

SYSTEM DEVELOPMENT CHARGES

Government Camp Sanitary District ordains as follows:

1. Purpose.

System development charges are hereby authorized for capital improvements pursuant to ORS 223.297-223.314 for the purpose of creating a source of funds to pay for existing system capacity and/or the installation, construction and extension of capital improvements to accommodate new connections to the system. These charges shall be due and payable at the time of permitted increased use by new development, the impact of which generates a need for those facilities. The system development charges imposed and set forth on the attached Table A, are separate from and in addition to any applicable tax, assessment, charge or fee otherwise provided by law or imposed as a condition of development.

2. System Development Charge Imposed; Method for Establishment Created.

Unless otherwise exempted by the provisions of this Ordinance or other local or state law, a system development charge is hereby imposed on all development within the District that increases usage upon the sanitary sewer facilities. The amount of the system development charge shall be determined on the basis of the estimated usage for each equivalent dwelling unit (EDU) as defined in Table A which is attached hereto and incorporated herein by reference. System development charges shall be established and may be revised by resolution or order of the Board. The resolution or order shall set the methodology and amount of the charge.

3. Methodology.

3.1 The methodology used to establish the reimbursement fee shall consider the cost of the then-existing facilities, prior contributions by then-existing system users, the value of unused capacity, rate-making principles employed to finance publicly-owned capital improvements, and other relevant factors identified by the board. The methodology shall promote the objective that future system users shall contribute not more than an equitable share of the cost of then-existing facilities.

3.2 The methodology used to establish the improvement fee shall consider the cost of projected capital improvements needed to increase the capacity of the systems to which the fee is related and other relevant factors identified by the Board.

3.3 The methodology used to establish the improvement fee or the reimbursement fee, or both, shall be adopted by resolution or order of the Board.

3.4 System development charges and the methodology by which such charges are determined may be established or modified by resolution or ordinance, pursuant to the notice and hearing requirements of Section 9. However, a change in the improvement fee or reimbursement fee is not a modification of the system development charge if the change in

6. Collection of Charge.

6.1 The system development charge is payable at the time of occurrence of any of the following:

6.1.1 Issuance of a building permit; or

6.1.2 Issuance of a development permit for development not requiring the issuance of a building permit; or

6.1.3 Increased usage of the system or systems provided by the District.

A system development charge may be issued at any time following the occurrence of any one of the events listed in this paragraph. A system development charge may not be paid in advance of or prior to the occurrence of the earliest of the events listed in this paragraph.

6.2 The resolution which sets the amount of the charge shall designate the permit or systems to which the charge applies.

6.3 If development is commenced or connection is made to the systems provided by the District without an appropriate permit, the system development charge is immediately payable upon the earliest date that a permit was required or increased usage occurred.

6.4 The District shall not issue such permit or allow connection or increased usage of the system(s) until the charge has been paid in full, or unless an exemption is granted pursuant to Section 7.

6.5 All moneys collected through the system development charge shall be retained in a separate fund and segregated by type of system development charge and by reimbursement versus improvement fees.

6.6 By January 1 of each year, the District shall prepare an annual accounting showing the total amount of system development charge revenues collected for each system and the projects that were funded in the previous fiscal year. The accounting shall include a list of the amount spent on each project funded in whole or in part, with system development charge revenues.

7. Exemptions.

The System Development Charge shall not apply to:

7.1 Structures and uses using the sewerage facilities on or before the effective date of the resolution.

7.2 Additions to single-family dwellings that do not constitute the addition of a dwelling unit, as defined by the Uniform Building Code or the County's Zoning Development Ordinance.

7.3 An alteration, addition, replacement, or change in use that does not increase the parcel's or structure's use of the sanitary sewer facilities.

8. Credits.

8.1 An applicant is eligible for a credit against the improvement fee element of the system development charge for constructing a qualified public improvement. A qualified public improvement meets all of the following criteria:

8.1.1 Required as a condition of development approval by the Board or its designee through the development review process; and

8.1.2 Identified in the Capital Improvement Plan; and

8.1.3 (i) Not located within or contiguous to the property or parcel that is subject to development approval, or (ii) 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.

8.1.4 This credit shall be only for the improvement fee charged for the type of improvement being constructed. Credit under this section may be granted only for the cost of that portion of the improvement that exceeds the facility size or capacity needed to serve the development project and their oversizing provides capital usable by the district.

8.2 Applying the adopted methodology, the District may grant a credit against the improvement charge for capital facilities provided as part of the development that reduces the development's demand upon existing capital improvements or the need for further capital improvements or that would otherwise have to be constructed at District expense under the then-existing Board policies.

8.3 When the construction of a qualified public improvement gives rise to a credit amount greater than the improvement fee that would otherwise be levied against the project receiving development approval, the excess credit may be applied against improvement fees that accrue in subsequent phases of the original development project.

8.4 All credit requests must be in writing and filed with the District before the issuance of a building permit. The applicant is responsible for presentation of any credit and no credit shall be considered after issuance of a building permit. Improvement acceptance shall be in accordance with the usual and customary practices, procedures and standards of the District. The amount of any credit shall be determined by the District and based upon the subject improvement construction contract documents, or other appropriate information, provided by the applicant for the credit. Upon a finding by the District that the contract amounts exceed the prevailing market rate for a similar project, the credit shall be based upon market rates. The credit shall state the actual dollar amount that may be applied against any system development charge imposed against the subject property. The applicant has the burden of demonstrating qualification for a credit.

8.5 Credits shall be apportioned against the property, which was subject to the requirements to construct an improvement eligible for credit. Unless otherwise requested, apportionment against lots or parcels constituting the property shall be proportionate to the anticipated public facility service requirements generated by the respective lots or parcels. Upon written application to the District, however, credits shall be reapportioned from any lot or parcel to any other lot or parcel within the confines of the property originally eligible for the credit. Reapportionment shall be noted on the original credit form retained by the District.

8.6 Any credits are assignable; however, they shall apply only to that property subject to the original condition for land use approval upon which the credit is based or any partitioned or subdivided parcel or lots of such property to which the credit has been apportioned. Credits shall only apply against system development charges, are limited to the amount of the fee attributable to the development of the specific lot or parcel for which the credit is sought, and shall not be a basis for any refund.

8.7 Credits shall be used by the applicant within ten (10) years of their issuance by the District.

9. Notification/Appeals.

The District shall maintain a list of persons who have made a written request for notification prior to adoption or amendment of the system development charge methodology. These persons shall be so notified in writing of any such proposed changes at least 90 days prior to the first hearing to adopt or amend such methodology(ies). This methodology shall be available at least 30 days prior to the public hearing. Any challenge to the system development charge methodology shall be filed not later than 60 days following final adoption by the Board and only pursuant to the provisions of ORS 34.010 to 34.100.

10. Challenges.

Any citizen or interested person may challenge expenditure of system development charge revenues according to subsection 10.1 of the District's Rules and Regulations Ordinance. Any person who makes a written objection to the calculation of a system development charge shall also have the right to petition for review pursuant to ORS 34.010 to 34.100. Notwithstanding subsection 10.1.1, the initial appeal of that section with respect to an expenditure of system development charge revenues shall be filed within two years of the expenditure complained of. Thereafter, all time limits of subsection 10.1 shall apply, including Circuit Court review pursuant to ORS 34.010 to 34.100.

11. **Effective Date.**

This Ordinance shall take effect 30 days after its adoption.

First Reading: May 14, 2002

Second Reading: June 11, 2002

Adopted: July 9, 2002

Attest: _____

Andrew R. Tagliente
Board President

Uma B Brunette
Recording Secretary

Vote: 4 Yes 1 No

Pursuant to ORS 198.560(2), a certified copy of this Ordinance was filed with the Clackamas County Clerk on _____, 2002.