



**City Council Work Session  
August 9, 2023 – 10 AM  
Newberg City Hall 2<sup>nd</sup> Floor Conference Room**

**1. CALL MEETING TO ORDER**

**2. ROLL CALL**

**3. REVIEW OF THE AGENDA**

**4. MODEL REVIEW CONCEPT – DISCUSSION ITEMS**

Add a fund stabilization constant for the funds that are lopsided on revenue, also this will reduce “loaded funds” by using the same variable to as to not burden the customers. For example, the water SDC might be loaded with a 1.5 multiplier while another might be loaded with a 0.5 multiplier to create the desired effects.

Re-run the CIP list and depreciation schedule every two years to true up the latest numbers. In other words, no automatic index linking. CIP cost recalculation and existing infrastructure depreciation will take account of real-world expenses and if a fund is running high or low the multiplier can be adjusted at that time.

Many of the ideas listed below would require an overhaul of exemptions (13.05.120) and credits/waivers (13.05.130).

**5. LOOK OVER THE STORMWATER SDC MODEL**

- a. Examine the new model’s final rate versus current rates table.
- b. Look at the cash value of the fund.
- c. Debate the addition of a stabilization constant in each case in the relevant cell. Potentially add the constant if agreed.

**6. LOOK OVER THE TRANSPORTATION SDC MODEL**

- a. Examine the new model’s final rate versus current rates table.
- b. Look at the cash value of the fund.
- c. Debate the addition of a stabilization constant in each case in the relevant cell. Potentially add the constant if agreed.

## **7. LOOK OVER THE WASTEWATER SDC MODEL**

- a. Examine the new model's final rate versus current rates table.
- b. Look at the cash value of the fund.
- c. Debate the addition of a stabilization constant in each case in the relevant cell. Potentially add the constant if agreed.

## **8. LOOK OVER THE WATER SDC MODEL**

- a. Examine the new model's final rate versus current rates table.
- b. Look at the cash value of the fund.
- c. Debate the addition of a stabilization constant in each case in the relevant cell. Potentially add the constant if agreed.

## **9. PROGRAM CONCEPT 1: Change of use holiday**

Six months' notice with 12 months at 50% for change of use.

- Does not stack with other incentives.
- Must face the street front in town along the 99 corridor.

## **10. PROGRAM CONCEPT 2: Clarity and Flexibility on SDC credits**

Six months' notice with 12 months at 50% for change of use.

Tighten up the rules around SDC credits in 13.05.130.5 – need to be identified and agreed before planning permission is granted.

SDC credits will be granted by type as a transferable certificate that can be sold to other developers or transferred from one project to another. So, a credit certificate would exist branded for wastewater, transportation, etc.

The certificates would be individually numbered or serialized and be maintained in a database to avoid any counter fitting risks. A workflow will be developed around handling of the certificate when it is used (as good as cash at face value) so that it can be archived and struck from the available credits database. The control of this program will reside in the city administration work section who now have an additional FTE that was going to be used to create a city property administrator. This aligns with the new duties nicely.

Lastly when someone wants to use the SDC Certificates it needs to come before council to create internal controls and updates in the system to reflect those changes.

### 11. PROGRAM CONCEPT 3: Housing affordability incentives

- a. No SDCs ever for ADUs.
- b. SDC modifications for housing units of select sizes:

Construction size square feet	SDC charges modifier
Up to 999 square feet	X 0.5, or zero?
1000 – 1499 square feet	No modifier
1500 – 1999 square feet	X 1.2 modifier
2000+ square feet	X 1.5 modifier

- Does not stack with other incentives.

### 12. PROGRAM CONCEPT 4: Small business incentive type 1

Small businesses below a certain operating budget (or FTE's) headquartered in Newberg can claim a 50% SDC waiver for new construction if not:

- Franchises.
- Development corporations spun off purely to create a construction development.
- Does not stack with other incentives.

### 13. PROGRAM CONCEPT 5: Small business incentive type 2

No change of use SDCs for small businesses below a certain operating budget (or FTE's) headquartered in Newberg not available to:

- Franchises.
- Development corporations spun off purely to create a construction development.
- Does not stack with other incentives.

#### **14. PROGRAM CONCEPT 6: SDC credit for large firms starting enterprises in town providing family wage jobs**

Must create at least 50 semi-permanent jobs. The jobs need to be 2 x the Oregon minimum wage. The applicant has to be vetted by SEDCOR and supported by a staff report from CDD.

Awards will be on a case-by-case basis and will be approved by council.

- Does not stack with other incentives.
- Duration of jobs needs to be 3+ years.
- 130% of median county income is the metric suggested for family wage jobs.

#### **15. PROGRAM CONCEPT 7: SDC's can be paid later to reduce the credit burden period for small firms.**

After looking into this further there appears to be no viable alternative date for this action after the Insulation step. Staff will present issues connected to title liens at the meeting.

Additionally, not all types of construction have the alternative options later in the timeline, such as a pad inspection.

#### **16. AJURNEMENT**

## System Development Charge Rates/Unit August 9, 2023

	Current	New Model
<b>Wastewater</b>		
18 FU	\$ 8,822.04	\$ 5,695.00
Add'l FU	\$ 491.57	\$ 316.39
<b>Potable Water</b>		
3/4" meter	\$ 7,120.47	\$ 7,962.05
1" meter	\$ 12,104.52	\$ 13,535.49
1.25" meter	\$ 17,918.19	\$ 19,905.13
1.5" meter	\$ 23,497.87	\$ 26,274.77
2" meter	\$ 37,738.80	\$ 42,198.87
3" meter	\$ 71,206.21	\$ 79,620.52
4" meter	\$ 118,914.56	\$ 132,966.26
6" meter	\$ 234,981.50	\$ 262,747.71
8" meter	\$ 377,393.92	\$ 421,988.74
<b>NonPotable Water</b>		
3/4" meter	\$ 4,677.18	\$ 4,066.00
1" meter	\$ 7,950.91	\$ 6,912.20
1.25" meter	\$ 11,692.93	\$ 10,165.00
1.5" meter	\$ 15,343.98	\$ 13,417.80
2" meter	\$ 24,787.87	\$ 21,549.80
3" meter	\$ 46,770.30	\$ 40,659.99
4" meter	\$ 78,107.08	\$ 67,902.19
6" meter	\$ 154,342.42	\$ 134,177.98
8" meter	\$ 247,883.00	\$ 215,497.97
<b>Stormwater</b>		
per 2877 sf	\$ 484.30	\$ 621.34
<b>Transportation</b>		
per PMPHPT	\$ 4,903.00	\$ 3,716.09
*Transportation does not include projects on State/County Roadways.		