

**RESOLUTION NO. 1011**

**A RESOLUTION CONFIRMING, APPROVING AND RATIFYING FIVE PERCENT (5%) SYSTEMS DEVELOPMENT CHARGE INFLATIONARY COST IMPACT AS MEASURED BY THE ANNUAL CHANGE IN THE PACIFIC NORTHWEST CONSTRUCTION COST INDEX.**

WHEREAS, Ordinance No. 386, Article IV, has established and imposed a Systems Development Charge and determined that inflationary cost impacts shall be measured and calculated annually each March and charged accordingly; and

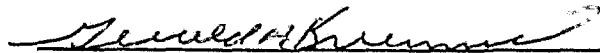
WHEREAS, inflationary calculations are to be based upon Pacific Northwest Construction cost changes in the Engineering News Record Construction Cost Index as represented by the City of Seattle, Washington; and

WHEREAS, the March 29, 1993, issue of Engineering News Record (Exhibit "A") reported an increase of five (5%) in the annual construction cost index for Seattle, Washington.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. That the City Council accepts and ratifies an inflationary construction cost index adjustment of five percent (5%) as presented in Exhibit "A".
2. The inflationary cost impact shall be assessed against all Systems Development Charges beginning July 1, 1993.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 21st day of June, 1993, and filed with the Wilsonville City Recorder this date.



GERALD A. KRUMMEL, Mayor

ATTEST:

*Vera A. Rojas*  
VERA A. ROJAS, CMC/AAE, City Recorder

SUMMARY of Votes:

Mayor Krummel	<u>AYE</u>
Councilor Van Eck	<u>ABSENT</u>
Councilor Carter	<u>AYE</u>
Councilor Hawkins	<u>AYE</u>
Councilor Lehan	<u>AYE</u>



City of  
**WILSONVILLE**  
in OREGON

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Wilsonville, Oregon 97070  
FAX (503) 682-1015

COMMUNITY DEVELOPMENT DEPARTMENT (503) 682-1011  
MEMORANDUM

**DATE:** JUNE 11, 1993  
**TO:** ARLENE LOBLE  
CITY MANAGER  
**FROM:** ELDON JOHANSEN  
COMMUNITY DEVELOPMENT DIRECTOR  
**RE:** SDCs

Wilsonville Ordinance No. 386, Article IV, Section 2 indicates, "The amount of each systems development charge shall be adopted initially by Council Resolution. Changes in the amount shall also be adopted by Resolution except those changes resulting solely from inflationary cost impacts. Inflationary cost impacts shall be measured and calculated each March 1, by the City Manager and charged accordingly".

The SDC Ordinance is specific in that the annual cost index must be measured against the Engineering News Record market trend for U.S. cities and calculated each March 1. In practice however, the Engineering News Record information is not published until later in the month. As represented by the city of Seattle, Washington, the annual Pacific Northwest Construction Cost Index has increased 5.0 percent. In order to maintain a current and reasonably accurate construction cost estimate for each SDC and Capital Improvement Program, the 5.0 percent increase ought to be applied unilaterally. Once measured and calculated, the effective date for implementing an inflationary adjustment to the city's SDC program is not clearly mandated by Ordinance. However, based on having a reasonable figure for budgeting purposes, the inflationary adjustment ought to occur at, or prior to, the start of the fiscal year.

The relative effect of imposing a 5.0 percent increase to SDCs for single-family construction is reflected within the attached table of SDC comparisons. In looking at the table of SDC comparisons it is apparent that the City is approximately at market on the street SDCs and it is close to market on the parks SDCs. For the water, sewer and storm drainage SDCs the City of Wilsonville is significantly below other cities that were surveyed. The staff will be working on the methodology and estimates to update these SDCs during FY93/94.

Eldon R. Johansen  
Eldon R. Johansen, Community Development Director

6/11/93  
Date

ej:md

pc: IOC-DC  
SDC file



AS OF MAY, 1993

## HOW SYSTEMS DEVELOPMENT CHARGES COMPARE FOR SINGLE-FAMILY HOMES

	Clackamas County	Oregon City	Tigard	Tualatin	Washington County	West Linn	Wilsonville	Wilsonville (w/ proposed 5.0%)
PARKS	N/A	\$750	\$500	\$1,400	N/A	\$1,809	\$574	
SEWER	N/A	\$400	\$2,100	\$2,100	\$2,100	\$241	\$741	
WATER		\$800	\$845	\$940	\$845	\$824	\$427	
STREETS	\$1,222	\$1,000	\$1,520	\$1,520	\$1,520	\$791	\$1,867	
DRAINAGE	N/A	\$385	\$280	\$280	\$280	\$589	\$62	
<b>TOTAL:</b>	<b>N/A</b>	<b>\$3,335</b>	<b>\$5,245</b>	<b>\$6,240</b>	<b>\$4,745</b>	<b>\$4,254</b>	<b>\$3,335</b>	<b>\$3,855</b>