

# **CITY OF SALEM**

# **Revisions to the Agenda**

# **City Council**

Monday, February 25, 2019			6:00 PM	Council Chambers
4. a.	<u>19-63</u>	City Council review of the Planning Commission's decision approving Class 3 Design Review / Class 3 Site Plan Review / Class 2 Driveway Approach Permit / Tree Regulation Variance Case No. DR-SPR-DAP-TRV18-07 for proposed development of a 111-unit apartment complex with frontage on Wiltsey Road SE and Candy Flower Court SE.		
		Ward(s): 4 Councilor(s): Leung Neighborhood(s): SC Result Area(s): Welco	GNA oming and Livable Commur	ity
		Add - Added Revised Gra	ding Plan Attachment submitted	by Applicant.
6. d.	<u>19-76</u>	Revised Report - Rev received during the c	ised report to include publi omment period.	c comment that was
			dministrative rulemaking to expenditure of System Dev	•
		Safe, Reliable, and Ef		• •
		Revised - Report revised comment period.	to include Public Comment that	was received during the

#### **Amy Johnson**

From: Sent: To: Subject: Attachments: Aaron Panko Monday, February 25, 2019 1:43 PM Amy Johnson FW: Elling Apts C2.1 SITE GRADING PLAN.pdf

#### -Aaron | 503-540-2356

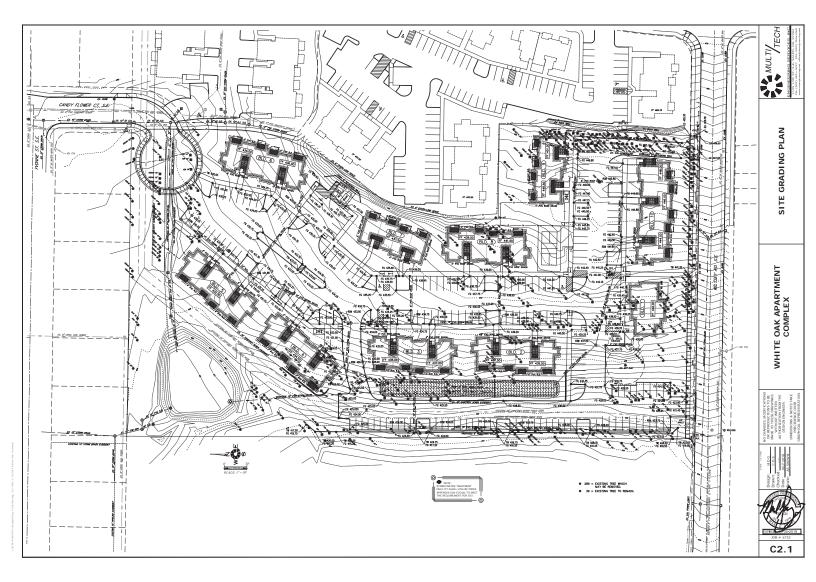
From: Brandie Dalton [mailto:BDalton@mtengineering.net]
Sent: Thursday, February 14, 2019 10:01 AM
To: Aaron Panko <APanko@cityofsalem.net>
Subject: FW: Elling Apts

Aaron,

How's this?

Thank you,

Brandie Dalton Land-Use Planner Multi/Tech Engineering Services, Inc 1155 SE 13<sup>th</sup> Street Salem, Oregon 97302 (503) 363-9227



## CITY OF SALEM



## Staff Report

File #: 19-76 Version: 2		<b>Date:</b> 2/25/2019 <b>Item #:</b> 6. d.	
то:	Mayor and City Council		
THROUGH:	Steve Powers, City Manager		
FROM:	Peter Fernandez, PE, Public Works Director		

#### SUBJECT:

Revised Report - Revised report to include public comment that was received during the comment period.

Notice of proposed administrative rulemaking to implement collection, reimbursement, and expenditure of System Development Charges.

Ward(s): All Wards Councilor(s): All Councilors Neighborhood(s): All Neighborhoods Result Area(s): Good Governance; Natural Environment Stewardship; Safe, Reliable, and Efficient Infrastructure; Strong and Diverse Economy; Welcoming and Livable Community.

### **ISSUE:**

Notice of proposed administrative rulemaking to implement collection, reimbursement, and expenditure of System Development Charges pursuant to *Salem Revised Code* (SRC) Chapter 20J.040(a)(3).

#### **RECOMMENDATION:**

Information only.

#### SUMMARY:

SRC Chapter 20J allows the City Manager or the City Manager's designees to promulgate administrative rules that implement, and are consistent with, the *Salem Revised Code*. Before an administrative rule can be made effective, the public must be given notice of the proposed rule and an opportunity to comment.

City Council must be provided notice of the proposed rule, and may initiate review of the proposed

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rule. This report serves as notice to City Council of the proposed rules concerning implementation, collection, reimbursement, and expenditure of System Development Charges.

### FACTS AND FINDINGS:

The specific topics addressed in Administrative Rule 109-200:

- Expenditure Policies The cost basis for the SDC methodologies includes a list of infrastructure projects (309 List) for which the SDCs are expended. Administrative Rule 109-200 establishes guidelines that are to be used when adding or removing projects from the 309 List and when establishing eligibility of funding from SDCs.
- 2) Qualified Public Improvements The amount of SDC reimbursement to developers is established to determine the reimbursable and non-reimbursable portions of a developer-built improvement.
- 3) Fee Collection Specific details related to collection of SDCs are clarified to ensure consistent implementation of methodology policies.

The authority to promulgate administrative rules is granted under SRC 20J.030. SRC 20J.040 outlines the procedure for adopting an administrative rule. This procedure requires providing notice of the proposed rulemaking to the City Council along with other methods of public notice. Adopting the administrative rule allows interested persons to be included in the rulemaking process and is in the public interest.

City Council has the authority to review a proposed administrative rule. City Council's review authority is limited to determining whether the proposed rule is within the scope of the code authority, whether the rule is duplicative, or conflicts with, another rule or law, or if the proposed rule is outside of the City Manager's administrative rulemaking authority.

The public notice for the proposed administrative rule change was posted on February 8, 2019, and all public comments were due by February 25, 2019, at 5:00 p.m. The City did not receive any public comments related to the proposed administrative rule change. **UPDATE:** The City received public comments during the comment period and those comments have been added as an attachment to the report. The administrative rule will become effective on February 26, 2019.

### **BACKGROUND:**

Administrative Rule 109-200 implements collection, reimbursement, and expenditure of System Development Charges (SDCs) as proposed in an update to SDC Methodologies under Resolution 2019-7. The methodology update process has been overseen by a seven-member SDC Methodology Committee, including two City Councilors, a member of the planning commission, a member of the

Salem Parks and Recreation Advisory Board, and three members of the public with experience in development and public infrastructure. The committee was chaired by Councilor Andersen. A number of the policies recommended by the committee had not previously existed for SDCs.

Robert D. Chandler, PhD, PE Assistant Public Works Director

Attachments:

- 1. Notice of Administrative Rule Making 109-200
- 2. Administrative Rule 109-200



MID-VALLEY ASSOCIATION OF REALTORS®

#### February 21, 2019

- TO: Salem City Council
- FR: Kelly Martin, President Mid-Valley Association of REALTORS®

Patrick Sieng, Chair Government Affairs Committee

Holly Sears, Government Affairs Director willamettevalleygad@gmail.com

#### **RE:** Proposed Revisions to System Development Charges (SDC)

On behalf of the more than 1100 members of the Mid-Valley Association of REALTORS®, thank you for the opportunity to comment on the proposed revisions to the City of Salem's System Development Charges (SDC). We would like to thank City Staff and members of System Development Charge Methodology Committee for the countless hours and work committed to analyzing the methodologies and coming up with the proposed revisions. We appreciate your efforts.

We are pleased to see that the proposed revisions to the SDC methodology will provide the benefit of improving our city parks by funding them 100 percent with SDCs and by collecting them from all users of the park system (both residential and non-residential projects). Additionally, we support the elimination of the costly connection fee. Spreading out the cost of the connection fee through a slight increase in SDCs for all projects greatly reduces the barrier for infill development.

Housing affordability in Salem is a real issue. We urge the City Council to not lose sight of cumulative impacts that fees and other cost increases have on the overall impact of affordable housing in Salem. These costs get passed on to homebuyers and renters, many of whom are on fixed incomes and the slightest increase in housing costs is the difference between having a home and being homeless. Our members understand the importance of System Development Charges and their positive contribution to the cost of necessary infrastructure, such as water, wastewater, parks and transportation, but cost reduction and minimization measures must be an integral part of any discussion on fees, including SDCs.

Thank you for your consideration of our comments and for your service to the City of Salem.

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#### **Amy Johnson**

From: Sent: To: Cc: Subject: Susann Kaltwasser <susann@kaltwasser.com> Monday, February 25, 2019 4:34 AM citycouncil CityRecorder SDC Methodologies

I want to make you all aware that at no time did the minutes of the committee working on the System Development Charges Methodologies get posted on the City webpage as required by Oregon Open Meetings Laws. I brought this to the attention of the City manager months ago and was assured that staff would respond.

Even if there were a technical problem with one of the meetings, there could not have been such problems for the enter process that lasted months. If no one took actual minutes, then a recording could have been posted.

The lack of minutes throughout the process means that people like myself had no way to monitor the discussion or interact with the process other than to attend 7 a.m. meetings. That is part of the reason minutes are required by law.

I do not recall staff offering to make presentations to the Neighborhood Associations. Did I miss a workshop that might have been held for the public? Was it assumed that the primary way in which the City funds our infrastructure was of no interest to the general public?

I hope that this does not happen with other important City decision making processes in the future.

Susann Kaltwasser