



# ALBANY PARKS & RECREATION DEPARTMENT PART I: SDC METHODOLOGY UPDATE

Albany City Council Work Session  
May 23, 2022

# 2021 Parks Master Plan

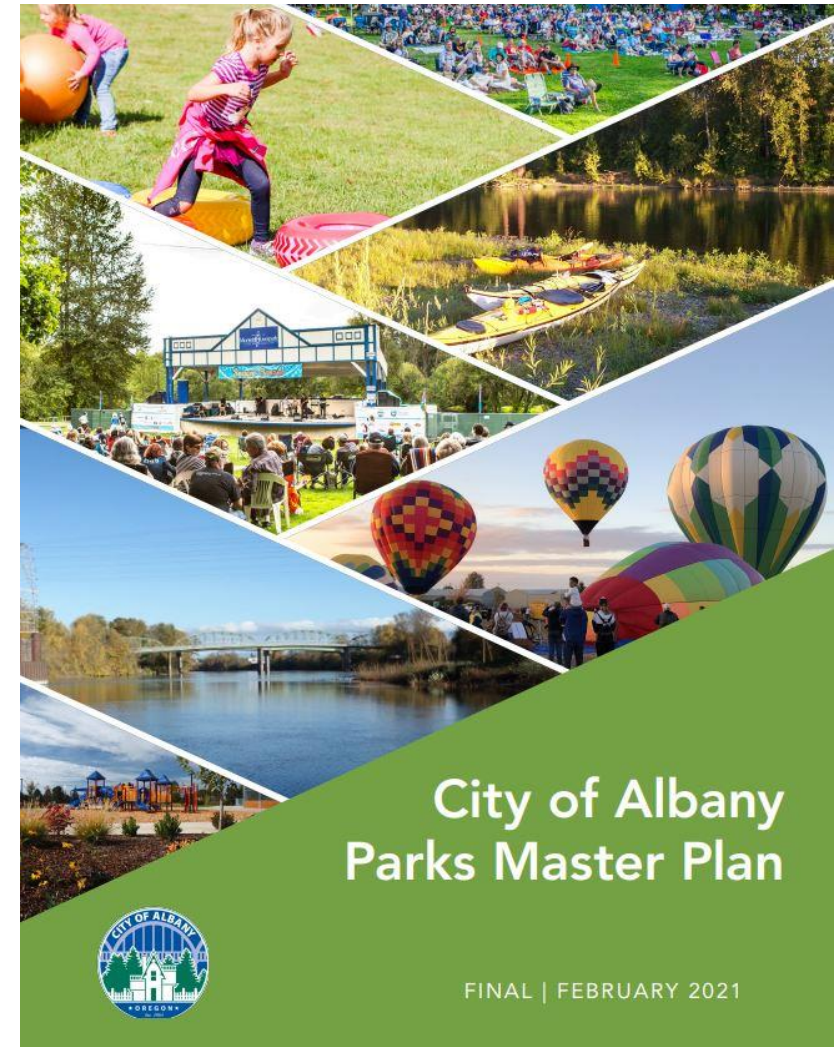
Passed by Council in January 2021

Applicable Recommendations:

- Reduce deferred maintenance by investing more capital funding- such as SDC reimbursement fees- into park improvements to offset impacts of increased use and unattended maintenance needs
- Prioritize projects that increase efficiencies and decrease costs long term

Updated SDC Methodology was not passed as Council wanted to see a methodology that supported affordable housing.

**That's why we are here today...**



# Current Methodology

### What is an SDC?

One-time charge assessed on new development (growth) to pay for the costs of expanding public facilities that result from growth. Ensures City’s quality of life keeps pace with growing and changing community.

Last updated in 1993

### Fee Breakdown:

- \$293.33 per bedroom
- \$.56 square foot living space
- Average \$1,720 per 1,500 square foot, single family home (2-3 times lower than comparable communities)

SDCs collected only for improvement (i.e. capacity enhancement projects)

Comparison of Parks SDCs	Parks SDC for Non-Residential	
	SFR	SDC?
Portland, non-central city (> 2,200 square feet)	\$14,633	✓
Lake Oswego	\$14,240	✓
West Linn	\$12,192	
Portland, central city (> 2,200 square feet)	\$11,570	✓
Tualatin Hills PRD, most of district	\$11,545	✓
Happy Valley	\$7,958	
Chehalem PRD	\$7,705	
Gresham, Springwater	\$7,431	
Corvallis, current	\$6,804	
Hillsboro, most of city	\$6,291	✓
Wilsonville	\$6,099	✓
Oregon City	\$5,989	✓
Gresham, Pleasant Valley	\$5,795	
Eugene	\$4,308	✓
Gresham, most of city	\$4,280	
Willamalane PRD	\$3,805	
Lebanon	\$3,598	✓
<b>Albany, current</b>	<b>\$1,720</b>	
Millersburg	\$1,200	
Roseburg	\$668	

**Notes:** Amounts shown are for a single family residence and may be less than the maximum allowable charge calculated in the SDC methodology. Albany's parks SDC is based on square footage and number of bedrooms; this estimate assumes 1,500 square feet and 3 bedrooms. \*\*\* 2019 data

# Current SDC Funds Available

\$2,866,800 balance

Currently only collecting SDC-Improvement Funds (more restrictive- only designed capacity enhancing facilities/parks)

Recently: \$400,000- \$500,000 annually

Previous SDC Project:

- Repurpose tennis courts at LBCC to 12 pickleball courts

Currently Budgeted SDC Project:

- Timber Ridge Park- 1.8 acres

**Future park estimates range from**

**\$940,000- \$3,240,000/park**

***(2019 estimates prior to increase in construction/material costs.)***

\$338,452



\$1,185,000



# Growth Projections

In the next ten years, Albany is expected to grow:

- 10,242 residents
- 4,149 employees
- 10,687 total demand adjusted

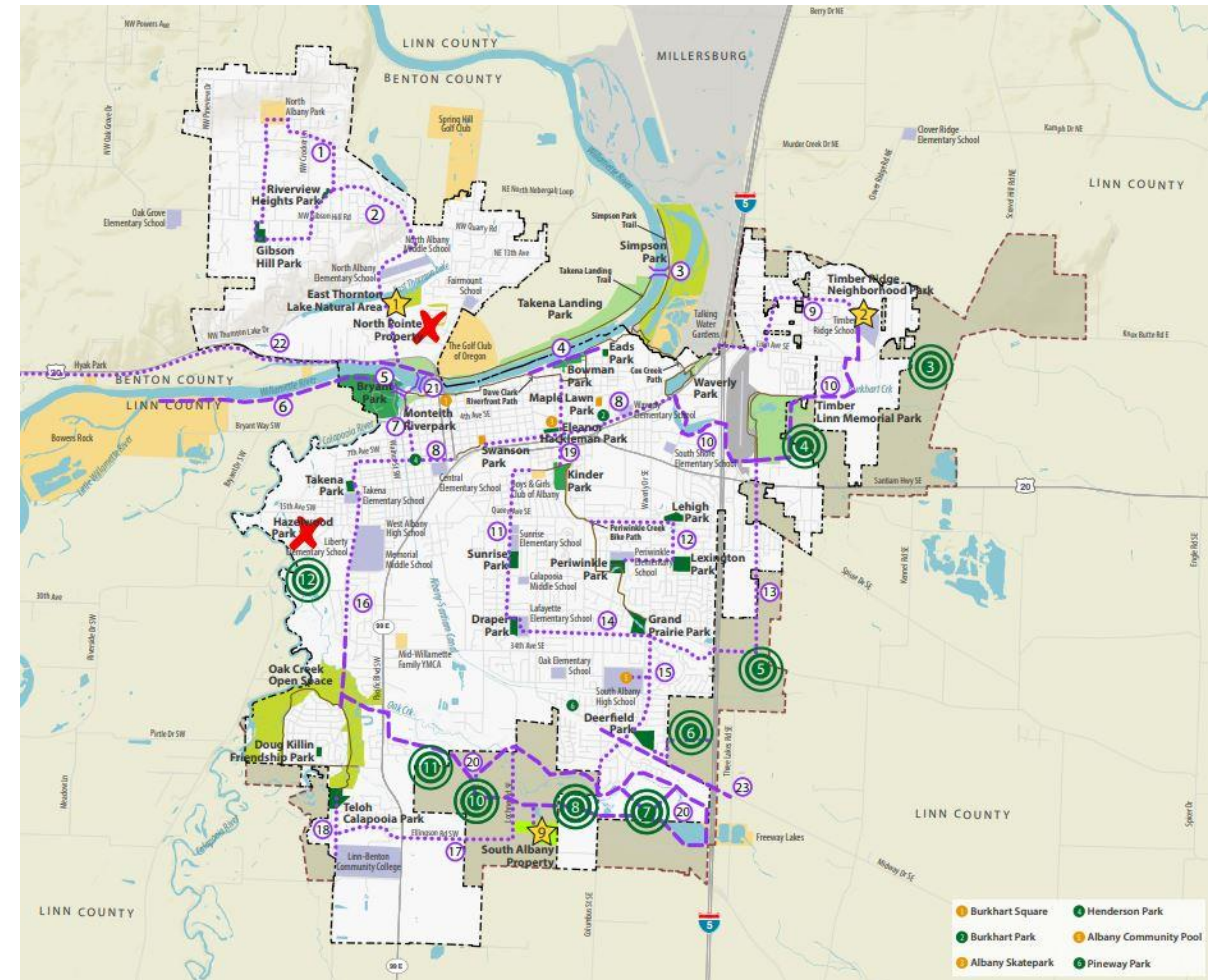
Additional parks/trails/amenities needed:

- East Albany (3 parks and trail systems)
- South Albany (5 park sand trail systems)
- West Albany (1 park)

Maintenance/upgrades needed to address growth:

- 32 parks
- 5 trails
- 2 pools
- 22 sport courts/ 12 fields
- 25 playgrounds

*(can be funded with SDC reimbursement fees)*



2021 Parks Master Plan Recommendation Map

# Updated Methodology

People per household does drive usage

Scaled approach- calculated specific to exact square footage

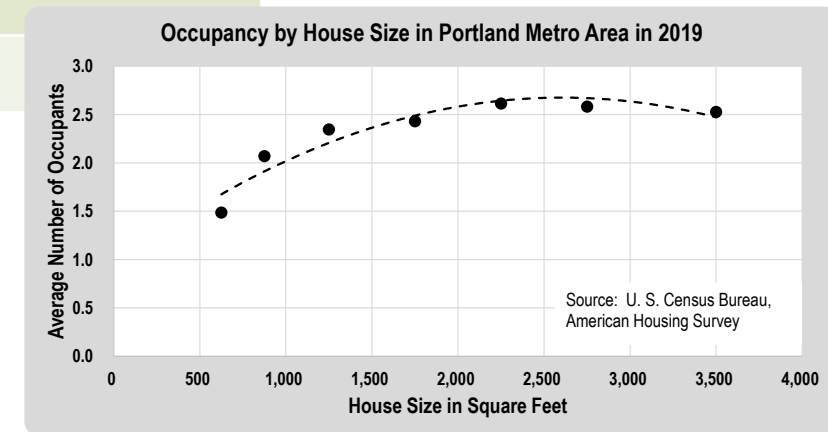
Equitable, defensible, and faithful to data

Percentage to be based on rates determined by Council

- Not to exceed maximum allowable
- To be determined after methodology discussion

**The new methodology addresses the request by Council to assist with incentivizing affordable housing.**

Square Footage Examples	Adjusted Percentage
500 square feet	48%
1,000 square feet	60%
1,500 square feet	73%
2,000 square feet	85%
2,500 square feet	97%
3,000+ square feet	100%



# Updated Methodology

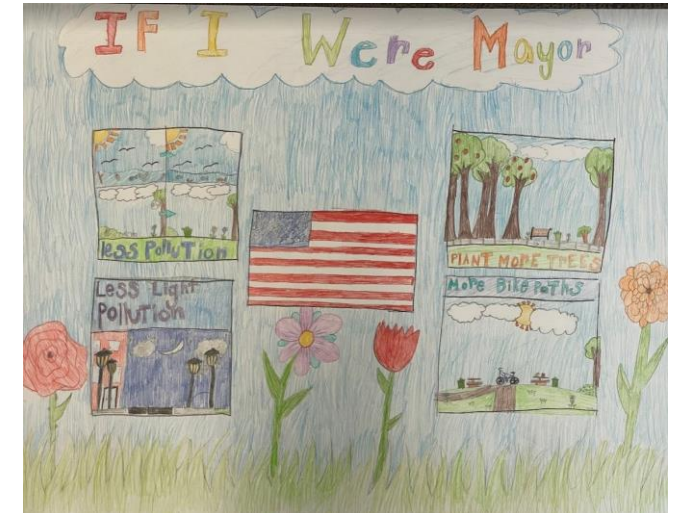
Modification	Why It Is Helpful
Implement a reimbursement fee	Allows department to collect funds to use on current parks/amenities that greatly need updating to meet demands/growth since installation
Include SDC fee for non-residential development <i>(demand of 9.32 employees is equivalent to one resident)</i>	Help spread the burden (love) so housing doesn't have to shoulder the whole cost (help to keep more affordable). Employees use facilities and services too.
Annual indexing to match CPI <i>(ENR Seattle CCI)</i>	Efficient, methodical, and ensures we do not have massive increases sporadically.
Max Allowable	<b><i>Growth Would Pay for Growth</i></b> to work towards the needs documented in the 2021 Master Plan. Current rate payers would not be responsible for financing new amenities in new parts of town.  Actual rates to be set post methodology vote.

# Under Resourced Now...Why New Parks/Trails?

- Livability
- Equity
- Economic Development
- Health & Wellness
- Protect Open Spaces
- Enhance Bike and Pedestrian Connectivity
- Themes mentioned in:
  - Research for City Council Strategic Plan
  - 2021 Master Plan
  - “If I Were Mayor” Contest

**When the time comes, we need funds to finance new parks/trails/amenities**

My favorite park looks like this!





# Parks & Recreation Commission

On May 4, 2022:

Voted 5-0 to approve and recommend to Council the methodology on May 4, 2022.



# Questions on Proposed SDC Methodology?





# ALBANY PARKS & RECREATION DEPARTMENT PART II: FEE SETTING

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# Needed Projects Outlined in 2021 Master Plan

## SDC-I (Improvements)

- Neighborhood Park in South Albany, 3 acres- \$1,225,000
- Neighborhood park in West Albany, 5 acres- \$3,240,000
- Oak Creek Greenbelt Trailheads- \$1,000,000
- East Thornton Lake Natural Area Parking Lot- \$400,000
- Eads Park to Dave Clark Trail Path- \$600,000

## SDC-R (Reimbursements)

- Burkhart Park, 1.9 acres - \$240,000
- Gibson Hill Park, 6.61 acres - \$615,000
- Lexington Park, 10-acres- \$1,070,000
- Doug Killin Friendship park, 1.81 acres- \$110,000
- Swanson Park, 3.76 acres- \$225,000
- COOL! Pool- \$100,000
- Cox Creek Path- \$150,000

These are just a few of the ...

**\$36,572,000 in Expansion Projects**

**\$9,184,000 in Infill Projects**

# Current Fees

## Fee Breakdown:

- \$293.33 per bedroom
- \$.56 square foot living space
- Average \$1,720 per 1,500 square foot, single family home (2-3 times lower than comparable communities)

Albany rates have not been updated since 2001.

Rates shown are 2019, comparable communities have updated (once or twice) since then. We have not.

Comparison of Parks SDCs	Parks SDC for Non-Residential	
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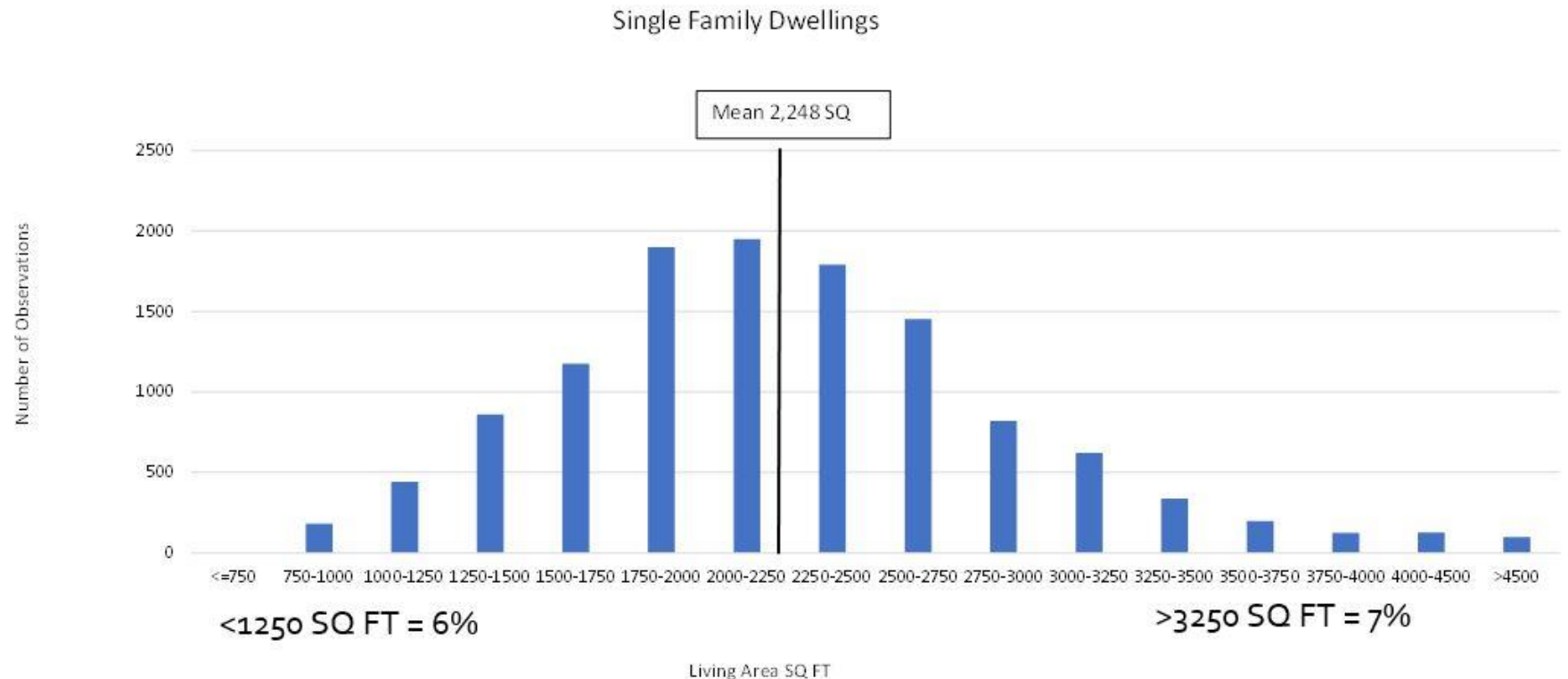
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# Albany Average Home Size

SDC rates in communities have changed since the data for the methodology was compiled.

Average home size in Albany is 2,250 square feet.

Used the current average home size when compiling data for comparable communities.



# Comparable Communities (current rates)

Comparable Community	Comparable Cost for a 2,250 sq. ft. home
Corvallis	\$7,755
Eugene	\$5,443
Lebanon	\$3,710
Springfield	\$5,140
Salem	\$3,500
<b>Average:</b>	<b>\$5,110</b>
Albany	\$2,433

# Parks & Recreation Commission

On May 4, 2022:

Approved a motion 5-0 to encourage City Council to consider the maximum allowable SDC rate, given the significant need in our community; or minimally set a rate for the average sized dwelling at no less than or equal to the average rate of comparable cities.



# Option A: Ramping to Max Allowable

Square Footage Examples	Adjusted Percentage	Year 1 (60%)	Year 2 (70%)	Year 3 (80%)	Year 4 (90%)	Year 5 (100%)
500 sq. ft.	48%	\$3,131	\$3,653	\$4,175	\$4,697	\$5,219
1,000 sq. ft.	60%	\$3,947	\$4,605	\$5,262	\$5,920	\$6,578
1,500 sq. ft.	73%	\$4,762	\$5,556	\$6,350	\$7,143	\$7,937
2,000 sq. ft.	85%	\$5,577	\$6,507	\$7,436	\$8,366	\$9,295
2,250 sq. ft.	91%	\$5,985	\$6,982	\$7,980	\$8,977	\$9,975
2,500 sq. ft.	97%	\$6,392	\$7,458	\$8,523	\$9,589	\$10,654
3,000+ sq. ft.	100%	\$6,565	\$7,659	\$8,753	\$9,847	\$10,941

*\*Plus annual indexing*

# Option B: Average of Comparable Communities

Square Footage Example	Adjusted Percentage	Amount Charged
500 square feet	48%	\$2,674
1,000 square feet	60%	\$3,370
1,500 square feet	73%	\$4,066
2,000 square feet	85%	\$4,762
<b>2,250 square feet</b>	91%	<b>\$5,110</b>
2,500 square feet	97%	\$5,458
3,000+ square feet	100%	\$5,605

*\*Plus annual indexing*

# Next Steps

Option A:

Scaled- ramping to max allowable over the next five years.

Option B:

Scaled- average of comparable cities for comparable size.

**Based on guidance received tonight, anticipate to come back to Council in June for a fee setting resolution.**



Questions?

