

Title 3

SYSTEM DEVELOPMENT CHARGES

Chapters:

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This Chapter has been created by Ord. 4708 §2, 1991. This Chapter has been amended by Ord. 5101 §1, 2002 (changing numbering system from Title 8 to Title 3), Ord. 5196, 2003, Ord. 5214, 2004 Ord. 5236, 2004 Ord. 5289, 2005, Ord. 5389, 2006, Ord. 5511, 2010, Ord. 15-5634, 2015, Ord. 19-5773, 2020)

Chapter 3.10

SYSTEM DEVELOPMENT CHARGES

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This Chapter has been amended by Ord. 5101, 2002; Res. 4805, 2004; Res. 4917, 2005; Ord 5389 12/06/06; Ord 5511 3/3/10, Ord. 19-5758, 2019, 19-5773, 2020)

3.30.010 Findings

- A. Each of the System Development Charges (SDCs) established herein is intended to be a charge upon the act of development by whomever seeks the development. It is a fee for service because it is the residential and business development which requires essential municipal services based upon the nature of the development. The timing and the extent of development is within the control and discretion of the developer.

- B. Each SDC imposed in Title 3 is not a tax on property or on a property owner as a direct consequence of ownership of property within the meanings of Section II.b., Article XI of the Oregon Constitution or the legislation implementing that section. Each SDC is not a fee supplanting any property tax-based system as envisioned in Article XI of the Oregon Constitution.

- C. If an SDC herein imposed is viewed under Section II.b., Article XI of the Oregon Constitution as a tax against property or against a property owner as

a direct consequence of ownership of that property, it is an incurred charge within the meaning of that Section and the statutes implementing it because:

1. It allows the owner to control the quantity of the service by determining the extent of development to occur upon the property.
 2. It allows the owner to determine when the service is to be initiated or increased by controlling when the development occurs.
 3. State law and the Ordinances of the City of Grants Pass require the owner to provide certain basic municipal services to the property when it is developed for human occupancy. The provision of these basic services is a routine obligation of the owner of the affected property and essential to the health and safety of the community.
- D. Each SDC imposed in Title 3 is based upon the actual costs of providing planned capital improvements and does not impose charges on persons not receiving a service and imposing a burden upon the City's systems.
- E. Each SDC imposed by this Title is separate from and in addition to any applicable tax, assessment, charge, fee, in lieu of assessment or fee otherwise provided by law or imposed as a condition of development. Each SDC is to be considered in the nature of a charge for consumption of existing capacity and a service to be rendered.
- F. Each SDC is an incurred charge for the acquisition and capital development of facilities to accommodate future users of each system.
- G. In accord with these findings, no public vote is required for the adoption of these SDCs.

3.10.020 Definitions

The following words and phrases, as used in Title 3 of the Grants Pass Municipal Code shall have the following definitions and meanings.

- A. Capital Improvements. Public facilities or assets used for the following:
1. Water supply, treatment, and distribution.
 2. Sewer collection, transmission, treatment and disposal.
 3. Stormwater drainage and flood control.
 4. Transportation.
 5. Parks and recreation.

- B. Development. The construction, alteration or enlargement of a building or existing use, the addition of facilities or making a physical change in the use of a structure or land which alters the usage of any capital improvements or which will contribute to the need for additional capital or enlarged improvements to the utility system.
- C. Improvement fee. A fee for costs associated with capital improvements to be constructed after the date the fee is adopted in accord with this ordinance.
- D. Qualified Public Improvement. A capital improvement that is required as a condition of development approval, identified in the adopted SDC project list and either: (a) not located on or contiguous to property that is the subject of development approval; or (b) 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. Improvements required to serve a development of land as identified in the Development Code of the City of Grants Pass and required from the developer prior to the completion of a development are not included in the definition of this term to the extent such improvements are sized or established to meet the needs created by a development.
- E. Reimbursement Fee. A fee for costs associated with the capital improvements constructed or under construction on the date the fee is adopted in accord with this ordinance.
- F. System Development Charges. A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit, building permit or connection to the capital improvement. It shall not include new service installation fees as defined in Section 8.08.020, since such fees are designed by the City only to reimburse the City for the costs for such connections. Nor shall the System Development Charges include costs for capital improvements, which by City policy the Development Code or State Statute are paid by assessments or fees in lieu of assessments for projects of special benefit to a property. Advance financing fees collected for prior construction of specific improvements are similarly not included in this definition.

3.10.030 Purpose

The purpose of the System Development Charges is to provide equitable funding for orderly growth and development and to impose an equitable share of the public costs of

capital improvements upon the developments that create the need or consume system capacity.

3.10.040 Scope

The System Development Charges imposed by this chapter are separate from and in addition to any applicable tax, assessment, charge, fee in lieu of assessment, or fee otherwise provided by contract or law imposed as a condition of development. Reimbursement fees may be spent only on capital improvements associated with the systems for which the fees are assessed including expenditures relating to repayment of indebtedness. Improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvements. 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.

3.10.050 System Development Charges Established

A System Development Charge is hereby imposed upon all development within the City and all development outside the boundary of the City that connects to or otherwise uses the City sanitary sewer system, or the City water system, or City drainage facilities, or City parks and recreation facilities, or City transportation facilities. The City Manager is authorized to make interpretations of this chapter, subject to appeal to the City Council. Charges shall be established by resolution in accord with Section 8.42, and applicable subsections, of this Code and in accord with the methodologies identified in Section 3.10.050 of this Code.

3.10.060 Methodology

The City Council may establish and modify System Development Charges from time to time by resolution.

- A. Any resolution establishing or modifying a reimbursement fee shall contain a methodology which considers the cost of existing facilities, prior contributions by existing users, the value of unused capacity, rate-making principles employed to relevant by the city commission. The methodology shall promote the objective that future system users shall contribute no more than an equitable share of the costs of existing facilities. The city's adoption or modification of an SDC shall comply with the procedural requirements of ORS 223.304(5), and any such decision shall not be a land use or limited land use decision.
- B. Any resolution establishing or modifying an improvement fee shall contain a methodology which considers the cost of projected capital improvements needed to increase the capacity of the systems to which the fee is related

in order to accommodate new development. The city's adoption or modification of an SDC shall comply with the procedural requirements of ORS 223.304(5), and any such decision shall not be a land use or limited land use decision.

- C. Fees required as a portion of a Local Improvement District, a charge in lieu of a Local Improvement District assessment, or the cost of complying with requirements or conditions imposed by a land use decision are separate from and in addition to the System Development Charges and shall not be used as a credit against such charge.
- D. The City Manager shall annually review all fees established by this Chapter and shall review methodologies not less than once each three years. To the extent these reviews warrant changes, the Manager shall recommend such change to the City Council.
- E. When a written appeal is filed challenging the methodology adopted by the Council, the City Manager shall prepare a written report and recommendation within 20 working days of receipt for presentation to the Council within 50 days of the date of the receipt of the appeal. The Council shall by resolution, approve, modify or reject the report and recommendation of the City Manager, or may adopt a revised methodology by resolution. Any legal action contesting the City Council decision in the appeal shall be filed within 60 days of the Council decision. For appeals of other than methodology, see 3.10.090.

3.10.070 Compliance with State Law

All revenues received from the System Development Charges shall be budgeted and expended as provided by state law, and shall be exclusively for the benefit of the service for which the fees are collected. Such revenues and expenditures shall be for provision of capital improvements, inclusive of administrative, engineering, and similar costs defined by state law, or the payment of current or future debt, and shall be accounted for as required by state law. Financial reporting shall be included in the City Comprehensive Annual Financial Report.

3.10.080 Collection of System Development Charges

The collection of System Development Charges shall be in accord with the following:

- A. The System Development Charges are payable upon, and as a condition of, issuance of:
 - 1. A building permit for a development as defined in this chapter.

2. A permit or other authorization to connect to the water or sanitary sewer system.
- B. If development is commenced or connection is made to the water system or sanitary sewer system without an appropriate permit or authorization, the System Development Charges are immediately payable upon the earliest date that a permit was required, and it will be unlawful for anyone to continue with the construction or use constituting a development until the charge has been paid.
- Penalties applied for commencing or connecting shall be as described here, and as further identified in Section 3.10.110 of this Code.
- C. Any and all persons causing a development or making application for a permit, or otherwise responsible for the development, are jointly and severally obligated to pay the charge, and the City Manager may collect the charges from any individual, partnership, corporation, or person involved with the development.
 - D. All System Development Charges shall be paid in full when due, or in accord with the provisions of ORS 223.208 when Local Improvement Districts have been formed.

3.10.075 Payment Deferral for Residential Development.

As authorized by Section 3.10.070(B), any residential development may defer payment of System Development Charges from the time payment is otherwise due until the time an occupancy permit is issued or close of escrow, whichever is earliest.

To qualify for the deferral, the person applying for deferral must, at the time of building permit application, (A) pay a fee established by Council resolution to the City to cover all the City's costs associated with the deferral, and (B) enter into an agreement to pay all System Development Charges prior to issuance of an occupancy permit, or close of escrow. The amount of System Development Charges due shall be determined as of the date the permit is applied for.

3.10.090 Credits

As required by statute, the City of Grants Pass shall allow credits against System Development Charges for the construction of qualified public improvements to the following extent:

- A. A credit shall be given for the cost of a qualified public improvement associated with the development. If a qualified public improvement is located partially on and partially off the parcel of land that is the subject of the approval, or if the improvement is contained within the parcel but sized to

serve areas exterior to the subject development, the credit shall be given only for the cost of the portion of the improvement that is oversized for the benefit of other system users and not attributable wholly to the development.

- B. In situations where the amount of credit exceeds the amount of the System Development Charges due, the excess credit is not transferable to another development. It may be transferred to another phase of the original development plan submitted, providing such phased development is contiguous to the development for which credits are granted, and is a continuation of the scope of the project originally filed by the developer with the City.
- C. Credit shall not be transferable from one service to another.

3.10.100 SDC Reduction

In the event an applicant's development involves the redevelopment of property, the applicant may be eligible for a reduced SDC. In that event, the amount of the SDC assessed upon the development shall be calculated as follows:

- A. The System Development Charge applicable to the existing use shall be calculated. If the charge for the existing use is less than the charge for the proposed use, the difference between the System Development Charges for the existing use and the System Development Charges for the proposed use shall be the charge required of the development. If the change in use results in a charge for the proposed use being less than the System Development Charges for the existing use, no System Development Charges shall be required; however, no refund or credit shall be given.

3.10.110 Appeal Procedures

In accord with the statutory requirements for appeal procedures, the following will be the process for the City of Grants Pass:

- A. A person aggrieved by a decision required or permitted to be made by the City Manager or designee under this Code, or a person challenging the propriety of an expenditure of a System Development Charges revenue may appeal the decision or expenditure by filing a written appeal with the Finance Officer of the City for consideration by the Council. Such appeal shall describe with particularity the decision or the expenditure from which the person appeals and shall include all information required in this Section.
- B. An appeal of expenditure must be filed within 2 years of the date of the alleged improper expenditure. Appeals of any other decision must be filed in accordance with the appeal procedures for the type of SDC under appeal.
(Ord. 5511 §3, 2010)

- C. The appeal shall state:
1. The name and address of the appellant; and
 2. The nature of the determination being appealed; and
 3. The reason the determination is challenged; and
 4. The remedy sought by the appellant; and
 5. The specifics of the situation under consideration; and
 6. The date of the determination or expenditure.

An appellant who fails to file such a statement within the time permitted waives rights to objections, and the appeal shall be automatically dismissed.

- D. Unless the appellant and the City agree in writing to a longer period, an appeal shall be heard within 30 days of the receipt of the written appeal. At least 10 working days prior to the hearing, the City shall mail notice of the time and location thereof to the appellant.
- E. The City Council shall hear and determine the appeal on the basis of the appellant's written statement and any additional evidence submitted at the hearing. At the hearing, the appellant may present testimony and oral argument personally or by counsel. The City may present written or oral testimony at this same hearing. The rules of evidence as used by courts of law do not apply.
- F. The appellant shall carry the burden of proving that the determination being appealed is incorrect and what the correct determination should be, of that the expenditure was improper.
- G. The City Council shall render its decision within 15 days after the hearing date and the decision of the Council shall be final. The decision shall be in writing but written findings shall not be made or required unless the Council elects to make findings for presidential purposes. Any legal action contesting the Council decision on the appeal shall be filed within 60 days of the Council decision. Appeals of methodology are determined in the manner described in Section 3.10.050.

3.10.120 Prohibited Connection

From and after the effective date of this ordinance, no person may connect any premises for service, or cause the same to be connected, to any sanitary sewer or portion of the water system unless the appropriate System Development Charges have been paid and all other provisions governing the payment of fees and charges have been met.

3.10.130 Enforcement and Penalties

Any service connected to the City water or sanitary sewer system after the effective date of this ordinance for which a fee is due hereunder and has not paid said fee, shall be subject to immediate termination of service, reimbursement of all costs incurred by the City associated with the identification, termination, reconnection, and compliance requirements, and a fee of \$250 per day for each day of violation. These costs shall be penalties and shall be levied in addition to any fees or charges incurred through the prosecution of the unlawful act of connecting to the utility system.

3.10.200 Annual Adjustments for System Development Charges

Notwithstanding any inflationary increase provisions to the contrary or absence thereof, the system development charges for water, sewer, stormwater drainage, transportation, and parks shall be increased annually on January 1 of each year. Any prior inflationary increases shall be incorporated in the charges prior to calculating the updated system development charges. (Ord. 5389 12/06/06).

3.10.300 Calculation of Inflationary Increase

Absent inclusion of an inflationary index in each individual SDC methodology, the cost of living increase noted in section 3.10.200 shall be determined by applying the Engineering News Record Construction Cost Index for the City of Seattle for the 12-month period of the preceding November through October.

Chapter 3.11

WATER SYSTEM DEVELOPMENT CHARGES

Adopted by Ord. No. 5302, 2005. Amended by Ord. No. 5312, 2005; Ord 5389 12/06/06; Ord. 19-5773 1/17/20

Sections:

- 3.11.010 Definitions
- 3.11.020 Water SDC Calculation Methodology

3.11.010 Definitions

Commercial. Development which does not qualify as residential, multi-family, or public/quasi-public.

Development. Any man-made change to improved or unimproved real estate, including but not limited to construction, installation or change of a building or other structure, land division and partition, establishment or termination of a right of access, storage on the land, drilling and site alteration such as that due to land surface paving, excavation or clearing.

Multi-family. Dwellings served by a water meter with two or more living units in a single building, except where the units are defined as commercial occupancies under the Uniform Building Code.

Public/Quasi-Public. Development used to house government, schools (both public and private), and non-profit corporations and which meet all of the following criteria.

- A. Not more than 10% of the building is used for the sale, manufacture, production, repair, or service of a product sold to third persons, whether or not sold by the water customer of this class; and
- B. Not more than 10% of the building is used for residential purposes.

Residential. Single family dwellings, including mobile homes, modular homes and manufactured homes, located on a single lot intended for occupancy by a single family, which contain separate kitchen, bedroom and bathroom facilities.

Water System. Includes all water service provided by the City of Grants Pass, both within and outside the City limits, and includes water service provided to any special service district.

Water System Development Charge (Water SDC). A charge to water service customers which is composed of either or a combination of reimbursement fee, improvement fee and administrative cost recovery and is assessed or collected at the time of increased usage of water system capacity or issuance of a development permit, building permit or connection

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to a water capital improvement. Water SDCs do not include connection or hook-up fees that reimburse the City for the cost of inspecting and installing connections to water capital improvements.

3.11.020 Water SDC Calculation Methodology

Except as specifically modified herein, the provisions of Chapter 3.10 shall apply to the method for calculating Water SDCs and other sections of this Chapter. The Water SDC Calculation Methodology is detailed in the adopted 2019 “Water, Sewer, & Stormwater System Development Charge Update” for the City of Grants Pass.

Chapter 3.20

SEWER SYSTEM DEVELOPMENT CHARGES

Amended by Ord. No. 5301, 2005, Ord. No. 5313, 2005; Ord. 19-5773 2020

Sections:

- 3.20.010 Definitions
- 3.20.020 Sewer SDC Calculation Methodology

3.20.010 Definitions

Commercial. Development which does not qualify as residential, multi-family, or public/quasi-public.

Development. Any man-made change to improved or unimproved real estate, including but not limited to construction, installation or change of a building or other structure, land division and partition, establishment or termination of a right of access, storage on the land, drilling and site alteration such as that due to land surface paving, excavation or clearing.

High Strength Commercial. Commercial development which the City determines to contribute sewage of a strength materially higher than that of domestic uses, consisting of typical concentrations of biochemical oxygen demand (BOD) or suspended solids (SS) in excess of 400 milligrams per liter (mg/l, or parts per million). High strength commercial activities shall include: auto steam cleaning; bakery; hotel/motel with dining facilities; industrial or commercial laundry; Supermarket with garbage grinder or food service; mortuary; restaurant; or any other commercial activity which the Utilities Director determines to typically contribute sewage in excess of the strength standard.

Multi-family. Dwellings served by a water meter with two or more living units in a single building, except where the units are defined as commercial occupancies under the Uniform Building Code.

Normal Strength Commercial. Commercial development which the City determines to contribute sewage of a strength consistent with that of domestic uses, consisting of typical concentrations of biochemical oxygen demand (BOD) or suspended solids (SS) no greater than 400 milligrams per liter (mg/l) or 400 parts per million.

Public/Quasi-Public. Development used to house government, schools (both public and private), and non-profit corporations and which meet all of the following criteria:

- A. Not more than 10% of the building is used for the sale, manufacture, production, repair, or service of a product sold to third persons, whether or not sold by the sewer customer of this class; and

- B. The sewer discharge consists of typical domestic waste; and
- C. Not more than 10% of the building is used for residential purposes.

Residential. Single family dwellings, including mobile homes, modular homes, and manufactured homes, located on a single lot intended for occupancy by a single family which contain separate kitchen, bedroom, and bathroom facilities.

Sewer System. Includes all sewer service provided by the City of Grants Pass, both within and outside the City limits, and includes sewer service provided to any special service district.

Sewer System Development Charge (Sewer SDC). A charge to sewer service customers which is composed of either or a combination of reimbursement fee, improvement fee and administrative cost recovery and is assessed or collected at the time of increased usage of sewer system capacity or issuance of a development permit, building permit or connection to a sewer capital improvement. Sewer System Development Charges do not include connection or hook-up fees that reimburse the City for the cost of inspecting and installing connections to sewer capital improvements.

3.20.020 Sewer SDC Calculation Methodology

Except as specifically modified herein, the provisions of Chapter 3.10 shall apply to the method for calculating Sewer SDCs and other sections of this Chapter. The Sewer SDC Calculation Methodology is detailed in the adopted 2019 “Water, Sewer, & Stormwater System Development Charge Update” for the City of Grants Pass.

Chapter 3.30

TRANSPORTATION SYSTEM DEVELOPMENT CHARGE

Sections:

- 3.30.010 Definitions
- 3.30.020 Transportation System Development Charge Methodology
- 3.30.030 Collection of Charge

3.30.010 Definitions

- A. As used in this Chapter, except where the context otherwise requires, the words and phrases defined below have the meaning identified. For any definitions not complete or modified in this section, the general definitions of Chapter 30 of the Grants Pass Development Code apply. In cases of conflict, the specific provisions of this chapter will apply:
1. "Development" means a development which thereby increases the use of any transportation facility or which creates the need for additional transportation facilities beyond those in place October 15, 1999 and shall be determined by the necessity for a building permit or a development permit. Any act defined as "Development" in Article 30.020 of the Grants Pass Development Code shall not apply to this section to the extent that the definition includes land division, partitions, rights of access, storage, drilling or any site alteration.
 2. "Residential Development" means any development designed to be occupied by a family or individual as defined in Article 30 of the Grants Pass Development Code for living and sleeping, and which may or may not include cooking and eating facilities.
 3. "Non-residential Development" means a building designed for use by a commercial, non-profit, or industrial business.
 4. "Non-Profit" development as utilized in this ordinance shall refer to religious, social service and eleemosynary activities possessing a designation from the Federal Internal Revenue Service Section 501(c)(3).
 5. "Categories of Uses" means the grouping and categorization of development into similar categories to establish relative traffic impacts for groups of developments.

6. "Mixed Use" development means the inclusion of more than one separate category of development use within one building or identified development.
7. "Transportation Capital Improvement(s)" means all City transportation facilities to accommodate and control motorized vehicular traffic, pedestrian traffic, and bicycle traffic.
8. "Transportation System Development Charge (Transportation SDC)" means a charge to Development which is composed of either or a combination of reimbursement fee, improvement fee and administrative cost recovery and is assessed or collected at the time of issuance of a building permit or prior to occupancy.

3.30.020 Transportation SDC Methodology

Except as specifically modified herein, the provisions of Chapter 3.10 shall apply to the method for calculating Transportation SDCs and other sections of this Chapter. The Transportation SDC Calculation Methodology is detailed in the Grants Pass Urban Area *Transportation Systems Development Charge Methodology*.

3.30.030 Collection of Charge

- A. The Transportation System Development Charge is due and payable upon issuance of a building permit, or prior to occupancy, for the following:
 1. New on-site residential construction or expansion which creates additional residential units.
 2. Any construction creating or expanding residential units for more than four families, which requires the issuance of a Development Permit.
 3. Any construction which creates a new Non-residential building, which required the issuance of a Development Permit.
 4. Any construction which expands or remodels a Non-residential building, which includes an increase in the number of vehicle trips which will be generated, and which required the issuance of a Building Permit or Development Permit. Only those newly created vehicle trips will be used to generate the Transportation System Development Charge.

- B. The Transportation System Development Charge is due and payable upon issuance of the first manufactured home placement permit granted upon an individual building lot.
- C. In the case of a manufactured dwelling park or mobile home park, fifty percent (50%) of the Transportation System Development Charge shall be due and payable for all spaces in the manufactured home park at the time land use approval is granted. The remaining balance of the Transportation System Development Charge shall be due and payable at the time the placement permit is granted for each space.
- D. If a development is commenced without appropriate permit, the Transportation System Development Charge is immediately payable.
- E. The City Building Official shall collect the Transportation System Development Charge from the building/placement permit applicant, the person required to apply for the building/placement permit, the owner of the real property upon which the development occurs, or any person having received benefit from the development. The Building Official shall not issue any permit or allow construction described in Section 3.30.030 until the charge has been paid, or arrangements for payment made.
- F. The conversion of existing buildings from one use to another shall require the payment of a transportation system development charge only if the new use is required to obtain a building permit or development permit prior to occupancy and the new use will increase the traffic movements and impacts when compared to the prior use. Such conversions shall be required to pay only the incremental increase in traffic impacts in accord with the classification of the proposed use and the utilization that was either in effect October 15, 1999, or for which an SDC has been previously paid.
- G. Where a structure which is benefited by transportation capital improvements is destroyed or removed, no Transportation System Development Charge shall be imposed for the replacement of the structure, provided however, to the extent that any replacement expands, alters, or increases traffic volumes, an incremental fee as described in this Code shall be due and payable.
- H. The Transportation System Development Charges may be subject to the payment in installments under the provisions of the Bancroft Bonding Act of the State of Oregon.

Chapter 3.40

PARKS SYSTEM DEVELOPMENT CHARGE

Sections:

- 3.40.010 Definitions.
- 3.40.020 Parks System Development Charge Established.
- 3.40.030 Compliance with State Law.
- 3.40.040 Collection of Charge.
- 3.40.050 Exemptions.
- 3.40.060 Credits.
- 3.40.070 Appeal Procedures.
- 3.40.080 Construction.
- 3.40.090 Prohibited Construction.
- 3.40.100 Severability.
- 3.40.200 Annual Adjustments for Parks System Development Charges.

3.40.010 Definitions.

- A. As used in this Chapter, except where the context otherwise requires, the words and phrases have the following meaning:
 - 1. "Development" means a development which thereby increases the use of any parks or which creates the need for additional parks.
 - 2. "Residential Development" means any development designed to be occupied by a family or individual for living and sleeping. May or may not include cooking and eating facilities.
 - 3. "Business Development" means a building designed for use by a commercial or industrial business.
 - 4. "Parks Capital Improvement(s)" means all City parks, trails, open space, and recreation centers which are used or designed for recreational purposes including real property acquired for ownership, access, or use for current or future expansion or creation of parks, trails, or open space.
 - 5. "Parks System Development Charge (Parks SDC)" means a fee for costs associated with parks capital improvements acquired, which is assessed or collected at any of the times specified in Section 6.47.050. Parks SDC does not include:
 - a. Any fees assessed or collected as part of a local improvement district;

- b. A charge in lieu of a local improvement district assessment; or
 - c. The cost of complying with requirements or conditions imposed upon a land use decision or limited land use decision.
6. "Qualified Public Improvement". A capital improvement that is required as a condition of development approval, identified in the adopted SDC project list and either: (a) not located on or contiguous to property that is the subject of development approval; or (b) 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..

3.40.020 Parks System Development Charge Established.

- A. Effective June 30, 1997, a Parks System Development Charge is hereby imposed upon all development within the corporate limits of the City of Grants Pass/Josephine County.
- B. Immediately upon execution or modification of an intergovernmental agreement between the City of Grants Pass and Josephine County, which provides for the collection and distribution of this Parks System Development Charge, said charge will also be imposed upon all development within the unincorporated Urban Growth Boundary of the City of Grants Pass.
- C. The fee imposed as a Parks System Development Charge shall be established and amended from time to time by City Council resolution, said fee not shifting, transferring or converting any governmental product or service wholly or partially financed from ad valorem taxes. (This Chapter has been amended by Res. 4805, 2004)

3.40.030 Compliance with State Law.

- A. The revenues received from the Parks System Development Charge shall be deposited in an account named "Parks Land Activity." This activity shall be budgeted and accounted for as provided by state law.
- B. The capital improvement plan required by state law as the basis for expending revenues from the improvement fees portion of the Parks System Development Charge shall be the Grants Pass Parks and Recreation Master Plan (1984) which may from time to time be amended.

3.40.040 Collection of Charge.

- A. The Parks System Development Charge is due and payable upon issuance of a building permit for the following:
 - 1. New on-site residential construction or expansion which creates additional residential units.
 - 2. Any construction creating or expanding residential units for more than four families, which requires the issuance of a Development Permit.
 - 3. Any construction which creates a new business building or enlarges a business building, which required the issuance of a Development Permit.
- B. The Parks System Development Charge is due and payable upon issuance of the first manufactured home placement permit granted upon an individual building lot.
- C. In the case of a manufactured home park, fifty percent (50%) of the Parks System Development Charge shall be due and payable for all spaces in the manufactured home park at the time land use approval is granted. The remaining balance of the Parks System Development Charge shall be due and payable at the time the placement permit is granted for each space.
- D. The owner(s) of vacant lots or spaces within an existing manufactured home park that has received all necessary land use approvals prior to June 30, 1997, shall pay a Parks System Development Charge of 100% of the applicable Parks System Development Charge for each space at the time the placement permit is granted for that lot or space.
- E. If a development is commenced without appropriate permit, the Parks System Development Charge is immediately payable.
- F. The City Building Official shall collect the Parks System Development Charge from the building/placement permit applicant, the person required to apply for the building/placement permit, the owner of the real property upon which the development occurs, or any person having received benefit from the development. The Building Official shall not issue any permit or allow construction described in Section 6.47.050 until the charge has been paid in full.
- G. Where a structure which is benefited by parks capital improvements is destroyed or removed, no Parks System Development Charge shall be imposed for the replacement of the structure.

- H. The Parks System Development Charges may be subject to the payment in installments under the provisions of the Bancroft Bonding Act of the State of Oregon.

3.40.050 Exemptions.

- A. Exemptions to the Parks System Development Charge are as follows:
 - 1. All pending building/placement permit applications for existing lots of record submitted prior to June 30, 1997.
 - 2. All existing structures for which a building/placement permit has been issued and which were established and existing prior to June 30, 1997.
 - 3. Garages (attached or detached), and other detached non-habitable accessory buildings.
 - 4. All local, state and federal governments and political subdivisions.
- B. Any residential development which is exempt from the Parks System Development Charge by reason of its intended use shall lose such exemption immediately upon a change in use to a type of development which is not exempt from the Parks System Development Charge obligation. Upon such loss of exemption, the Parks System Development Charge shall be immediately due and payable upon the entire residential development which was previously exempt.

3.40.060 Credits.

- A. Subject to the approval by the City Council, the City of Grants Pass may grant a credit against the Parks System Development Charge for the contribution of construction or land or both for any qualified public improvements.
 - 1. Prior to issuance of a building or development permit, the applicant may submit to the City, a proposed plan and estimate of value of land or construction or both which the applicant desires to contribute to the City as a full or partial offset to a cash payment for a Parks System Development Charge. The proposal shall include all of the following:
 - a. A designation of the development for which the proposed plan is being submitted; and

- b. A legal description of any land proposed to be contributed and a written appraisal based on comparable sales of similar property between unrelated properties; and
 - c. A time schedule for completion of the plan.
 - 2. The principle factors the City will use to determine the eligibility and value of a proposal as a credit against a Parks System Development Charge shall include but are not limited to the following:
 - a. The size and location of the improvement; and
 - b. The cost of maintenance; and
 - c. The extent to which the proposal satisfies capital improvement requirements identified in the Parks and Recreation Master Plan; and
 - d. The extent to which the proposed improvements are in excess of those required as a condition of land use approval.
 - 3. If the City Council approves the proposed contribution, it shall establish the amount to be allowed as a credit to the Parks System Development Charge. The credit can only be applied to the current development including all phasing.
 - 4. Any applicant who submits a proposed plan pursuant to this Section and desires the immediate issuance of a building permit or development permit shall pay the applicable Parks System Development Charge charges. Any difference between the amount paid and the amount credited shall be refunded to the applicant up to but not exceeding the amount of the Parks System Development Charge.
 - 5. The decision of the City Council 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.
- B. The City Manager shall be responsible for all recording and accounting associated with the distribution of credits.

3.40.070 Appeal Procedures.

- A. Parties challenging the methodology for establishing the Parks System Development Charge must appeal the methodology by filing a Notice of Appeal with the City Manager within 60 days of passage of the Ordinance adopting this Chapter. Such appeals shall describe with particularity the portion of the methodology, calculations or assumptions which are being asked for reconsideration. The filing of such an appeal shall temporarily stay the payment of any Parks System Development Charge until the appeal is determined upon determination of the appeal and subject to legal action pursuant to ORS 223.304(5). All Parks System Development Charges due as result of residential developments occurring subsequent to the effective date of this ordinance, and not otherwise exempt, shall be immediately due and payable.

- B. An appeal of expenditure must be filed with the City Manager within two years of the date of alleged improper expenditure. Appeals of any other decision may be filed once the findings of fact or final decision for a land use decision (including all appeals) has been signed and is effective. When the land use decision includes a building permit, the appeal period ends fourteen (14) days from the date the building permit is ready to be issued. The same fourteen (14) day appeal period applies to all other building permits where a final determination for a parks system development charge is made.
(Ord. 5511 §3, 2010)

- C. An appeal fee, established by Council resolution, shall accompany all appeals of Parks System Development Charges or expenditures from the Parks Lands Activity account.

- D. The Notice of Appeal shall state:
 - 1. The name and address of the applicant; and
 - 2. The address or tax lot of the subject property; and
 - 3. The nature of the determination being appealed; and
 - 4. If issued, the date the building/placement permit, or development permit was issued; and
 - 5. If paid, the date the Parks System Development Charge was paid and the amount of payment; and
 - 6. A detailed description of the reasons the determination is incorrect; and

7. A detailed description of what the correct determination of the appeal should be.
- E. An applicant who fails to correctly file an appeal within the time permitted waives the objections and the appeal shall be dismissed.
- F. Unless the appellant and the City agree to a longer period, an appeal shall be heard within 30 days of the receipt of the Notice of Appeal. At least 7 days prior to the hearing, the City shall mail notice of the time and location thereof to the appellant.
- G. The City Council shall hear and determine the appeal on the basis of the appellant's written statement and any additional evidence the City Council deems appropriate. At the hearing, the appellant may present testimony and oral argument personally or by counsel. The rules of evidence as used by courts of law do not apply.
- H. The appellant shall carry the burden of proving that the determination being appealed is incorrect and what the correct determination should be.
- I. The City Council shall issue a written decision within 20 days after the hearing date and that decision shall be final. The Council may affirm, amend, modify, or reverse the determination being appealed.

3.40.080 Construction.

The rules of statutory construction contained in ORS Chapter 174 are adopted and by this reference made a part of this Chapter.

3.40.090 Prohibited Construction.

No development or intensification of use may be made unless the applicable Parks System Development Charge has been paid.

3.40.100 Severability.

The invalidity of a portion of this Chapter shall not affect the validity of the remainder.

3.40.200 Annual Adjustments for System Development Charges.

System development charges for parks shall be adjusted annually for cost of living as set forth in Sections 3.10.200 et seq. (Ord. 5389 12/06/06)

Chapter 3.45

PARK DEVELOPMENT SYSTEM DEVELOPMENT CHARGE

Sections:

- 3.45.010 Definitions.
- 3.45.020 Park Development System Development Charge Established.
- 3.45.030 Compliance with State Law.
- 3.45.040 Collection of Charge.
- 3.45.050 Exemptions.
- 3.45.060 Credits.
- 3.45.070 Appeal Procedures.
- 3.45.080 Construction.
- 3.45.090 Prohibited Construction.
- 3.45.100 Severability.

3.45.010 Definitions.

- A. As used in this Chapter, except where the context otherwise requires, the words and phrases have the following meaning:
 - 1. "Development" means a development which increases the use of any parks or which creates the need for additional parks.
 - 2. "Residential Development" means any development designed to be occupied by a family or individual for living and sleeping which may or may not include cooking and eating facilities.
 - 3. "Business Development" means a development designed for use by a commercial or industrial business.
 - 4. "Parks Capital Improvement(s)" means all City parks, trails, open space, and recreation centers which are used or designed for recreational purposes including real property acquired for ownership, access, or use for current or future expansion or creation of parks, trails, or open space.
 - 5. "Park Development System Development Charge (Park Development SDC)" means a fee for costs associated with parks capital improvements, which is assessed or collected at any of the times specified in Section 3.45.050. Park Development SDC does not include:

- a. Any fees assessed or collected as part of a local improvement district;
 - b. A charge in lieu of a local improvement district assessment; or
 - c. The cost of complying with requirements or conditions imposed upon a land use decision or limited land use decision.
6. "Qualified Public Improvement". A capital improvement that is required as a condition of development approval, identified in the adopted SDC project list and either: (a) not located on or contiguous to property that is the subject of development approval; or (b) 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.

3.45.020 Park Development SDC Established.

- A. Effective January 1, 2007, a Park Development SDC is hereby imposed upon all development within the corporate limits of or administered by the City of Grants Pass/Josephine County.
- B. Based upon the intergovernmental agreement between the City of Grants Pass and Josephine County, said charge will also be imposed upon all development within the unincorporated Urban Growth Boundary of the City of Grants Pass.
- C. The fee imposed as a Park Development SDC shall be established and amended from time to time by City Council resolution, said fee not shifting, transferring or converting any governmental product or service wholly or partially financed from ad valorem taxes.

3.45.030 Compliance with State Law.

- A. The revenues received from the Park Development SDC shall be deposited in an account named "Park Development Activity." This activity shall be budgeted and accounted for as provided by state law.
- B. The capital improvement plan required by state law as the basis for expending revenues from the improvement fees portion of the Park Development SDC shall be Qualified Public Improvements.

3.45.040 Collection of Charge.

- A. The Park Development SDC is due and payable upon issuance of a building permit for the following:
 - 1. Any residential construction or expansion which creates additional residential units. If the construction does not create additional residential units, no Park Development SDC is due.
 - 2. Any construction which creates a new business building or enlarges an existing business building, which requires the issuance of a Development Permit. If the construction does not create a new building or enlarge an existing business building, no Park Development SDC is due.
- B. The Park Development SDC is due and payable upon issuance of a manufactured home placement permit granted upon an individual building lot.
- C. In the case of a manufactured home park, the Park Development SDC shall be due and payable for each and every space in the manufactured home park at the time the placement permit is issued.
- D. If a development is commenced without the appropriate permit(s), the Park Development SDC is immediately due and payable.
- E. The City Building Official shall collect the Park Development SDC from the building/placement permit applicant, the person required to apply for the building/placement permit, the owner of the real property upon which the development occurs, or any person having received benefit from the development. The Building Official shall not issue any permit or allow construction described in Section 3.45.050 until the Park Development SDC has been paid in full.
- F. Where a structure which is benefited by parks capital improvements is destroyed, no Park Development SDC shall be imposed for the replacement of the structure.
- G. The Park Development SDCs may be subject to the payment in installments under the provisions of the Bancroft Bonding Act of the State of Oregon.

3.45.050 Exemptions.

- A. The following are exempt from the Park Development SDC:

1. All pending building/placement permit applications for existing lots of record submitted prior to March 24, 2007.
 2. All existing structures for which a building/placement permit has been issued and which were established and existing prior to March 24, 2007.
 3. Garages (attached or detached) and detached uninhabitable accessory buildings.
 4. All local, state and federal governments
- B. Any development which is exempt from the Park Development SDC by reason of its intended use shall lose such exemption immediately upon a change in use to a type of development which is not exempt from the Park Development SDC obligation. Upon such loss of exemption, the Park Development SDC shall be immediately due and payable upon the entire development which was previously exempt.

3.45.060 Credits.

- A. The City Council may grant a credit against the Park Development SDC for the contribution of construction for any Qualified Public Improvements subject to the following considerations:
1. Prior to issuance of a building or development permit, the applicant may submit to the City, a proposed plan and estimate of value of development to a public park which the applicant desires to contribute to the City as a full or partial offset to a cash payment for a Park Development SDC. The proposal shall include all of the following:
 - a. A designation of the development for which the proposed plan is being submitted; and
 - b. A time schedule for completion of the plan.
 2. The principle factors the City will use to determine the eligibility and value of a proposal as a credit against a Park Development SDC shall include but are not limited to the following:
 - a. The size and location of the improvement;
 - b. The cost of maintenance;
 - c. The extent to which the proposal satisfies capital improvement requirements identified in the Parks and Recreation Master Plan or is equivalent to said requirements;
 - d. The extent to which the proposed improvements are in excess of those required as a condition of land use approval.

3. If the City Council approves the proposed contribution, it shall establish the amount to be allowed as a credit to the Park Development SDC. The credit can only be applied to the current development including all phasing.
 4. Any applicant who submits a proposed plan pursuant to this Section and desires the immediate issuance of a building permit or development permit shall pay the applicable Park Development SDC charges. Any difference between the amount paid and the amount credited shall be refunded to the applicant up to but not exceeding the amount of the Park Development SDC.
 5. The decision of the City Council 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, and at the sole discretion of the City.
- B. The City Manager shall be responsible for all recording and accounting associated with the distribution of credits.

3.45.070 Appeal Procedures.

- A. Parties challenging the methodology for establishing the Park Development SDC must appeal the methodology by filing a Notice of Appeal with the City Manager within 60 days of passage of the Ordinance adopting this Chapter. Such appeal shall describe with particularity the portion of the methodology, calculations or assumptions which are being asked for reconsideration. The filing of such an appeal shall temporarily stay the payment of any Park Development SDC until determination of the appeal and subject to legal action pursuant to ORS 223.304(5).
- B. An appeal of expenditure must be filed with the City Manager within two years of the date of alleged improper expenditure. Appeals of any other decision may be filed once the findings of fact or final decision for a land use decision (including all appeals) has been signed and is effective. When the land use decision includes a building permit, the appeal period ends 14 days from the date the building permit is ready to be issued. The same 14 day appeal period applies to all other building permits where a final determination for a parks development system development charge is made. (Ord. 5511 §3, 2010)
- C. An appeal fee, established by Council resolution, shall accompany all appeals of Park Development SDC's or expenditures from the Parks Lands Activity account.
- D. The Notice of Appeal shall set forth the following:

1. The name and address of the appellant
2. The address or tax lot of the subject property
3. The nature of the determination being appealed
4. (If issued) the date the building/placement permit, or development permit was issued;
5. (If paid) the date the Park Development SDC was paid and the amount of payment;
6. A detailed description of the reasons the determination is incorrect;
7. A detailed description of what the correct determination of the appeal should be.

An appellant who fails to correctly and completely file an appeal within the time permitted waives the objections and the appeal shall be dismissed.

- E. Unless the appellant and City agree to a longer period, an appeal shall be heard within 30 days of the receipt of the Notice of Appeal. At least 10 days prior to the hearing, the City shall mail notice of the time and location thereof to the appellant.
- F. The City Council shall hear and determine the appeal on the basis of the appellant's written statement and any additional evidence the City Council deems appropriate. At the hearing, the appellant may present testimony and oral argument personally or by counsel. The rules of evidence as used by courts of law do not apply.
- F. The appellant shall carry the burden of proving that the determination being appealed is incorrect and what the correct determination should be.
- G. The City Council shall issue a written decision within 20 days after the hearing date and that decision shall be final. The Council may affirm, amend, modify, or reverse the determination being appealed.

3.45.080 Construction.

The rules of statutory construction contained in ORS Chapter 174 are adopted and by this reference made a part of this Chapter.

3.45.090 Severability.

The invalidity of a portion of this Chapter shall not affect the validity of the remainder.

Chapter 3.50

STORMWATER DRAINAGE SYSTEM DEVELOPMENT CHARGE

Sections:

- 3.50.010 Definitions.
- 3.50.020 Stormwater Drainage SDC Calculation Methodology.
- 3.50.030 Collection of Charge.
- 3.50.040 Exemptions.

3.50.010 Definitions.

- A. As used in this Chapter, except where the context otherwise requires, the words and phrases defined below have the meaning identified. For any definitions not complete or modified in this section, the general definitions of Chapter 30 of the Grants Pass Development Code apply. In cases of conflict, the specific provisions of this chapter will apply.
 - 1. "Development" means a development which increases the amount of impervious surface area on a parcel and as such, its use of the City stormwater drainage system, and shall be determined by the necessity for a building permit or a development permit. Any act defined as "development" in Article 30.010 of the Grants Pass Development Code shall not apply to this section to the extent that the definition includes land division, partitions, rights of access, storage, drilling or any site alteration.
 - 2. "Single Family Residential Development" means any detached residential development designed to be occupied by a family or individual as defined in Article 30 of the Grants Pass Development Code for living and sleeping, and which may or may not include cooking and eating facilities.
 - 3. "All Other Development" means a building or structure designed for any other use, including a commercial or industrial business, a non-profit establishment, a multi-family residential or apartment complex.
 - 4. "Stormwater Capital Improvement(s)" means all plan development as well as drainage facilities to accommodate and control stormwater runoff and assure water quality for stormwater returned to natural surface water systems.

5. "Stormwater System Development Charge (Stormwater SDC)" means a charge to Development which is composed of either or a combination of reimbursement fee, improvement fee and administrative cost recovery and is assessed or collected at the time of issuance of a building permit or prior to occupancy.

3.50.020 Stormwater drainage SDC Calculation Methodology

Except as specifically modified herein, the provisions of Chapter 3.10 shall apply to the method for calculating Stormwater SDCs and other sections of this Chapter. The Stormwater SDC Calculation Methodology is detailed in the adopted 2019 "Water, Sewer, & Stormwater System Development Charge Update" for the City of Grants Pass.

3.50.030 Collection of Charge.

- A. The Stormwater System Development Charge is due and payable upon issuance of a building permit for the following:
 1. New on-site residential construction or expansion which creates additional residential units.
 2. For All Other Development, any construction which creates impervious surface area, which required the issuance of a Building Permit.
 3. For All Other Development, any construction which expands or remodels a structure, which includes an increase in impervious surface that generates runoff to the drainage system when such an expansion increases by 10% or more the area of such impervious surface that existed prior to that expansion.
- B. The Stormwater System Development Charge is due and payable upon issuance of the first manufactured home placement permit granted upon an individual building lot.
- C. In the case of a manufactured dwelling park or mobile home park shall be required to pay fifty percent (50%) of the Stormwater System Development Charge for all spaces in the manufactured home park at the time land use approval is granted. The remaining balance of the System Development Charge shall be due and payable at the time the placement permit is granted for each space.
- D. If a development is commenced without appropriate permit, the Stormwater System Development Charge is immediately payable.

- E. The City Manager or his designated representative shall collect the Stormwater System Development Charge from the building/placement permit applicant, the person required to apply for the building/placement permit, the owner of the real property upon which the development occurs, or any person having received benefit from the development. The City shall not issue any permit or allow construction until the charge has been paid, or arrangements for payment made.
- F. Where a structure which is benefited by storm drainage capital improvements is destroyed or removed, no System Development Charge shall be imposed for the replacement of the structure, provided however, to the extent that any replacement expands, alters, or increases impervious areas, an incremental fee as described in this code shall be due and payable.
- G. The Stormwater System Development Charges may be subject to the payment in installments under the provisions of the Bancroft Bonding Act of the State of Oregon.

3.50.040 Exemptions.

- A. Any natural feature, such as wetlands, creeks or streams, that provide and/or protect open space and preserve existing vegetation and drainage areas through dedication to the City, separate tracts of land recorded on plats, conservation easements, or identified preserved natural features which are established during the site review and subdivision process.
- B. Any development which is exempt from the Stormwater SDC by reason of its intended use shall lose such exemption immediately upon a change in use to a type of development which is not exempt from the Charge obligation. Upon such loss of exemption, the SDC shall be immediately due and payable upon the entire development which was previously exempt when any action is taken with the structure that requires the issuance of a building or development permit.