

ADMINISTRATIVE ORDER NO. 58-24-09-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. 58-23-22-F, effective July 1, 2023.

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 2.70% and on the Lane County Assessor's Office Certified Ratio Study which reports an 8.12% median movement of real market land values in the City of Eugene's taxing districts between calendar years 2022 (January 1, 2022 to January 1, 2023) and 2023 (January 1, 2023 to January 1, 2024) 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 21, 2024, I issued Administrative Order No. 58-24-09 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. 58-24-09, 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 23, 2024, 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 23, 2024, 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, 2024.

On the basis of these findings, I order that:

1. The adjusted Systems Development Charges for the 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, 2024.

Dated this 14th day of June, 2024.


DKS




JW

Sarah Medary
City Manager

Systems Development Charges
(Effective July 1, 2024)

		Charge
Transportation System*		
Cost per trip		\$3,691.03
Local Wastewater System*		
Eugene Local WW SDC Use Code	Description	(RDU: Residential Dwelling Unit as defined in SDC Methodology Appendix A.)
1F	Single-Family / Duplex Housing	\$537.03 per RDU+ (Sq Ft Living Area x \$0.1301)
1X	Mixed Use with Residential	\$537.03 per RDU + (Sq Ft Living Area x \$0.1301)
11	Multi-Family Housing	\$537.03 per RDU + (Sq Ft Living Area x \$0.1301)
12 A, B, & C	Elderly Housing Attach, Detach, & Group/Retirement Home	\$537.03 per RDU + (Sq Ft Living Area x \$0.1301)
13	Residential Hotel	\$537.03 per RDU + (Sq Ft Living Area x \$0.1301)
14	Mobile Home Park	\$537.03 per RDU + (Sq Ft Living Area x \$0.1301)
Eugene Local WW SDC Use Code	Description	(per Plumbing Fixture Unit)
15	Hotels, Motels, Lodging	\$75.28
21	Beverage/Food Mfg	\$162.08
24	Wood Products	\$195.01
2X	Light Mfg./Printing	\$230.36
3X	Manufacturing	\$238.61
4X	Transportation & Utilities	\$74.13
41	Fire Station	\$31.53
51	Wholesale Trade	\$86.96
54	Retail Trade / Grocery	\$222.84
55	Retail Trade Automotive	\$31.86
59	Retail Trade Other	\$162.37
5A	Restaurant - Fast Food	\$103.51
5B	Restaurant - Low to Med Turnover	\$254.16
5C	Restaurant - Higher Turnover	\$91.34
5D	Drinking Establishments	\$223.69
5E	Take/Bake & Pick Up/Delivery Establishments	\$107.77
5X	Retail Trade / Clothing & Dry Goods	\$51.38
61	Financial Offices / Banks	\$69.13
62	Other Services	\$116.00
63	Rental/Storage Services	\$26.39

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64	Automotive & Other Repair Services		\$65.79
65	Medical Services		\$116.97
66	Construction Trade Services		\$55.70
67	Government Services, Office/Business Parks		Based on Specific Use of Development
68	Education / Cultural		\$63.72
69	Churches/Clubs/Organizations		\$63.88
6A1	Laundry Services (Linen, Uniform)		\$2,192.79
6A2	Laundry, Self-Service		\$1,219.10
6A3	Dry Cleaning Service (with or w/out laundry services)		\$147.68
6B	Car Wash		\$1,076.30
6X	Professional/Real Estate/Insurance		\$275.69
7X	Entertainment, Recreation & Sports		\$359.74
82	Veterinarian Service		\$100.86
Regional (MWMC) Wastewater System**			
Eugene Wastewater Use Code	Type of Establishment	Flow Estimation Unit (FEU)	(per FEU)
4X	TRUCK TERMINAL	TGSF	\$1,127.53
63	MINI WAREHOUSE	TGSF	\$338.26
4X	UTILITIES	TGSF	\$1,127.53
1X	OTHER RESIDENTIAL (SFD W/OTHER USES)	DU	\$1,973.18
11	OTHER RESIDENTIAL - MULTI FAMILY	DU	\$1,691.29
13	OTHER RESIDENTIAL - RESIDENTIAL HOTEL/MOTEL	TGSF	\$2,255.06
14	OTHER RESIDENTIAL - MOBILE HOME PARK	DU	\$1,691.29
11	OTHER RESIDENTIAL - SMALL HOME < = 800 SQ FT	DU	\$1,691.29
1F	SFD / DUPLEX	DU	\$1,973.18
15	MOTEL / HOTEL	TGSF	\$3,175.99
7X	PUBLIC PARK	TGSF	\$1,804.05
7X	MULTIPURPOSE RECREATION FACILITY (Indoor)	TGSF	\$1,804.05
7X	THEATER	TGSF	\$1,804.05
7X	OUTDOOR ATHLETIC COMPLEX	TGSF	\$1,804.05
7X	TENNIS COURT	TGSF	\$1,804.05
7X	RACQUET CLUB	TGSF	\$1,804.05
7X	HEALTH CLUB	TGSF	\$1,804.05
7X	BOWLING ALLEY	TGSF	\$1,804.05
7X	RECREATIONAL CENTER	TGSF	\$1,804.05
3X	INDUSTRIAL PROCESS LOW STRENGTH	TGALEF	\$11,275.30
3X	INDUSTRIAL PROCESS MEDIUM STRENGTH	TGALEF	\$15,879.97
3X	INDUSTRIAL PROCESS HIGH STRENGTH	TGALEF	\$22,019.52
3X	INDUSTRIAL PROCESS VERY HIGH STRENGTH	TGALEF	\$28,159.08

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3X	INDUSTRIAL PROCESS SUPER HIGH STRENGTH	TGALEF	\$34,298.64
68	ELEMENTARY SCHOOL	TGSF	\$563.76
68	MIDDLE SCHOOL	TGSF	\$563.76
68	HIGH SCHOOL	TGSF	\$563.76
68	COMMUNITY COLLEGE	TGSF	\$563.76
68	UNIVERSITY	TGSF	\$563.76
69	CHURCH	TGSF	\$563.76
68	DAY CARE CENTER	TGSF	\$563.76
68	LIBRARY	TGSF	\$563.76
69	FRATERNAL ORGANIZATION	TGSF	\$563.76
54	SERVICE STATION / MARKET	TGSF	\$2,858.39
65	HOSPITAL	TGSF	\$2,381.99
65	NURSING HOME	TGSF	\$1,691.29
65	CLINIC, MEDICAL OFFICE	TGSF	\$1,691.29
5A	FAST FOOD RESTAURANT	TGSF	\$14,079.54
82	VETERINARIAN SERVICES	TGSF	\$2,255.06
67	OFFICE PARK	TGSF	\$1,127.53
67	BUSINESS PARK	TGSF	\$1,127.53
67	GOVERNMENT BUILDING	TGSF	\$1,127.53
67	US POST OFFICE	TGSF	\$1,127.53
59	RETAIL	TGSF	\$563.76
5B	QUALITY RESTAURANT	TGSF	\$14,079.54
5C	HIGH TURNOVER RESTAURANT	TGSF	\$14,079.54
	EATING PLACE WITH MINIMAL FOOD PREPARATION^^^	TGSF	\$3,382.59
5D	DRINKING PLACE WITH MINIMAL FOOD PREPARATION^^^	TGSF	\$3,833.60
	DRINKING PLACE WITH RESTAURANT LIKE FOOD PREPARATION	TGSF	\$14,079.54
5D	DRINKING PLACE	TGSF	\$3,833.60
64	AUTO CARE	TGSF	\$635.20
55	NEW CAR SALES	TGSF	\$563.76
6B	CAR WASH	TGSF	\$5,637.65
55	TIRE STORE	TGSF	\$563.76
54	SUPERMARKET	TGSF	\$3,963.51
54	CONVENIENCE MARKET	TGSF	\$2,029.55
5X	DISCOUNT MARKET	TGSF	\$338.26
5X	FURNITURE STORE	TGSF	\$338.26
7X	VIDEO ARCADE	TGSF	\$1,804.05
61	FINANCIAL INSTITUTION	TGSF	\$1,240.28
12B	ELDERLY HOUSING - DETACHED	TGSF	\$1,127.53
12A	ELDERLY HOUSING - ATTACHED	TGSF	\$1,127.53
12C	CONGREGATE ELDERLY CARE FACILITY	TGSF	\$1,127.53

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21	HEAVY INDUSTRY/INDUSTRIAL^^	TGSF	\$563.76
2X	HEAVY INDUSTRY/INDUSTRIAL^^	TGSF	\$563.76
24	HEAVY INDUSTRY/INDUSTRIAL^^	TGSF	\$563.76
3X	HEAVY INDUSTRY/INDUSTRIAL^^	TGSF	\$563.76
3X	HEAVY INDUSTRY/INDUSTRIAL	TGSF	\$563.76
6X	GENERAL OFFICE BLDG	TGSF	\$1,127.53
51	WHOLESALE TRADE	TGSF	\$563.76
5X	CLOTHING / DRYGOODS / HOUSEWARES	TGSF	\$338.26
6A	LAUNDRY	TGSF	\$1,127.53
62	OTHER SERVICES	TGSF	\$1,127.53
66	CONSTRUCTION TRADE	TGSF	\$1,127.53
68	OTHER EDUCATIONAL/CULTURAL	TGSF	\$563.76
7X	OTHER ENTERTAINMENT	TGSF	\$1,804.05
Varies	SHOPPING CENTER	TGSF	\$1,127.53
ABBREVIATIONS			
TGSF - THOUSAND GROSS SQUARE FEET			
DU - DWELLING UNIT			
TGALEF - THOUSAND GALLONS ESTIMATED FLOW			
NOTES			
^^Process flow is in addition to other flow			
^^^Minimal food preparation - food is assembled from prepackaged food products and cooking, other than warming, is not required			
^^^^Includes coffee houses and juice bars where appropriate			
Stormwater System*			
General System Capacity			
Small Residential (building footprint ≤ 1,000 sq. ft.)			\$481.44
Medium Residential (building footprint > 1,000 sq.ft. and < 3,000 sq.ft.)			\$775.64
Small Duplex (unit building footprints ≤ 1,000 sq. ft.)			\$935.25
Medium Duplex (unit building footprints > 1,000 sq. ft.)			\$1,551.29
Manufactured Home Park			
Per Space (assumes 1,684 sq. ft. per space)			\$450.41
Plus, Per sq. ft. actual impervious surface area, addt'l common areas			\$0.268
All Other Development - Per sq. ft. actual impervious surface area and/or equivalent			\$0.268
LID System Capacity			
Small Residential (building footprint ≤ 1,000 sq. ft.)			\$4,308.75
Medium Residential (building footprint > 1,000 sq.ft. and < 3,000 sq.ft.)			\$6,941.87
Small Duplex (unit building footprints ≤ 1,000 sq. ft.)			\$8,617.51
Medium Duplex (unit building footprints > 1,000 sq. ft.)			\$13,890.52
Manufactured Home Park			
Per Space (assumes 1,684 sq. ft. per space)			\$3,915.58

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Plus, Per sq. ft. actual impervious surface area, addt'l common areas	\$2.394
All Other Development - Per sq. ft. actual impervious surface area and/or equivalent	\$2.394
Parks and Recreation System***	
Single-Family Residential Living Area Category	
800 sq. ft. or less	\$3,471.83
801 sq. ft. - 1500 sq. ft.	\$5,422.24
1501 sq. ft. - 3000 sq. ft	\$7,505.34
Over 3000 sq. ft.	\$9,336.78
Accessory Dwelling Unit	\$3,471.83
Mobile Home	\$4,875.44
Multifamily Residential Category	
0 Bedrooms	\$3,019.97
1 Bedroom	\$3,324.27
2+ Bedrooms within ¼ mile of FTN route	\$3,858.49
2+ Bedrooms within ½ mile of FTN route	\$4,409.85
2+ Bedrooms all other areas of City	\$4,961.24
Non-Residential Category	
A (Hotel/motel) Unit = rooms	\$2,803.77
B (Office, Eating & Dining)	\$1,829.16
C (Industrial)	\$1,127.93
D (Retail, General Service)	\$661.19
E (Warehousing)	\$268.82

*The inflationary adjustment for Transportation, Local Wastewater, and Stormwater SDCs is +2.70%

**The inflationary adjustment for Regional Wastewater SDCs ranges from +2.148% to + 2.421%, depending upon assigned strength categories

***The inflationary adjustment for Parks and Recreation SDCs is +4.83%

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. 58-23-22-F adopted FY24 SDC fees effective July 1, 2023. 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	Effective Rates (AO No. 58-23-22-F)	Proposed Rate
Transportation (Cost per trip)	\$3,593.99	\$3,691.03
Local Wastewater (Residential dwelling unit base fee)	\$522.91	\$537.03
Regional MWMC Wastewater (SFD/Duplex: Low Strength)	\$1,931.68	\$1,973.18
Stormwater (Medium Residential > 1,000 sq. ft and < 3,000 sq. ft.)	\$755.25	\$775.64
Parks and Recreation (SFD 801-1500 sq. ft)	\$5,172.41	\$5,422.24

(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 FY25
Bend	\$10,635.00 (1601 – 3000 SF)
Hillsboro	\$7,421.00
Wilsonville	\$14,000.00
Salem	\$5,186.00
Eugene	\$7,505.34 (proposed FY25 rate for Single-Family, 1501-3000 SF)

Table d2. Transportation SDCs

Community	Single-Family Rate Comparison FY25
Bend	\$9,854.00 (1601-2200 SF)
Hillsboro	\$10,599.00
Wilsonville	\$16,823.00
Salem	\$4,655.50
Eugene	\$3,691.03 (proposed FY25 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 (available data is based on the respective city’s effective 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.