

**ADMINISTRATIVE ORDER NO. 58-23-22-F**  
**of the**  
**City Manager of the City of Eugene**

**INFLATIONARY ADJUSTMENTS TO SYSTEMS DEVELOPMENT CHARGES FOR TRANSPORTATION SYSTEM, LOCAL WASTEWATER SYSTEM, REGIONAL WASTEWATER SYSTEM, STORMWATER SYSTEM, AND PARKS AND RECREATION SYSTEM.**

**The City Manager of the City of Eugene finds as follows:**

**A.** Section 2.020 of the Eugene Code, 1971 (EC), authorizes the City Manager of the City of Eugene to determine and set fees and charges to be imposed by the City for services, goods, use of municipal property, and licenses and permits. EC 7.710(5) and Section 2.4 of the Systems Development Charge (SDC) Methodologies authorize the City Manager to adopt by administrative order pursuant to EC 2.020, a change in the amount of a reimbursement fee or an improvement fee if the change in amount is based on: (1) the periodic application of an adopted specific cost index (inflationary adjustment); or (2) a modification to any of the factors related to rate that are incorporated in the established methodologies, so long as the fees are not increased by more than five percent within any 12-month period.

**B.** Transportation, Local Wastewater, Regional Wastewater, Stormwater, and Parks and Recreation System SDCs have been established most recently by Administrative Order No. 58-22-23-F, effective July 1, 2022.

**C.** Section 2.4 of the City of Eugene System Development Charge Methodology provides for periodic inflationary adjustments to the SDC rates for the Transportation, Local Wastewater, Regional Wastewater, Stormwater, and Parks and Recreation Systems by applying the 20-city national average construction cost index published by Engineering News-Record (ENR) and / or the Lane County Assessor's Office Certified Ratio Study (when adjusting the SDC for acquisition costs of real property).

**D.** An inflationary adjustment of SDCs based on the Engineering News-Record 20-City National Average Construction Cost Index of 3.01% (March 2022 through March 2023) and on the Lane County Assessor's Office Certified Ratio Study which reports a nearly flat trend (-0.07%) of movement of real market residential land values in the City of Eugene's taxing districts between January 1, 2021, and January 1, 2022, will not result in administratively adopted changes of 5% or greater within a 12-month period.

**E.** Pursuant to Sections 2.020 and 7.710(5) of the Eugene Code, 1971, to Section 2.4 of the SDC Methodology and to the recommendation of the Metropolitan Wastewater Management Commission, and after considering the applicable policies, enactments and directives of the City Council, the amount charged for these services by the City in the past, the full costs of providing the services, the amounts charged by other comparable providers, and the revenue needs of the City (see Exhibit B), on May 15, 2023, I issued Administrative Order No. 58-23-22 directing

that public Notice be given advising the public of an opportunity to submit comments on the proposal to implement inflationary increases to the SDC rates for the Transportation, Local Wastewater, Regional Wastewater, Stormwater and Parks and Recreation Systems as shown in Exhibit A to this Order.

**F.** Notice of the proposed amendments was given by providing copies of Administrative Order No. 58-23-22, including Exhibit A (the current rates and proposed amendments) and Exhibit B (the Notice), to the Mayor and City Councilors; making those documents available to persons who had requested such notice; making the documents available for review at the Eugene City Engineer's Office, Public Works Department, 99 East Broadway, Suite 400, Eugene, Oregon; and, on May 17, 2023, posting the documents at two City Hall locations. In addition, persons who requested notice of the amendments were mailed informational postcards as notification of the proposed amendments and, on May 17, 2023, a copy of the Notice marked as Exhibit B to the Administrative Order was published in the Register-Guard Newspaper.

**G.** Notice provided that written comments would be received for a period of 15 days from the date of posting and publication. No comments were received within the time or in the manner described in the Notice.

**H.** Based on my investigation pursuant to the provisions of Section 2.020 of the Eugene Code, 1971, I find that the inflationary adjustments set forth in Exhibit A to this Order are consistent with adopted policies of the City, are in conformity with applicable state law, are authorized by Section 7.710(5) of the Eugene Code, 1971, and should be implemented effective July 1, 2023.

**On the basis of these findings, I order that:**

**1.** The adjusted Systems Development Charges for Transportation System, Local Wastewater System, Regional Wastewater System, Stormwater System, and Parks and Recreation System set forth in Exhibit A attached to this Order are to be implemented effective July 1, 2023.

**2.** The unamended Systems Development Charges for Transportation System, Local Wastewater System, Regional Wastewater System, Stormwater System, and Parks and Recreation System remain in full force and effect.

**Dated this 9th day of June, 2023.**

  
Matt Rodrigues (Jun 9, 2023 10:17 PDT)

AIC for **Sarah Medary**  
**City Manager**

**DKS**  
DKS

  
JW

**Regarding the Opportunity to Comment on a  
Proposal to Make Inflationary Adjustments to Systems Development Charges  
(Transportation, Local and Regional Wastewater, Stormwater, and Parks and Recreation Systems)**

	<b>Charge</b>
<b>Transportation System*</b>	
Cost per trip	\$3,593.99
<b>Local Wastewater System*</b>	
Residential dwelling unit base fee	\$522.91
Residential dwelling unit total living area multiplication factor	\$0.1267
Non-Residential rate per gal/day per land use type per PFU	Varies
<b>Regional (MWMC) Wastewater System**</b>	
Residential dwelling unit	\$1,931.68
Non-Residential rate per gal/day per land use type per FEU	Varies
<b>Stormwater System*</b>	
<b>General System Capacity</b>	
Small Residential (building footprint ≤ 1,000 sq. ft.)	\$468.78
Medium Residential (building footprint > 1,000 sq.ft. and < 3,000 sq. ft.)	\$755.25
Small Duplex (unit building footprints ≤ 1,000 sq. ft.)	\$910.66
Medium Duplex (unit building footprints > 1,000 sq. ft.)	\$1,510.51
Manufactured Home Park	
Per Space (assumes 1,684 sq. ft. per space)	\$438.58
Plus, Per sq. ft. actual impervious surface area, addt'l common areas	\$0.261
All Other Development - Per sq. ft. actual impervious surface area and/or equivalent	\$0.261
<b>LID System Capacity</b>	
Small Residential (building footprint ≤ 1,000 sq. ft.)	\$4,195.47
Medium Residential (building footprint > 1,000 sq.ft. and < 3,000 sq. ft.)	\$6,759.37
Small Duplex (unit building footprints ≤ 1,000 sq. ft.)	\$8,390.95
Medium Duplex (unit building footprints > 1,000 sq. ft.)	\$13,525.34
Manufactured Home Park	
Per Space (assumes 1,684 sq. ft. per space)	\$3,812.64
Plus, Per sq. ft. actual impervious surface area, addt'l common areas	\$2.331
All Other Development - Per sq. ft. actual impervious surface area and/or equivalent	\$2.331

Exhibit A  
to Administrative Order No. 58-23-22-F

	Charge
<b>Parks and Recreation System Effective beginning July 1, 2023***</b>	
<b>Single-Family Residential Living Area Category</b>	
800 sq. ft. or less	\$3,311.87
801 sq. ft. - 1500 sq. ft.	\$5,015.27
1501 sq. ft. - 3000 sq. ft.	\$6,340.03
Over 3000 sq. ft.	\$7,504.35
Accessory Dwelling Unit	\$3,311.87
Mobile Home	\$4,370.35
<b>Multifamily Residential Category</b>	
0 Bedrooms	\$2,880.83
1 Bedroom	\$3,105.62
2+ Bedrooms within ¼ mile of FTN route	\$3,445.00
2+ Bedrooms within ½ mile of FTN route	\$3,795.28
2+ Bedrooms all other areas of City	\$4,146.66
<b>Non-Residential Category</b>	
A (Hotel/motel) Unit = rooms	\$2,408.33
B (Office, Eating & Dining)	\$1,581.19
C (Industrial)	\$973.37
D (Retail, General Service)	\$572.90
E (Warehousing)	\$232.43
<b>Parks and Recreation System Effective beginning January 1, 2024</b>	
<b>Single-Family Residential Living Area Category</b>	
800 sq. ft. or less	\$3,311.87
801 sq. ft. - 1500 sq. ft.	\$5,172.41
1501 sq. ft. - 3000 sq. ft.	\$7,159.53
Over 3000 sq. ft.	\$8,906.59
Accessory Dwelling Unit	\$3,311.87
Mobile Home	\$4,650.81
<b>Multifamily Residential Category</b>	
0 Bedrooms	\$2,880.83
1 Bedroom	\$3,171.11
2+ Bedrooms within ¼ mile of FTN route	\$3,680.71
2+ Bedrooms within ½ mile of FTN route	\$4,206.67
2+ Bedrooms all other areas of City	\$4,732.65
<b>Non-Residential Category</b>	
A (Hotel/motel) Unit = rooms	\$2,674.59
B (Office, Eating & Dining)	\$1,744.88
C (Industrial)	\$1,075.96
D (Retail, General Service)	\$630.73
E (Warehousing)	\$256.43

\*The inflationary adjustment for Transportation, Local Wastewater, and Stormwater SDCs is +3.01%

\*\*The inflationary adjustment for Regional Wastewater SDCs ranges from +3.227% to +3.488%,  
depending upon assigned strength categories

\*\*\*The inflationary adjustment for Parks and Recreation SDCs is +1.78%

### City Manager's Findings

#### **Inflationary Adjustments To System Development Charges For Transportation System, Local Wastewater System, Regional Wastewater System, Stormwater System, And Parks And Recreation System Development System**

Pursuant to Section 2.020(2) of the Eugene Code, 1971, the City Manager has considered the following factors in determining that a correction is needed to properly carry out the System Development Charge Inflationary Adjustments.

**(a) Applicable policies, enactments and directives of the Council.**

EC 7.710 states that “an amendment to a methodology that changes the amount of a reimbursement fee or an improvement fee based on the periodic application of an adopted specific cost index or on a change in the costs of materials, labor or real property applied to projects or projected capacity on a project list adopted pursuant to section 7.715(2) may be adopted by the City Manager by administrative order pursuant to section 2.020 of this code.”

**(b) The amount charged by the City in the past.**

Administrative Order No. 58-22-23-F adopted FY23 SDC fees effective July 1, 2022. A sample of the proposed adjustment to SDC rates compared to the prior fees charged by the City for Single Family Residential as follows:

SDC System	Current Rates	Proposed Rate
Transportation (Cost per trip)	\$3,488.97	\$3,593.99
Local Wastewater (Residential dwelling unit base fee)	\$507.63	\$522.91
Regional MWMC Wastewater (SFD/Duplex: Low Strength)	\$1,866.57	\$1,931.68
Stormwater (Medium Residential > 1,000 sq. ft and < 3,000 sq. ft.)	\$733.18	\$755.25
Parks and Recreation (SFD 801-1500 sq. ft)	\$4,927.56	\$5,015.27

**(c) The full costs of providing the service supported by the fee.**

The inflationary rates used to arrive at the proposed SDC increases are determined by reliable sources and the proposed SDC rate increases reasonably rely on those sources to determine the additional sums needed to develop the projects on the ORS 223.309 capital improvement plans for each system of SDCs due to inflation.

**(d) The amounts charged by other comparable providers.**

The City of Eugene SDC fees, as compared to other similarly sized communities, remain consistent with or relatively low. The data below is a sample of SDC rates:

**Table d1. Parks and Recreation SDCs**

Community	Single-Family Rate Comparison FY24
Bend	\$9,544.00 (1601 – 3000 SF)
Hillsboro	\$6,577.00
Wilsonville	\$7,349.00
Salem	\$4,838.00
Eugene	\$6,340.02 (proposed FY24 rate for Single-Family, 1501-3000SF)

**Table d2. Transportation SDCs**

Community	Single-Family Rate Comparison FY24
Bend	\$9,269.00
Hillsboro	\$9,998.00
Wilsonville	\$16,099.00
Salem	\$4,343.00
Eugene	\$3,593.99 (proposed FY24 rate for Cost per trip; One (1) trip per Single Family Dwelling Unit)

Note that some of the comparable provider rates have yet to be adjusted for inflation (and so available data is based on FY23 rates). Note, also, that only comparisons for Parks and Transportation SDCs are provided. There is more variability between communities for wastewater and stormwater, depending on the State and Federal permits applicable to a community and the organization of the applicable system.

**(e) The revenue needs of the City as determined by the adopted city budget.**

The revenue needs for SDCs are expressed through documents reviewed and approved by the City Council through a process separate from the city budget process. Specifically, the City has adopted project plans for each system that uses SDC revenue, detailing the revenue needs.