Unit” means a small Dwelling Unit on a Parcel of Land that contains a Single-family Dwelling Unit as the primary use, whether created at the same time as or subsequent to construction of the Single-family Dwelling. An Accessory Dwelling Unit may be attached to or detached from the Single-family Dwelling Unit.
- B. “Affordable Housing” means Deed Restricted Residential Development that is:
  - 1. Rental housing affordable to households with income at or below 60% of the area median income (“AMI”) as defined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development;
  - 2. Owner-occupied or lease-to-own housing affordable to households with income at or below 80% of the AMI as defined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; or
  - 3. Homeless Shelter Developments.

- C. "Applicant" means the Owner or other person, including any business or entity, who applies for a residential Building Permit or Placement Permit from the City or County for Residential Development or Hotel/Motel development within the boundaries of the District.
- D. "Building" means any residential or Hotel/Motel structure built and maintained for the support, shelter or enclosure of persons. This term shall not include temporary construction sheds or trailers erected to assist in construction and maintained only during the term of a Building Permit.
- E. "Building Permit" means an official permit or certificate issued by the City or County authorizing the construction of any Building.
- F. "Capital Improvements" means public parks, trails, recreation facilities, or other amenities used for parks and recreation purposes.
- G. "Capital Projects List" means the list of the Capital Improvements, based on the comprehensive plan or capital improvements plan adopted by the District Board, that the District intends to fund, in whole or in part, with revenues from an Improvement Fee and the estimated cost, timing and percentage of costs for each Capital Improvement eligible to be funded with Improvement Fee revenues.
- H. "Citizen or Other Interested Person" means any person whose legal residence is within the boundaries of the District, as evidenced by registration as a voter within the District or by other proof of residency; or a person who owns, occupies, or otherwise has an interest in real property which is located within District boundaries or is otherwise subject to the imposition of SDCs, as provided in Section 3 of this Ordinance.
- I. "City" means the City of Bend, Oregon.
- J. "County" means Deschutes County, Oregon.
- K. "Deed Restricted" means a Parcel of Land subject to a covenant, contained in a deed or other instrument recorded in the Deschutes County Official Records, that the Parcel of Land will be maintained or operated as Affordable Housing for a period of not less than 30 years.
- L. "District" means the Bend Park and Recreation District, an Oregon special district.
- M. "District Board" means the duly elected Board of Directors of the District.
- N. "Dormitory" means a college or university residential housing facility intended or used for occupancy of higher education students.

- O. "Dwelling Unit" means a unit within a Building, or any portion thereof, intended for use as a residence.
- P. "Executive Director" means the chief executive officer of the District.
- Q. "Hotel/Motel" means a Building, group of Buildings, or portion thereof, designed or used for temporary occupancy by individuals who are lodged, with or without meals. The definition shall include but not be limited to Buildings or groups of Buildings designed, intended, or used primarily for the accommodation of transient travelers; including hotels, motels, hostels, or similar designations.
- R. "Improvement Fee" means a fee for costs associated with capacity-increasing Capital Improvements to be constructed after the effective date of this Ordinance.
- S. "Manufactured Home" or "Mobile Home" means a Single-family Dwelling Unit that is constructed primarily at one location and is then transported to another location for either permanent or temporary siting. A Mobile Home shall be assessed the Single-Family SDC rate if sited on its own Parcel of Land. If placed in a mobile home park, a Mobile Home shall be assessed the Mobile Home SDC rate.
- T. "Methodology" means the System Development Charge methodology required by ORS 223.304(1) and (2).
- U. "Multi-family Dwelling" means a Building, or portion thereof, on a single Parcel of Land, designed or used as a residence by two or more households and containing two or more Dwelling Units with shared walls. Examples of Multi-family Dwellings include duplexes, triplexes, apartments, townhomes, condominiums, and assisted living residences.
- V. "Owner" means the owner or owners of record of real property as shown in the official records of the County, or a person purchasing a piece of property under a contract of sale. For the purposes of violations of this Ordinance and binding agreements between the District and the Owner, "Owner" shall also mean the leaseholder, tenant or other person in possession or control of the premises or property at the time of the binding agreement or violation of such agreement or the provisions of this Ordinance.
- W. "Parcel of Land" means a lot, parcel, block or other tract of land that, in accordance with city or county regulations, is occupied or may be occupied by one or more Dwelling Units, a Hotel/Motel, or other use, and that includes the yards and other open spaces required under the zoning, subdivision, or other development ordinances.

- X. "Placement Permit" means an official permit or certificate issued by the City or County authorizing the siting of a Manufactured Home.
- Y. "Qualified Public Improvement" means a Capital Improvement that is:
1. Required as a condition of development approval; and
  2. Identified in the Capital Projects List adopted pursuant to Section 5 of this Ordinance; and either is:
    - a) Not located on or contiguous to a Parcel of Land that is the subject of the development approval; or
    - b) Located in whole or in part on or contiguous to a Parcel of Land that is the subject of development approval and required to be built larger or with greater capacity (over-capacity) than is necessary for the particular development project to which the Improvement Fee is related; and
  3. Approved/accepted by the District.

For purposes of this definition, contiguous means property within a public way that abuts the Parcel of Land.

- Z. "Reimbursement Fee" means a fee for costs associated with Capital Improvements already constructed, or under construction when the fee is established, for which the local government determines that capacity exists.
- AA. "Residential Development" means all improvements on a Parcel of Land, including Buildings and other structures, which create Dwelling Units or other residential living space. Residential Development includes Single-family Dwellings, Multi-family Dwellings, Dormitories, duplexes, Condominiums, Manufactured Homes, Accessory Dwelling Units, and such other Buildings as may be designated as Residential Development by separate resolution of the District Board.
- BB. "Single-family Dwelling" means a Building designed or used for residential purposes and containing only one Dwelling Unit.
- CC. "System Development Charge" or "SDC" means a Reimbursement Fee or an Improvement Fee assessed or collected at the time of the issuance of a Placement Permit or Building Permit, or at such other time as may be designated by resolution of the District Board.



### **SECTION 3. SYSTEM DEVELOPMENT CHARGE FRAMEWORK**

- A. The District's SDC is hereby imposed upon all new Residential Development and Hotel/Motels within the District boundaries for which a Building Permit or Placement Permit is required. This shall include new construction or alteration of Dwelling Units, and expansion or replacement of Dwelling Units, if such alteration, expansion, or replacement results in an increase in the number of Dwelling Units compared to the number of Dwelling Units, or a change in the type of Dwelling Unit, existing on the Parcel of Land prior to such alteration, expansion, or replacement.
- B. For an increase in the number of Dwelling Units or a change in the type of Dwelling Unit, the amount of SDCs to be paid shall be the difference between the rate that would be imposed for the existing development and the new development.
- C. System Development Charge amounts, as well as related Capital Improvement projects, administrative review procedures, and other implementing measures related to this Ordinance shall be established, and may be revised from time to time, by separate resolution(s) of the District Board. A change in implementing procedures, fees, qualified projects, and the like shall not require an amendment of this Ordinance or the SDC Methodology.
- D. The SDCs imposed by this Ordinance are separate from and in addition to any applicable tax, assessment, charge or fee otherwise provided by law or imposed as a condition of development.

### **SECTION 4. METHODOLOGY**

- A. The Methodology used to establish or modify the Reimbursement Fee shall consider the cost of then-existing facilities including without limitation design, financing and construction costs, prior contributions by then-existing property Owners, gifts or grants from federal, state, municipal or quasi-municipal government or private persons, the value of unused capacity available to future system users, rate-making principles employed to finance publicly-owned Capital Improvements, and other relevant factors identified by the District Board. The Methodology shall promote the objective that future Residential Development within the District shall contribute no more than an equitable share of the cost of then-existing facilities.
- B. The Methodology used to establish or modify the Improvement Fee also shall consider the estimated cost of projected Capital Improvements needed to increase the capacity of the systems to which the fee is related, and the need for increased system capacity that will be required to serve the demands placed on

the system by future users. The Methodology shall be calculated to obtain the cost of Capital Improvements for the projected need for available system capacity for future system users.

- C. The Methodology used to establish or modify the Improvement Fee or the Reimbursement Fee, or both, shall be adopted by separate resolution of the District Board.

## SECTION 5. EXPENDITURES

- A. The District shall establish separate accounts for each type of SDC, i.e., Reimbursement Fees and Improvement Fees, which shall be maintained apart from all other accounts of the District. All SDC payments shall be deposited in the appropriate account immediately upon receipt.
- B. Reimbursement Fees shall be spent only on Capital Improvements, including replacements and major repairs, or expenditures relating to repayment of indebtedness.
- C. Improvement Fees shall be spent only on capacity-increasing Capital Improvements, including expenditures relating to repayment of future debt for such improvements. An increase in system capacity occurs if a Capital Improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the Capital Improvements funded by Improvement Fees shall be related to the need for increased capacity to provide service for future users. A Capital Improvement being funded wholly or in part from revenues derived from the Improvement Fee shall be included in the District's Capital Projects List.
- D. Notwithstanding subsections B and C of this section, SDC revenues may also be expended on the direct costs of complying with the provisions of this Ordinance and related state statutes, including, but not limited to, the costs of developing SDC Methodologies and providing an annual accounting system for SDC expenditures.
- E. The monies deposited in the above accounts shall be used solely for Capital Improvements allowed by ORS Chapter 223 including, but not limited to:
  - 1. design and construction plan preparation;
  - 2. permitting and fees;
  - 3. land and material acquisition costs, including any costs related to costs of condemnation;

4. construction of Capital Improvements;
5. site preparation and grading and the design and construction of new drainage facilities or off-site improvements required as a condition for the construction of Capital Improvements;
6. relocating utilities required by the construction of improvements;
7. landscaping;
8. construction management and inspection;
9. surveying, soils and material testing;
10. acquisition of capital fixtures and equipment;
11. payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the District to fund adopted Capital Improvements;
12. direct costs of complying with the provisions of ORS Chapter 223 including the consulting, legal, and administrative costs required for developing and updating the SDC Methodology report, resolution/ordinance, and Capital Projects List; and the costs of collecting and accounting for SDC expenditures.

F. Funds on deposit in SDC accounts shall not be used for:

1. any expenditure that would be classified as a maintenance or repair expense;  
or
2. costs associated with the construction of administrative office facilities that are more than an incidental part of other Capital Improvements.

G. Capital Improvements being funded wholly or in part with SDC revenues shall be included in the District's Capital Projects List. The Capital Projects List shall be adopted by resolution of the District Board, and may be modified at any time by separate resolution adopted by the District Board. If the District's SDC will increase by a proposed modification of the Capital Projects List, the District shall provide notice, including the proposed adoption date, to persons who have requested notice. If the District receives a written request for a hearing on the proposed modification not less than seven (7) days prior to the proposed adoption date of the modification, the District shall hold a public hearing. If the District does not receive such a request, no hearing is required. The District's decision to increase the SDC by modification of the Capital Projects List may be judicially reviewed only as provided in ORS 34.010 to 34.100.

- H. Any SDC funds on deposit in accounts that are not immediately necessary for expenditure shall be invested or deposited in an interest-bearing account by the District. All income or interest derived from such investments shall be deposited in the SDC funds accounts and used as provided herein.
- I. The District shall prepare an annual accounting report for SDCs, including the total amount of SDC revenue collected in the accounts, and Capital Improvement projects that were funded.
- J. Any Citizen or Other Interested Person may challenge an expenditure of SDC revenues.
  - 1. Such challenge shall be submitted, in writing, to the Executive Director for review within two years following the subject expenditure, and shall include the following information:
    - a. The name and address of the Citizen or Other Interested Person challenging the expenditures;
    - b. The amount of the expenditure; the project, payee, or purpose; and the approximate date on which it was made; and
    - c. The reason why the expenditure is being challenged.
  - 2. If the Executive Director determines that the expenditure was not made in accordance with the provisions of this Ordinance and other applicable laws a reimbursement of SDC revenues shall be made from other revenue sources within one year following the determination that the expenditures were not appropriate.
  - 3. The Executive Director shall make written notification of the results of the expenditure review to the person who requested the review within ten (10) days of completion of the review.
  - 4. The person who makes a written objection to the calculation of a SDC has the right to petition for judicial review of the District's determination pursuant to ORS 34.010 to 34.100.

**SECTION 6. COLLECTIONS**

- A. For any Residential Development, except Multi-family Dwellings, or Hotel/Motel, the District's SDC shall be due and payable at the time of issuance of a Building Permit or Placement Permit. For Multi-family Dwellings, the District's SDC shall be assessed and due no later than the date that a certificate of occupancy is issued. The District's Board shall have the authority to implement,

by resolution, a new or alternative time of collection for SDCs; provided, however, any such new/alternative time of collection shall be consistent with the time of collection used by the City or County, as applicable. SDC fee(s) will be based on the rates in effect on the date that the Building Permit application is submitted, or, for Multi-family Dwellings, on the date that a certificate of occupancy is issued (or at such earlier date as the SDCs are actually paid), or as otherwise agreed to in writing by the Applicant, the District, and the City or County, as applicable. The SDC Methodology referenced in this Ordinance establishes fees for each type of Residential Development or Hotel/Motel. Responsibility for collecting charges may be delegated to the City or County by intergovernmental agreement.

- B. If SDCs are due and payable at the time of issuance of a Building Permit or Placement Permit, and if development is commenced without an appropriate permit, the SDC is immediately payable, together with interest at an annual rate of 12% from the earliest date that a permit was required.

#### **SECTION 7. EXEMPTIONS**

Notwithstanding Section 3A, the following development shall be exempt from payment of the District SDCs:

1. Non-residential development with the exception of Hotel/Motels.
2. Alteration, expansion, or replacement of an existing Dwelling Unit where no additional Dwelling Unit is created, except as may be determined by separate resolution of the District Board.
3. The construction of accessory Buildings or structures which will not create additional Dwelling Units, and which do not create additional demands on the District's capital facilities.
4. Hospice care facilities, Alzheimer's care facilities, and end of life residential care facilities.

Exemptions expire upon conversion of the original use to another use.

#### **SECTION 8. CREDITS**

- A. The District may grant a credit against the SDCs imposed pursuant to Section 3 for the contribution of land for, or for the construction of, any Qualified Public Improvements.

- B. Prior to issuance of a Building Permit or Placement Permit, the Applicant shall submit to the Executive Director a proposed plan and estimate of the cost for contributions of a Qualified Public Improvement for which a credit may be allowed. The proposed plan and estimate shall include:
1. a designation of the development for which the proposed plan is being submitted;
  2. a legal description of any land proposed to be contributed and a written appraisal prepared in conformity with Section 8.E.1.;
  3. a list of the contemplated Qualified Public Improvements contained within the plan;
  4. an estimate of proposed construction costs certified by a professional architect or engineer; and
  5. a proposed time schedule for completion of the proposed plan.
- C. The Applicant shall have the burden of demonstrating that a particular Qualified Public Improvement qualifies for a credit. The amount of the credit to be applied shall be determined according to the following conditions:
1. When Residential Development occurs that is subject to SDCs, the SDC for the existing use, if applicable, shall be calculated and if it is less than the SDC for the use that will result from the new development, the difference between the SDCs applicable to the existing use and the SDCs applicable to the proposed use shall be the SDCs. If the change in the use results in the SDCs for the proposed use being less than the SDCs for the existing use, no SDCs shall be charged. No refund or credit shall be given unless provided for elsewhere in this Section 8.
  2. If a Qualified Public Improvement is located in whole or in part on or contiguous to the property that is the subject of the development approval and is required to be built larger or with greater capacity than is necessary for the particular development project, a credit may be given only for the cost of the portion of the improvement that exceeds the District's minimum standard facility size or capacity needed to serve the particular development project or property. The Applicant shall have the burden of demonstrating that a particular improvement qualifies for a credit under this subsection.
- D. If the contribution of land or construction of a Qualified Public Improvement gives rise to a credit amount greater than the amount of the SDCs that would otherwise be levied against the project receiving development approval, the excess credit may be applied against SDCs that accrue in subsequent phases of

the original development project. Any excess credit must be used not later than ten (10) years from the date it is given.

- E. Calculation of credits will be subject to the following standards:
  - 1. The value of contributed lands shall be based upon a written appraisal of fair market value by a qualified and professional appraiser based upon comparable sales of similar property between unrelated parties in an arms-length transaction; and
  - 2. The anticipated construction cost of the Qualified Public Improvements shall be based upon cost estimates certified by a professional architect or engineer.
- F. Upon approval of the District Board, the decision of the Executive Director, as to whether to accept the proposed plan of contribution and the value of such contribution, shall be in writing and issued to the Applicant within thirty (30) working days of the date all data is received for review.
- G. Any Applicant, who submits a proposed plan pursuant to this Section and desires the immediate issuance of a Building Permit or Placement Permit, shall pay the applicable SDCs. Said payment shall not be construed as a waiver of any credit. Any difference between the amount paid and the amount due, as determined by the Executive Director, shall be refunded to the Applicant. In no event shall refund by the District under this subsection exceed the amount originally paid by the Applicant.
- H. The District may, in its sole discretion, grant a credit for land transferred to the District for park and recreational use, which does not otherwise meet the requirements of this section.
- I. Credits shall not be transferable from one development to another.
- J. Credits shall be transferable within the same development if the development or portion of it is sold, prior to completion of the development, but after completion and dedication of the Qualified Public Improvements.
- K. Credits shall not be transferable from the District's SDC to any other governmental agency's system development charge.
- L. Credits shall be used within 10 years from the date the credit is given.

## **SECTION 9. DEVELOPER REIMBURSEMENT PROCEDURES AND PAYMENTS**

- A. Upon approval of the District Board, the District may enter into agreements with developers who propose to expand the park system by dedicating or

constructing park and recreation facilities. These agreements would allow the District to reimburse the developer for such improvements using a portion of the SDCs collected within a designated recovery area.

- B. Such facilities may serve the proposed development only (a “sole recovery area”) or the proposed development and areas beyond it (a “shared recovery area”).
- C. The District Board shall adopt, by separate resolution, procedures for entering into such agreements. The resolution shall address:
  - 1. Procedures for entering into such agreements.
  - 2. Applicable District, City, and County policies, standards, rules and regulations.
  - 3. Responsibilities for paying the cost of such improvements.
  - 4. Eligibility for SDC recovery payments.
  - 5. Procedures for determining the extent of the area served by proposed improvements.
  - 6. Procedures for remitting SDCs collected in the sole recovery area or shared recovery area to eligible developers.
  - 7. Payment schedules and conditions for SDC recovery fees.
  - 8. Procedures for calculating the amount of the recovery fees.
  - 9. Procedures for determining the value of qualified improvements.

## **SECTION 10. REFUNDS, WAIVERS, AND DEFERRALS**

- A. Refunds.
  - 1. Refunds may be given by the Executive Director upon finding that there was a clerical error in the calculation of SDCs.
  - 2. Refunds shall not be allowed for failure to timely claim a credit or for failure to seek an alternative SDC rate calculation in a timely manner prior to submission of an application for a Building Permit.
  - 3. An Applicant or Owner shall be eligible to apply for a refund if:
    - a. The Building Permit or Placement Permit has expired, and the development authorized by such permit was not commenced; or



- b. The SDCs have not been expended prior to the end of the fiscal year immediately following the tenth anniversary of the date upon which such charges were paid. For the purposes of this Section, first funds received shall be deemed to be the first funds expended.
  4. An application for refund shall be filed with the District and contain the following:
    - a. The name and address of the Applicant;
    - b. The location of the property which was the subject of the SDCs;
    - c. A notarized sworn statement that the petitioner is the then-current Owner of the property on behalf of which the SDCs were paid; including proof of ownership, such as a certified copy of the latest recorded deed;
    - d. The date the SDCs were paid;
    - e. A copy of the receipt of payment for the SDCs; and, if appropriate,
    - f. The date the Building Permit or Placement Permit was issued, and the date of expiration.
  5. The application for a refund shall be filed within ninety (90) days of the expiration of the Building Permit, Placement Permit, or within ninety (90) days of the end of the fiscal year following the tenth anniversary of the date upon which the SDCs were paid. Failure to timely apply for a refund of the SDCs shall waive any right to a refund.
  6. Within thirty (30) days from the date of receipt of a petition for refund, the District will advise the petitioner of the status of the request for refund, and if such request is valid, the SDCs shall be returned to the petitioner.
  7. A Building Permit or Placement Permit which is subsequently issued for a development on the same property which was the subject of a refund shall pay the systems development charges required by Section 3.
- B. Waivers
  1. The Executive Director may grant a waiver of District SDC fees upon finding that the subject development places no demand on the District park and recreation system.

2. The District Board may, by separate resolution, designate other types of Residential Development, including, but not limited to, Affordable Housing, for which SDC waivers may be applied.
3. If the property use under which a waiver was granted is modified or discontinued, the waiver will expire and the District's then-current SDCs will be due and payable by the Owner unless otherwise determined by the Executive Director.

C. Deferrals

1. A deferral of SDC fees may be granted by the Executive Director upon a finding that the subject development meets a category of special need in the district for which District and other service providers have agreed to grant special financial treatment in order to advance a specific public benefit.
2. Deferrals do not constitute a waiver of SDCs but rather a delay in the normal schedule for collection of the fee. Example development for which deferrals may be granted include but are not limited to the following:
  - a. Assisted living residences as may be further defined by resolution; and
  - b. Multi-family Dwellings may defer assessment and payment of SDCs to time of Certificate of Occupancy.

**SECTION 11. ADOPTION OR AMENDMENT OF METHODOLOGY**

- A. The District Board shall hold a public hearing prior to adopting or amending the methodology on which any SDC is based. Notice of the public hearing shall be given as provided in Section 12. If changes in the Methodology are undertaken by the District, the District shall coordinate such changes with the City and County prior to adoption pursuant to any intergovernmental agreements between the District and County or the City, as applicable.
- B. A change in the amount of a reimbursement fee or an improvement fee is not a modification of the SDC methodology if the change is based on: (1) a change in project costs, including cost of materials, labor and real property applied to projects or project capacity as shown on the Capital Projects List; or (2) the periodic of one or more specific cost indexes included in the methodology or adopted by separate ordinance or resolution, as provided in ORS 223.304.

## **SECTION 12. NOTICE**

- A. The District shall maintain a list of persons who have made a written request for notification prior to adoption or modification of a Methodology for any SDC. Written notice shall be mailed to persons on the list at least 90 days prior to the first hearing to establish or modify a SDC. The Methodology supporting the SDC shall be available at least 60 days prior to the first hearing to adopt or amend SDCs. The failure of a person on the list to receive a notice that was mailed shall not invalidate the action of the District. No legal action intended to contest the Methodology shall be filed after 60 days following adoption or modification of the SDC ordinance or resolution.
- B. The District may periodically delete names from the list, but at least 30 days prior to removing a name from the list, the District must notify the person whose name is to be deleted that a new written request for notification is required if the person wishes to remain on the notification list.

## **SECTION 13. APPEALS AND REVIEW HEARINGS**

- A. An Applicant who is required to pay SDCs shall have the right to request a hearing before the District board to review any of the following:
  - 1. The denial of a proposed credit for contribution of Qualified Public Improvements pursuant to Section 9.
  - 2. The calculation of a SDC, or the application of the SDC fee Methodology or adjustments of the SDC rate, provided, however, the SDC fee Methodology itself may not be appealed.
  - 3. Director's decisions regarding requests for an SDC refund, credit, waiver, or deferral.
- B. Such hearing shall be requested by the Applicant within thirty (30) days of the date of first receipt of the denial, calculation, or Executive Director's decision. Failure to request a hearing within the time provided shall be deemed a waiver of such right.
- C. The request for hearing shall be filed with the Executive Director and shall contain the following:
  - 1. The name and address of the Applicant;
  - 2. The legal description of the property in question;
  - 3. If issued, the date the Building Permit or development permit was issued;

4. A brief description of the nature of the development being undertaken pursuant to the Building Permit or development permit;
  5. If paid, the date the SDCs were paid; and
  6. A statement of the reasons why the Applicant is requesting review.
- D. Upon receipt of such request, the District shall schedule a hearing before the District Board at a regularly scheduled meeting or a special meeting called for the purpose of conducting the hearing and shall provide the Applicant written notice of the time and place of the hearing. Such hearing shall be held within forty-five (45) days of the date the request for hearing was filed.
- E. Such hearing shall be conducted in a manner designed to obtain all information and evidence relevant to the requested hearing. Formal rules of civil procedure and evidence shall not be applicable; however, the hearing shall be conducted in a fair and impartial manner with each party having an opportunity to be heard and to present information and evidence.
- F. Any Applicant who requests a hearing pursuant to this Section and desires the immediate issuance of a Building Permit or Placement Permit shall pay prior to or at the time the request for hearing is filed the applicable SDCs pursuant to Section 3B. Said payment shall not be construed as a waiver of any review rights.
- G. An Applicant may request review under this Section without paying the applicable SDCs as long as no Building Permit or Placement Permit has been issued.
- H. The District shall advise any person who makes written objection to the calculation of a SDC of the right to petition for review pursuant to ORS 34.010 to 34.100.

#### **SECTION 14. INTERPRETATION; SEVERABILITY; CORRECTIONS**

All pronouns contained in this Ordinance and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the applicable context may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. Any reference to a particular law, statute, rule, regulation, code, or resolution includes the law, statute, rule, regulation, code, or resolution as now in force and hereafter amended. The provisions of this Ordinance are hereby declared to be severable. If any section, subsection, sentence, clause, or portion of this Ordinance is for any reason held invalid, unenforceable, or unconstitutional, such invalid,

unenforceable, or unconstitutional section, subsection, sentence, clause, or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, or constitutionality of the remaining portion of this Ordinance. This Ordinance may be corrected at any time by resolution of the District Board to cure editorial or clerical errors, or to comply with applicable law.

#### **SECTION 15. EFFECTIVE DATE**

The SDCs authorized by this Ordinance shall be imposed on Building Permit or Placement Permit applications submitted on or after July 1, 2019 provided, however, that an application presented before that date, for which all necessary prior approvals have not been granted or other required predicates not met shall not be considered submitted for purposes of this section.

**BEND METRO PARK AND RECREATION DISTRICT**  
**Ordinance No. 8 - System Development Charges**

THE BEND METRO PARK AND RECREATION DISTRICT ORDAINS AS FOLLOWS:

**SECTION 1. PURPOSE AND SCOPE**

- A. Future growth within the Bend Metro Park and Recreation District (District) should contribute its fair share to the cost of improvements and additions to parks and recreation facilities needed to accommodate such growth.
- B. Park system development charges will provide a source of revenue to finance the construction or improvement of the District's parks and recreation facilities necessitated by growth.
- C. ORS 223.297 - 223.314 authorize local governments, including special districts, to impose system development charges for parks and recreation.
- D. This Ordinance is intended to be a financing mechanism for parks and recreation facilities necessitated by new development and for reimbursement for unused capacity in existing facilities that is available for use by future residents.

**SECTION 2. DEFINITIONS**

- A. "Accessory dwelling unit" shall mean a second dwelling unit created on a lot with a single-family dwelling unit, whether created at the same time as or subsequent to construction of the single family dwelling. The second unit is created auxiliary to and is always smaller than the primary single family dwelling unit.
- B. "Applicant" shall mean the owner or other person, including any business or corporation, who applies for a residential building or placement permit from the City of Bend or Deschutes County for development within the boundaries of the District.
- C. "Building" shall mean any structure built and maintained for the support, shelter or enclosure of persons or property of any kind. This term shall not include temporary construction sheds or trailers erected to assist in construction and maintained during the term of a building permit.
- D. "Building Permit" shall mean an official permit or certificate issued by the City of Bend or Deschutes County authorizing the construction or siting of any building.

- E. "Capital Improvements" shall mean public facilities or assets used for parks and recreation.
- F. "Citizen or Other Interested Person" shall mean any person whose legal residence is within the boundaries of the District, as evidenced by registration as a voter within the District or by other proof of residency; or a person who owns, occupies, or otherwise has an interest in real property which is located within District boundaries or is otherwise subject to the imposition of park system development charges, as outlined in Section 3 of this Ordinance.
- G. "District" shall mean the Bend Metro Park and Recreation District, an Oregon special district.
- H. "District Board" shall mean the duly elected Board of Directors of the District.
- I. "Duplex" shall mean a building designed or used for residence purposes by not more than two families and containing two single family dwelling units.
- J. "Executive Director" shall mean the chief executive officer of the District.
- K. "Hotel or motel" shall mean a building, group of buildings, or portion thereof designed or used for occupancy of individuals who are lodged with or without meals. The definition shall include but not be limited to buildings or groups of buildings designed, intended, or used primarily for the accommodation of transient automobile travelers; including groups designated as auto cabins, motor courts, motor hotels or similar designations. Condominiums and townhomes are excluded from this definition.
- L. "Improvement Fee" shall mean a fee for costs associated with capital improvements to be constructed after the effective date of this Ordinance.
- M. "Manufactured Home" shall mean a single-family dwelling unit that is constructed primarily at one location and is then transported to another location for either permanent or temporary siting.
- N. "Methodology" shall mean the system development charge methodology required by ORS 223.304(1) and (2). Methodology is defined further in Section 4.
- O. "Multi-family dwelling" shall mean a building or portion thereof designed or used as a residence by three or more families and containing three or more dwelling units on a single parcel of land.
- P. "Owner" shall mean the owner or owners of record of real property as shown on the tax rolls of Deschutes County, or a person purchasing a piece of property under contract. For the purposes of this Ordinance in terms of violations and

binding agreements between the District and the owner, the "owner" shall also mean the leaseholder, tenant or other person in possession or control of the premises or property at the time of the agreement or violation of agreement or the provisions of this Ordinance.

- Q. "Parcel of Land" shall mean a lot, parcel, block or other tract of land that, in accordance with city or county regulations, is occupied or may be occupied by a structure or structures or other use, and that includes the yards and other open spaces required under the zoning, subdivision, or other development ordinances.
- R. "Qualified Public Improvement" shall be defined as a capital improvement that is:
- a) Required as a condition of development approval;
  - b) Identified in the plan adopted pursuant to Section 5 of this Ordinance; and either is:
    - 1) Not located on or contiguous to a parcel of land that is the subject of the development approval; or
    - 2) Located in whole or in part on or contiguous to a parcel of land that is the subject of development approval and required to be built larger or with greater capacity than is necessary for the particular development project to which the improvement fee is related.
  - c) For purposes of this definition, contiguous means in a public way which abuts the parcel.
  - d) Approved/accepted by the District.
- S. "Reimbursement Fee" shall be defined as a fee associated with available capacity in the system to benefit future residents, but that has already been paid for by existing residents. The reimbursement fee will be repaid to the District to compensate existing residents for excess capacity.
- T. "Residential development" subject to SDCs shall mean all improvements on a site, including buildings and other structures which have the effect of increasing the usage of any capital improvements or which may contribute to the need for additional or enlarged capital improvements specific to this Ordinance or SDCs being enacted.
- U. "Single-family dwelling" shall mean a building designed or used for residential purposes by not more than one family and containing one dwelling unit only,



including manufactured homes and townhomes, but excluding such temporary structures as tents, teepees, travel trailers, and other similar uses.

- V. "System Development Charge" or "SDC" shall mean a reimbursement fee and/or an improvement fee assessed or collected at the time of the issuance of a placement or building permit.

### SECTION 3. SYSTEM DEVELOPMENT CHARGE FRAMEWORK

- A. The District's Park System Development Charge is hereby imposed upon all new residential dwelling units within the District, including single-family dwellings, multi-family dwellings, manufactured homes, duplexes, and hotels and motels, for which a building permit or placement permit is required. This shall include new construction and alteration of dwelling units, and expansion or replacement of a dwelling unit if such alteration expansion or replacement results in an increase in the number of dwelling units compared to the existing number of dwelling units in the development. For alterations, expansions and replacements, the amount of the system development charge to be paid shall be the difference between the rate for the proposed development and the rate that would be imposed for the development prior to the alteration, expansion or replacement.
- B. System Development Charge fees, related capital improvement projects, administrative review procedures and other implementing measures related to this Ordinance shall be established, and may be revised from time to time, by separate resolution(s) of the District. A change in implementing procedures, fees, qualified projects and the like shall not require an amendment to this Ordinance or the SDC methodology.
- C. The system development charges imposed by this Ordinance are separate from and in addition to any applicable tax, assessment, charge or fee otherwise provided by law or imposed as a condition of development.

### SECTION 4. METHODOLOGY

- A. The methodology used to establish or modify the reimbursement fee shall consider the cost of then-existing facilities including without limitation design, financing and construction costs, prior contributions by then-existing property owners, gifts or grants from federal, state, municipal or quasi-municipal government or private persons, the value of unused capacity available to future system users, rate-making principles employed to finance publicly-owned capital improvements, and other relevant factors identified by the District Board. The methodology shall promote the objective that future system users shall contribute no more than an equitable share of the cost of then-existing facilities.

- B. The methodology used to establish or modify the improvement fee also shall consider the estimated cost of projected capital improvements needed to increase the capacity of the system to which the fee is related. The methodology shall be calculated to obtain the cost of capital improvements for the projected need for future system users.
- C. The methodology used to establish or modify the improvement fee or the reimbursement fee, or both, shall be contained in a resolution adopted by the District Board. The methodology described in the accompanying resolution, "A Methodology for Calculating Park System Development Charges," and its assumptions, conclusions and findings, are herein adopted by reference to this Ordinance.

#### SECTION 5. EXPENDITURES

- A. The District shall establish separate accounts for each type of system development charge, i.e., reimbursement and improvement fees, which shall be maintained apart from all other accounts of the District. All system development charge payments shall be deposited in the appropriate account immediately upon receipt.
- B. Reimbursement fees shall be applied only to capital improvements associated with the system for which the fees are assessed, including expenditures relating to repayment of indebtedness.
- C. Improvement fees shall be applied only to capacity-increasing capital improvement, including expenditures relating to repayment of future debt for the improvements. An increase in system capacity occurs if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the capital improvements funded by improvement fees shall be related to demands created by development. A capital improvement being funded wholly or in part from revenues derived from the improvement fee shall be included in the Capital Improvement Plan adopted by the District.
- D. Notwithstanding subsections B and C of this section, system development charge revenues may also be expended on the direct costs of complying with the provisions of this Ordinance and related statutes, including, but not limited to, the costs of developing system development charge methodologies and providing an annual accounting system for system development charge expenditures.

- E. The monies deposited in the above accounts shall be used solely for qualified public improvements as allowed by ORS Chapter 223 including, but not limited to:
1. design and construction plan preparation;
  2. permitting and fees;
  3. land and materials acquisition, including any costs of acquisition or condemnation;
  4. construction of capital improvements;
  5. site preparation and grading and the design and construction of new drainage facilities required by the construction of capital improvements and structures;
  6. relocating utilities required by the construction of improvements;
  7. landscaping;
  8. construction management and inspection;
  9. surveying, soils and material testing;
  10. acquisition of capital equipment;
  11. repayment of monies transferred or borrowed from any budgetary fund of the District which were used to fund any of the capital improvements as herein provided;
  12. payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the District to fund adopted capital improvements;
  13. direct costs of complying with the provisions of ORS Chapter 223 including the consulting, legal, and administrative costs required for developing and updating the park system development charges methodology report, resolutions, ordinance, and capital improvement plan; and the costs of collecting and accounting for park system development charges expenditures.
- F. Funds on deposit in park system development charge accounts shall not be used for:

1. any expenditure that would be classified as a maintenance or repair expense; or
  2. costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements.
- G. Any capital improvement being funded wholly or in part with park system development charges revenue shall be included in the District's capital improvement plan. The capital improvement plan may be modified at any time and shall:
1. list the specific capital improvement projects that may be funded with park system development charges revenue;
  2. provide the estimated cost of each capital improvement project,
  3. provide the estimated timing of each capital improvement project; and
  4. be updated at least once every three years.
- H. Any funds on deposit in park system development charge accounts that are not immediately necessary for expenditure shall be invested or deposited in an interest-bearing account by the District. All income or interest derived from such investments shall be deposited in the Park System Development Charge fund accounts and used as provided herein.
- I. The District shall prepare an annual accounting report for park system development charges, including the total amount of system development charge revenue collected in the accounts, and capital improvement projects that were funded.
- J. Any citizen or other interested person may challenge an expenditure of park system development charges revenues.
1. Such challenge shall be submitted, in writing, to the Executive Director for review within two years following the subject expenditure, and shall include the following information:
    - a. The name and address of the citizen or other interested person challenging the expenditures;
    - b. The amount of the expenditure, the project, payee or purpose, and the approximate date on which it was made; and
    - c. The reason why the expenditure is being challenged.

2. If the Executive Director determines that the expenditure was not made in accordance with the provisions of this Ordinance and other relevant laws, a reimbursement of park system development charge revenues from other revenue sources shall be made within one year following the determination that the expenditures were not appropriate.
3. The Executive Director shall make written notification of the results of the expenditure review to the citizen or other interested person who requested the review within ten (10) days of completion of the review.

## SECTION 6. COLLECTIONS

- A. The District's Park System Development Charge shall be due and payable at the time of issuance of a building permit or placement permit for any residential development as defined in this Ordinance, including single-family dwellings, multi-family dwellings, manufactured homes, duplexes, and hotels and motels. The District's Board shall have the authority to implement, by resolution, a new or alternative time of collection for SDCs. SDC fee(s) will be based on the rates in effect on the date that the building permit application is submitted. The SDC methodology referenced in this Ordinance establishes fees for each type of development. Responsibility for collecting charges may be delegated to the City of Bend and/or Deschutes County by intergovernmental agreement.
- B. If Park System Development Charges are due and payable at the time of issuance of a building permit or placement permit, and if development is commenced without an appropriate permit, the System Development Charge is immediately payable upon the earliest date that a permit was required.

## SECTION 7. EXEMPTIONS

Notwithstanding Section 3A, the following development shall be exempt from payment of the Park System Development Charges as defined in this Ordinance and supporting or implementing documents:

1. Non-residential development with the exception of hotels and motels as defined in this Ordinance.
2. Alteration, expansion or replacement of an existing residential dwelling unit where no additional residential dwelling unit is created.
3. The construction of accessory buildings or structures which will not create additional residential dwelling units and which do not create additional demands on the District's capital facilities.

4. The issuance of a placement permit for a manufactured home unit on a lot or parcel on which applicable park system development charges have previously been paid.

## SECTION 8. CREDITS

- A. The District may grant a credit against the park system development charges imposed pursuant to Section 3 for the donation of land for, or for the construction of any qualified public improvements.
- B. Prior to issuance of a building permit or placement permit, the applicant shall submit to the Executive Director a proposed plan and estimate of cost for contributions of qualified public improvements. The proposed plan and estimate shall include:
  1. a designation of the development for which the proposed plan is being submitted;
  2. a legal description of any land proposed to be donated and a written appraisal prepared in conformity with Section 9.E.1.;
  3. a list of the contemplated capital improvements contained within the plan;
  4. an estimate of proposed construction costs certified by a professional architect or engineer; and
  5. a proposed time schedule for completion of the proposed plan.
- C. The applicant shall have the burden of demonstrating that a particular improvement qualifies for a credit. The amount of the credit to be applied shall be determined according to the following conditions:
  1. When a development occurs that is subject to a park system development charge, the system development charge for the existing use, if applicable, shall be calculated and if it is less than the system development charge for the use that will result from the development, the difference between the system development charge for the existing use and the system development charge for the proposed use shall be the system development charge. If the change in the use results in the system development charge for the proposed use being less than the system development charge for the existing use, no system development charge shall be required. No refund or credit shall be given unless provided for by another subsection of this Section.
  2. If a qualified public improvement is located in whole or in part on or contiguous to the property that is the subject of the development approval

and is required to be built larger or with greater capacity than is necessary for the particular development project, a credit shall be given for the cost of the portion of the improvement that exceeds the District's minimum standard facility size or capacity needed to serve the particular development project or property. The applicant shall have the burden of demonstrating that a particular improvement qualifies for credit under this subsection. The request for credit shall be filed in writing no later than 60 days after acceptance of the improvement by the District.

3. Notwithstanding subsections 1 and 2 above, when establishing a methodology for a park system development charge, the District may provide for a credit against the improvement fee, the reimbursement fee, or both, for capital improvements constructed as part of the development that reduce the development's demand upon existing capital improvements and/or the need for future capital improvements, or a credit based upon any other rationale the District Board finds reasonable.
- D. If a donation or construction of a qualified public improvement gives rise to a credit amount greater than the amount of the park system development charge that would otherwise be levied against the project receiving development approval, the excess credit may be applied against park system development charges that accrue in subsequent phases of the original development project. Any excess credit must be used not later than ten years from the date it is given.
- E. Calculation of credits will be subject to the following standards:
1. The value of donated lands shall be based upon a written appraisal of fair market value by a qualified and professional appraiser based upon comparable sales of similar property between unrelated parties in a bargaining transaction; and
  2. The cost of anticipated construction of qualified public improvements shall be based upon cost estimates certified by a professional architect or engineer.
- F. Upon approval of the District Board, the decision of the Executive Director, as to whether to accept the proposed plan of contribution and the value of such contribution shall be in writing and issued within thirty (30) working days of the date all data is received for review. Notification shall be provided to the applicant via regular mail.
- G. Any applicant who submits a proposed plan pursuant to this Section, and desires the immediate issuance of a building permit or placement permit, shall pay applicable system development charges. Said payment shall not be construed as a waiver of any credit. Any difference between the amount paid and the amount due, as determined by the Executive Director, shall be refunded to the applicant.

In no event shall refund by the District under this subsection exceed the amount originally paid by the applicant.

- H. The District may, in its sole discretion, grant a credit for land donated for park and recreational use, which does not otherwise meet the requirements of this section.
- I. Credits shall not be transferable from one development to another.
- J. Credits shall be transferable within the same development if a development or portion of it is sold prior to completion but after development and dedication of qualified public improvements as defined in this Ordinance.
- K. Credits shall not be transferable from one type of system development charge to another.
- L. Credits shall be used within 10 years from the date the credit is given.

#### **SECTION 9. DEVELOPER RECOVERY PROCEDURES AND PAYMENTS**

- A. Upon approval of the District Board, the District may enter into agreements with developers who propose to expand the park system by dedicating and/or constructing park and recreation facilities. These agreements would allow the District to repay the developer for such improvements using a portion of the Park System Development Charges collected in a designated recovery area.
- B. Such facilities may serve the proposed development only (sole recovery area) or the proposed development and areas beyond it (shared recovery area).
- C. The District Board shall adopt by separate resolution such agreements. The resolution shall address:
  - 1. Applicable District, City, and County policies, standards, rules and regulations.
  - 2. Responsibilities for paying the cost of such improvements.
  - 3. Eligibility for SDC recovery payments.
  - 4. Procedures for determining the extent of the area served by proposed improvements.
  - 5. Procedures for remitting SDCs collected in the sole or shared recovery area to eligible developers.
  - 6. Payment schedules and conditions for SDC recovery fees.



7. Procedures for calculating the amount of the recovery fees.
8. Procedures for determining the value of qualified improvements.

## SECTIONS 10. REFUNDS, WAIVERS AND DEFERRALS

### A. Refunds

1. Refunds may be given by the Executive Director upon finding that there was a clerical error in the calculation of SDCs.
2. Refunds shall not be allowed for failure to timely claim credit or for failure to seek an alternative SDC rate calculation in a timely manner at the time of submission of an application for a building permit.
3. An applicant or owner shall be eligible to apply for a refund if:
  - a. The building permit or placement has expired and the development authorized by such permit was not commenced; or
  - b. The park system development charges have not been expended or encumbered prior to the end of the fiscal year immediately following the tenth anniversary of the date upon which such charges were paid. For the purposes of this Section, first funds received shall be deemed to be the first funds expended.
4. An application for refund shall be filed with the District and contain the following:
  - a. The name and address of the applicant;
  - b. The location of the property which was the subject of the park system development charges;
  - c. A notarized sworn statement that the petitioner is the then current owner of the property on behalf of which the park system development charges were paid; including proof of ownership, such as a certified copy of the latest recorded deed;
  - d. The date the system development charges were paid;
  - e. A copy of the receipt of payment for the system development charges; and, if appropriate,
  - f. The date the building permit or placement permit was issued and the date of expiration.

5. The application for a refund shall be filed within ninety (90) days of the expiration of the building permit, placement permit, or within ninety (90) days of the end of the fiscal year following the tenth anniversary of the date upon which the park system development charges were paid. Failure to timely apply for a refund of the system development charges shall waive any right to a refund.
6. Within thirty (30) days from the date of receipt of a petition for refund, the District will advise the petitioner of the status of the request for refund, and if such request is valid, the park system development charges shall be returned to the petitioner.
7. A building permit or placement permit which is subsequently issued for a development on the same property which was the subject of a refund shall pay the park system development charges required by Section 3.

#### B. Waivers

1. Waivers of BMPRD SDC fees, as may be further defined in separate resolution, may be granted by the Executive Director upon finding that the subject development places no demand upon the district park system.
2. Waivers may only be issued in extraordinary circumstances for development whose use is highly specialized and will only apply to that portion of a development found not to impose any system demand. Waivers expire upon conversion of the original use to another use. Example development for which waivers may be granted include but are not limited to the following:
  - a. Hospice care facility;
  - b. Alzheimer's care facility;
  - c. End of life residential care facility.

#### C. Deferrals

1. A deferral of SDC fees, as may be further defined by separate resolution, may be granted by the Executive Director upon a finding that the subject development meets a category of special need in the district for which BMPRD and other service providers have agreed to grant special financial treatment in order to advance a specific public benefit.
2. Deferrals do not constitute a waiver of SDC but rather a delay in the normal schedule for collection of the fee. Example development for which waivers may be granted include but are not limited to the following:

- a. Assisted living project; and
- b. Low income/affordable housing units.

#### SECTION 11. REVIEW OF METHODOLOGY AND RATES

- A. This Ordinance, the park system development charges methodology, and the capital improvement plan shall be reviewed by the District Board at least every five (5) years. The review shall consider new estimates of population and other socioeconomic data, changes in the cost of construction, any acquisition of land by the District for park development, and adjustments to the assumptions, conclusions or findings set forth in the methodology. The purpose of this review is to evaluate and revise, if necessary, the rates of the park system development charges to assure that they do not exceed the actual or reasonably anticipated costs of the District's capital improvements.
- B. In the event the review of this Ordinance or the methodology alters or changes the assumptions, conclusions and findings of the methodology, or alters or changes the amount of park system development charges, the methodology may be amended and updated to reflect the assumptions, conclusions and findings of such reviews. If changes in the methodology are undertaken by the District, the District shall coordinate such changes with the City of Bend and Deschutes County prior to adoption pursuant to Intergovernmental Agreements between Deschutes County and the District and the City of Bend and the District.

#### SECTION 12. NOTICE

- A. The District shall maintain a list of persons who have made a written request for notification prior to adoption or modification of a methodology for a park system development charge. Written notice shall be mailed to persons on the list at least 90 days prior to the first hearing to establish or modify a park system development charge. The methodology supporting the system development charge shall be available at least 60 days prior to the first hearing to adopt or amend a system development charge. The failure of a person on the list to receive a notice that was mailed shall not invalidate the action of the District. No legal action intended to contest the methodology shall be filed after 60 days following adoption or modification of the park system development charge ordinance or resolution.
- B. The District may periodically delete names from the list, but at least 30 days prior to removing a name from the list, the District must notify the person whose name is to be deleted that a new written request for notification is required if the person wishes to remain on the notification list.

### SECTION 13. APPEALS AND REVIEW HEARINGS

- A. An applicant who is required to pay park system development charges shall have the right to request a hearing before the District board to review any of the following:
  - 1. The denial of a proposed credit for contribution of qualified public improvements pursuant to Section 8.
  - 2. The calculation of a Park System Development Charge, or the application of the SDC fee methodology and/or adjustments of the SDC rate, provided, however, the SDC fee methodology itself may not be appealed.
  - 3. Executive Director's decisions regarding requests for an SDC refund, credit, waiver, or deferral.
- B. Such hearing shall be requested by the applicant within thirty (30) days of the date of first receipt of the denial. Failure to request a hearing within the time provided shall be deemed a waiver of such right.
- C. The request for hearing shall be filed with the Executive Director and shall contain the following:
  - 1. The name and address of the applicant;
  - 2. The legal description of the property in question;
  - 3. If issued, the date the building permit or development permit was issued;
  - 4. A brief description of the nature of the development being undertaken pursuant to the building or development permit;
  - 5. If paid, the date the park system development charges were paid; and
  - 6. A statement of the reasons why the applicant is requesting review.
- D. Upon receipt of such request, the District shall schedule a hearing before the District Board at a regularly scheduled meeting or a special meeting called for the purpose of conducting the hearing and shall provide the applicant written notice of the time and place of the hearing. Such hearing shall be held within forty-five (45) days of the date the request for hearing was filed.
- E. Such hearing shall be conducted in a manner designed to obtain all information and evidence relevant to the requested hearing. Formal rules of civil procedure and evidence shall not be applicable; however, the hearing shall be conducted in

a fair and impartial manner with each party having an opportunity to be heard and to present information and evidence.

- F. Any applicant who requests a hearing pursuant to this Section, and desires the immediate issuance of a building permit or placement permit, shall pay prior to or at the time the request for hearing is filed the applicable park system development charges pursuant to Section 3B. Said payment shall not be construed as a waiver of any review rights.
- G. An applicant may request review under this Section without paying the applicable park system development charges as long as no building permit or placement permit has been issued.
- H. The District shall advise any person who makes written objection to the calculation of a park system development charge of the right to petition for review pursuant to ORS 34.010 to 34.100.

#### **SECTION 14. SEVERABILITY**

If any clause, section or provision of this Ordinance shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of said Ordinance shall be in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein.

#### **SECTION 15. EFFECTIVE DATE**

The Park System Development Charges authorized by this Ordinance shall be imposed on building or placement permit applications submitted on or after March 3, 2009 provided, however, that an application presented before that date, for which all necessary prior approvals have not been granted or other required predicates not met shall not be considered submitted for purposes of this section.

ADOPTED THIS 3<sup>rd</sup> DAY OF March, 2009.

ATTEST:

Don P. Horton  
Don P. Horton, Executive Director  
Bend Metro Park & Recreation District

Bob Woodward  
Bob Woodward, Board Chair  
Bend Metro Park & Recreation District

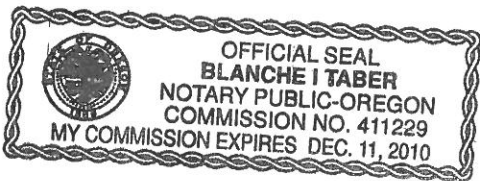
STATE OF OREGON

)  
County of Deschutes )  
)

BE IT REMEMBERED, That on this 22<sup>nd</sup> day of May, 2009, before me, the undersigned, a Notary Public in and for the Sate of Oregon, personally appeared the within named Bob Woodward

known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that Don Horton executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Blanche I. Taber  
Notary Public of Oregon

My commission expires 12/11/2010

**BEND METRO PARK AND RECREATION DISTRICT**  
**Ordinance No. 10**

**AN ORDINANCE AMENDING ORDINANCE NO. 8 [SYSTEM DEVELOPMENT CHARGES] TO AUTHORIZE THE DISTRICT TO IMPLEMENT, BY RESOLUTION, A NEW OR ALTERNATIVE TIME OF ASSESSMENT FOR SYSTEM DEVELOPMENT CHARGES.**

**WHEREAS**, the Bend Metro Park and Recreation District (the "District") seeks to implement a new or alternative time of assessment for System Development Charges ("SDCs") for multi-family dwellings; and

**WHEREAS**, the District Board of Directors (the "District Board") has the authority, pursuant to Section 6 of Ordinance No. 8, to implement, by resolution, a new or alternative time of collection for SDCs, but not the authority to implement a new or alternative time of assessment for SDCs.

**NOW, THEREFORE, THE BEND METRO PARK AND RECREATION DISTRICT ORDAINS AS FOLLOWS:**

**SECTION 1: AMENDMENT NO. 1**

Subsection "V" of Ordinance Section 2 is hereby amended in its entirety to read as follows:

"V. "System Development Charge" or "SDC" shall mean a reimbursement fee and/or an improvement fee assessed or collected at the time of issuance of a placement or building permit, or such other time as may be designated by resolution of the District Board pursuant to Section 6."

**SECTION 2. AMENDMENT NO. 2**

Ordinance Section 6 is hereby amended in its entirety to read as follows:

**"SECTION 6. COLLECTIONS**

A. The District's System Development Charge shall be due and payable at the time of issuance of a building permit or placement permit for any residential development as defined in this Ordinance, including single-family dwellings, multi-family dwellings, manufactured homes, duplexes, and hotels and motels. SDC fee(s) will be based on the rates in effect on the date that the building permit application is submitted. Notwithstanding the foregoing, the District's Board shall have the authority to implement, by resolution, a new or alternative time of assessment and/or collection of SDCs. The SDC methodology referenced in this

Ordinance establishes fees for each type of development. Any resolution of the District's Board may establish different times of assessment and/or collection of SDCs for different types of development. Responsibility for collecting charges may be delegated to the City of Bend and/or Deschutes County by intergovernmental agreement.

- B. If Park System Development Charges are due and payable at the time of issuance of a building permit or placement permit, and if development is commenced without an appropriate permit, the System Development Charge is immediately payable upon the earliest date that a permit was required.

**SECTION 3. MISCELLANEOUS**

3.1 Severability. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance.

3.2 Corrections. This Ordinance may be corrected by resolution of the District Board to cure editorial and/or clerical errors.

3.3. Effective Date. This Ordinance will be in full force and effect thirty (30) days after its adoption by the District Board and signing by the Board Chair

**ADOPTED** by the Board of Directors of the Bend Metro Park and Recreation District and signed by the Board Chair this 19 day of April, 2016.

Ayes: 4  
Nays: /  
Abstentions: /  
Absent: 1  
Vacancies: /

R Brody Jubb  
Board Chair

ATTEST:

D. L. Stanton  
Executive Director



<b>BOARD AGENDA COMMUNICATION</b>
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**AGENDA DATE:** May 21, 2019

**SUBJECT:** Pacific Crest Athletic Field Development Project  
Construction Contract Award

**STAFF RESOURCE:** Ian Isaacson, Project Manager  
Jason Powell, Construction Manager  
Brian Hudspeth, Development Manager

**PREVIOUS BOARD ACTION:** June 19, 2018, Approved IGA with Bend-La Pine School District  
October 2, 2018, Professional Services Contract Award

**ACTION PROPOSED:** Award Construction Contract

**STRATEGIC PLAN:**

**Theme:** Community Connection

**Objective:** Analyze and Adapt to Changing Community Need

**Initiative:** Acquire land, and plan and develop trails, river access, parks, natural areas and recreation facilities to meet identified community demand and future need.

**BACKGROUND**

Bend La Pine Schools (BLS) owns approximately 4.5 acres of land adjacent to Pacific Crest Middle School (PCMS) at the intersection of Skyliners Road and NW Elwood Drive. Through a partnership with BLS the District will construct two multi use fields on the property. The Board approved the intergovernmental agreement memorializing this partnership on June 19, 2018.

The Board approved a contract in October 2018 with BECON to prepare the plans and specifications for construction of the fields. The District coordinated the design with BLS and the project went out to bid for construction on March 28, 2019. The District requested bids for base bid to construct the project and an alternate to install sod instead of seed to establish the turf. The engineer's construction estimate for the base bid was \$1,306,628. A mandatory pre-bid meeting was held on April 11, 2019, and sealed bids were opened on April 25, 2019. The District received the following lump sum bids:

<b>Contractor</b>	<b>Base Bid</b>	<b>Alternate</b>	<b>Total</b>
McKenzie Cascade Heavy Construction	\$1,435,404.00	\$55,859.00	\$1,491,263
2KG Contractors, Inc.	\$1,259,000.00	\$100,000.00	\$1,359,000
Knife River Corporation - NW	\$1,297,220.00	\$59,800.00	\$1,357,020
<b>JAL Construction, Inc.</b>	<b>\$1,206,400.00</b>	<b>\$85,000.00</b>	<b>\$1,291,400</b>

The low bid was JAL Construction, Inc. including the alternate for the use of grass sod in lieu of grass seed. Installing sod will allow the fields to be ready for play upwards of 12 months sooner and require less maintenance and site protection during the grow-in period. Pending contract award, construction is planned to begin in June 2019 and be complete by the fall of 2019. Fields are expected to be available for use in the spring of 2020.

#### **BUDGETARY IMPACT**

The 2019-2023 Capital Improvement Plan allocates a total of \$2,000,000 in system development charges for the development of the project. The District spent \$195,632.65 on design and permitting leaving \$1,804,367.35 to finish the project. With the current low base bid from JAL Construction, Inc. of \$1,206,400, plus the alternate of \$85,000, and a 10% construction contingency of \$129,140, the total construction budget is \$1,420,540. This leaves \$383,827.35 remaining from the original project allocation.

#### **STAFF RECOMMENDATION**

Staff recommends that the Board award a contract to the low bidder, JAL Construction, Inc., in the amount of \$1,206,400 plus the alternate in the amount of \$85,000, for a total contract of \$1,291,400. Staff also recommends approval of an additional 10% contingency of \$129,140 for a total construction budget not to exceed \$1,420,540.

#### **MOTION**

***I move to authorize the Executive Director to execute a construction contract to JAL Construction, Inc. for the construction of the Pacific Crest Athletic Field Development Project, in the amount of the base bid of \$1,206,400 plus the alternate in the amount of \$85,000, for a total construction contract of \$1,291,400, and to approve an additional 10% contingency for a total construction budget not to exceed \$1,420,540.***

#### **ATTACHMENT**

None

<b>BOARD AGENDA COMMUNICATION</b>
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<b>AGENDA DATE:</b>	May 21, 2019
<b>SUBJECT:</b>	Approve Security Services Contract
<b>STAFF RESOURCE:</b>	Jeff Hagler, Park Stewardship Manager Dave Crowther, Business Manager
<b>PREVIOUS BOARD ACTION:</b>	Awarded prior security services contract, June 5, 2012
<b>ACTION PROPOSED:</b>	Authorize Executive Director to negotiate and authorize a contract with Bend Patrol Services, Inc. for private security services.
<b>STRATEGIC PLAN:</b>	
<b>Theme:</b>	Internal Business
<b>Objective:</b>	Improve Business Practices
<b>Initiative:</b>	Provide a safe and healthy environment for all who work and play in our park, facilities and programs.

**BACKGROUND**

The District originally contracted with Bend Patrol Services (BPS) in 2012 to provide private security services in the District's parks, trails and recreation facilities. At that time, the services consisted of opening and closing gates and conducting nightly patrols of District facilities. In 2015, the City of Bend and the District agreed to discontinue an agreement that had provided the District with a dedicated police officer, who handled District specific business, for \$100,000 per year.

Subsequently, the District advertised a request for proposals (RFP) for an expanded private security service role. The expanded services were to include: support the park stewards with education and enforcement in the parks, respond to security alarms, clear restrooms for custodial staff, and provide private security at Board meetings and events. The need for a higher level of interaction between staff and public required that contracted security personnel coordinate well with District staff, be highly trained in conflict resolution, safety and communications, provide strong customer service, and be knowledgeable about the park rules and regulations.

The contract with BPS was amended in December 2018, to accommodate the District's changing needs and the increased expenses of providing security; the contract expires on June 30, 2019. The District issued a new RFP in March in order to evaluate potential options for private security going forward. Trident Professional Security and Bend Patrol Services were the two responsive proposers. A selection committee of staff from various departments reviewed the proposals and determined that BPS best meets the District's ongoing security needs.

The proposed new contract is for one year, with the option for the District to renew for four additional one-year terms. Annual renewal is dependent upon both parties agreeing on the scope of work and pricing for each subsequent year.

**BUDGETARY IMPACT**

The proposed fee for services from Bend Patrol Services is \$169,098.50, broken out as follows:

Daytime services	\$ 63,050.00
Nighttime services	<u>\$ 106,048.50</u>
Total	\$ 169,098.50

The District’s current fiscal year adopted budget includes \$151,000 in the Park Stewardship division for security services. Anticipating the need for a new contract, and that costs for services have escalated, staff increased the fiscal year 2019-20 proposed budget for this line item to \$195,000. This increase would cover the cost of the new contract, plus provide about \$20,000 of contingency should the District need or want additional security services over and above this contract.

**STAFF RECOMMENDATION**

Staff recommends that the Board authorize the Executive Director to negotiate and execute the security services contract with Bend Patrol Services, Inc. in the amount of \$169,098.50 beginning July 1, 2019, and approve the option for the Executive Director to extend the contract for up to four additional one-year terms.

**MOTION**

***I make a motion to authorize the Executive Director to negotiate and execute a one-year contract in the amount of \$169,098.50 with Bend Patrol Services Inc., beginning July 1, 2019, with the option to extend the contract for four additional one-year terms.***

**ATTACHMENT**

None

## Board Calendar 2019

*\*This working calendar of goals/projects is intended as a guide for the board and subject to change.*

### June 4

#### Work Session

- ◆ Recreation Program Report Open Skate – Kevin Collier and Shaylee Hanks-Mink (15 min)
- ◆ Draft Strategic Plan (30 min) Quinn Keever, Michelle Healy, Jamie Sabbach (45 min)
- ◆ FC Timbers Field Development Partnership Update – Matt Mercer and FC Timber Reps (30 min)

#### Business Session

- ◆ Public Hearing and Second Reading of SDC Ordinance No. 12 – Sarah Bodo (15 min)
- ◆ Adopt Resolution No. 422 – Adopting a Methodology for Calculating Park System Development Charges – Sarah Bodo (10 min)
- ◆ Adopt Resolution No. 423 – Adopting a Fee Schedule for System Development Charges, effective July 1, 2020 – Sarah Bodo (10 min)
- ◆ Adopt Resolution No. 424 – Adopting Exemptions of System Development Charges – Sarah Bodo (10 min)
- ◆ Adopt Resolution No. 425 – Adopting Waivers of System Development Charges – Sarah Bodo (10 min)
- ◆ Adopt Resolution No. 426 – Adopting Deferrals of System Development Charges – Sarah Bodo (10 min)
- ◆ Hold Public Hearing and Adopt Resolution No. 427 – Adopting the Budget and Making Appropriations for Fiscal Year 2019-20, and Adopt Resolution No. 428 - Imposing and Categorizing Taxes for Fiscal Year 2019-20 – Lindsey Lombard (15 min)
- ◆ Adopt Resolution No. 429 – Adopting the Capital Improvement Plan Summary for Fiscal Years Ending 2020 - 2024 – Michelle Healy (10 min)
- ◆ Shevlin Park ADA / Bridge Work Award Construction Contract – Jason Powell (20 min)

### June 18

#### Work Session

#### Business Session

- ◆ Final Strategic Plan – Quinn Keever (30 min)
- ◆ Empire Crossing Park – Award Construction Contract – Jason Powell (15 min)
- ◆ Alpenglow Park – Award Phase 3 A&E Contract Amendment – Ian Isaacson (10 min)
- ◆ Land Acquisition Policy – Michelle Healy (20 min)
- ◆ Approve Resolution No. 430 – Supporting RTCA Technical Assistance Grant – Sarah Bodo (20 min)

### July 2

Nathan absent

#### Work Session

- Volunteer Report – Kim Johnson (30 min)
- Presentation of plaques to board members
- Shevlin Park Prescribed Fire Update – Jeff Amaral (30 min)

### Business Session

- ◆ Elect Board Chair and Vice-Chair
- ◆ Approve Board meeting dates and time
- ◆ Appoint Board Secretary
- ◆ Appoint Legislative Liaison

### **July 16**

Lauren absent

Ted absent (tentatively)

### Work Session

### Business Session

### **August 6**

Nathan absent

### Work Session

### Business Session

- ◆ Approve Construction Contract for Juniper Park – *Jason Powell (10 min)*
- ◆ Approve Construction Contract for Rockridge Restroom – *Jason Powell (10 min)*

### **TBD**

IGA with the City for Planning – *Michelle Healy and Don Horton (45 min)*

Recreation Programming Plan – Matt Mercer and Michael Egging

Trails Plan and Projects Update –