



**City of
McMinnville**

PARKS & RECREATION

Parks SDC Methodology Update – Work Session

February 10, 2026

West Hills
Neighborhood Park

Work Session

- Purpose: Explain new Parks SDC methodology triggered by PROS Plan Adoption
- Focus: What changed, what it funds, developer cost impacts
- Goal: Transparent financial understanding for Council

Why Update the Methodology?

- Existing methodology dates to 1998
 - Growth assumptions and cost basis outdated
 - Does not charge SDC to commercial or industrial developments
 - Does not align with adopted PROS Plan CIP
 - Does not ensure growth pays proportional share of planned capacity expansion

Old vs New Methodology

- Old: Level of Service (LOS) driven
 - Average persons per unit approach
 - Partial Cost Recovery (~50%)
- New:
 - Capital-project driven methodology
 - Equivalent population modeling and full cost transparency

Growth Assumptions (2022–2041)

- Resident Growth: 12,832 new residents
- Employment growth: 6,583 jobs
- **Equivalent Population growth: 15,008 people**

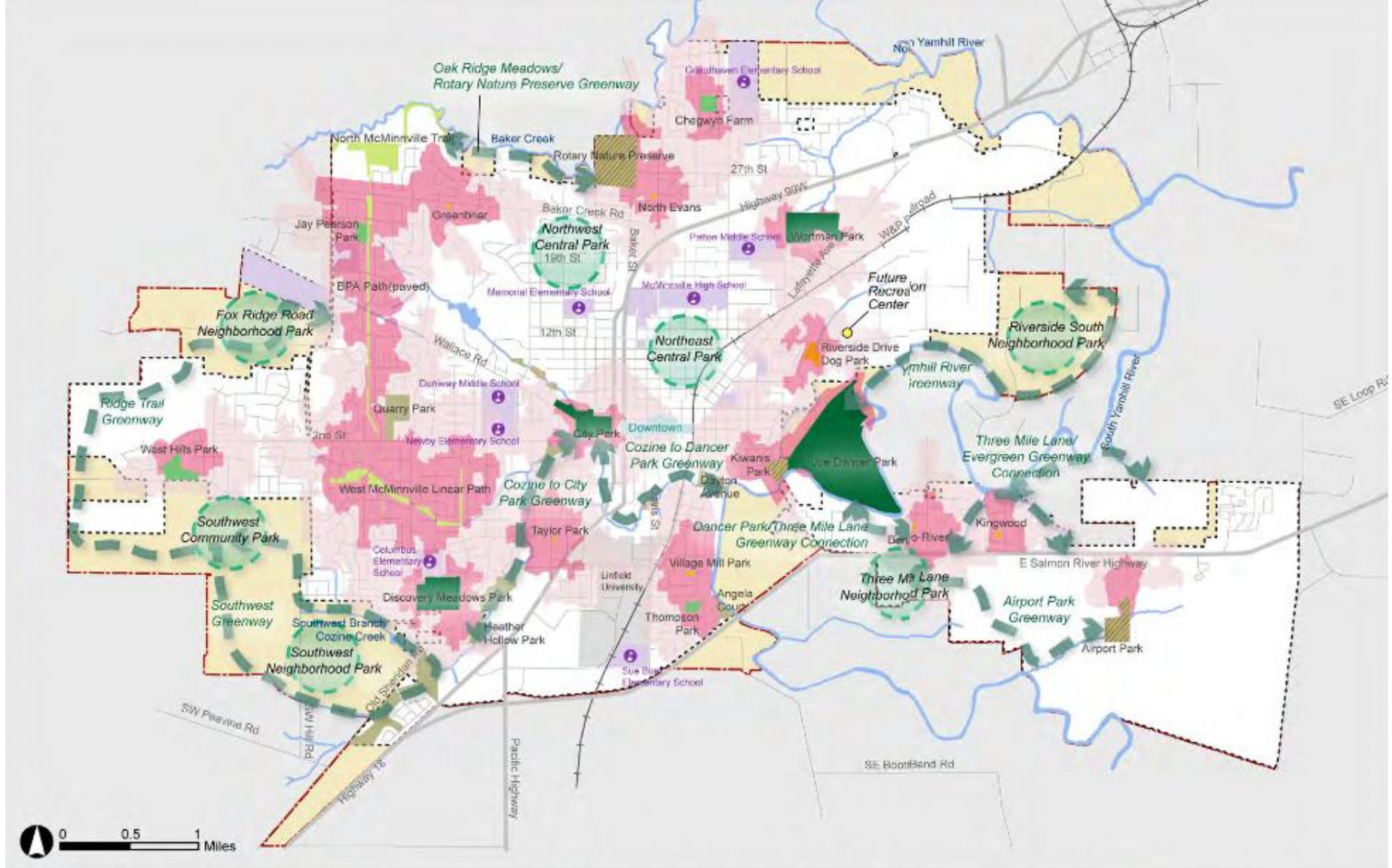
Level of Service Assumption

- **Maintain Current Service Level Standard:
8.5 acres / 1,000 equivalent population**

Does Council have any questions on the assumptions used in the methodology development?

Capital Program Supported

- 60 total parks in CIP
- 35 parks include SDC-eligible capacity projects
- Total park capital program \approx \$115M
- SDC-eligible capacity projects \approx \$93.3M



Park and Recreation Facilities

	Community Parks		Parklettes
	Neighborhood Parks		Special Use Parks
	Linear/Trail Parks		Undeveloped Parks
	Developed Natural Areas		
	Undeveloped Natural Areas		

Developed Parks Service Area

	1/4 Mile Walk
	1/2 Mile Walk

Future Parks and Trails

	Proposed Park Search Areas
	Proposed Greenways

Base Map Features

	Major Streets		School District Property
	Streets		Linfield University
	Railroads		Water Bodies
	City Boundary		Urban Growth Boundary

Proposed Parks & Greenways – Capital Cost Summary

Category	Key Projects	Acres	Miles	Estimated Capital Cost
Proposed Neighborhood Parks	Fox Ridge, Riverside South, Southwest, Three Mile Lane, Northeast Central, Northwest Central (land acquisition + park development)	29.2	0.0	\$33,580,000
Proposed Community Parks	Southwest Community Park (land acquisition + park development)	20.0	0.0	\$26,000,000
Proposed Greenways (Development Only)	Airport Park, Cozine–City Park, Cozine–Dancer, Joe Dancer/Three Mile, Oak Ridge/Rotary, Ridge Trail, Southwest, Three Mile/Evergreen, Yamhill River	92.4	16.8	\$20,787,955
Subtotal – Proposed Parks & Greenways	—	141.6	16.8	\$80,367,955

Projects not Included

- Renovation and Replacement Projects
- Maintenance and Improvement Projects
- Recreation Center and Aquatic Center Replacements (Bond Projects)

Does Council have any
questions on the projects in the
PROS plan CIP?

Cost Basis – How the SDC Is Built

- Average eligible cost per acre: \$641,623
 - Acres needed for growth: 127.6 acres
 - Total investment needed for growth \approx \$81.9M
 - Costs include land acquisition + park development*

***Note: Both are SDC Credit Eligible**

Financial Adjustments

- Compliance/admin costs \approx 10% of total
- Offsets
 - Existing SDC fund balance offsets cost
 - Historic grants/donations \approx 17% offset
- Net adjustment reduces per-person cost by
~\$519

Net Cost Calculation

- Gross cost per equivalent person:
\$5,455.65
- Adjustments: -\$518.92
- **Net cost per equivalent person:**
\$4,936.73

Residential SDC

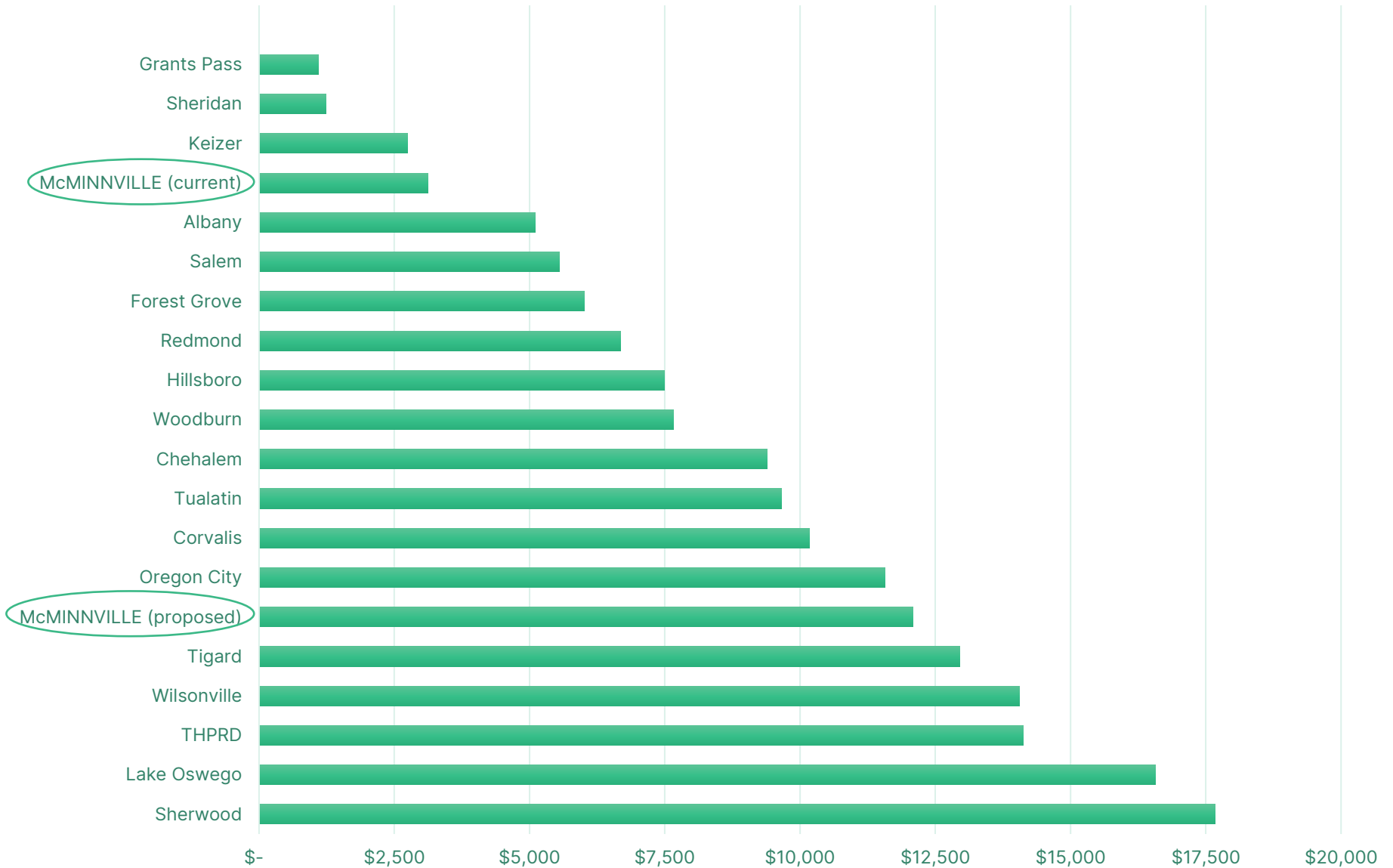
- Converted into per-unit development charges

▪ <500 sf:	\$6,042
▪ 500–999 sf:	\$9,560
▪ 1,000–1,999 sf:	\$12,513
▪ 2,000–2,999 sf:	\$13,820
▪ 3,000–3,999 sf:	\$15,029
▪ 4,000+ sf:	\$15,577

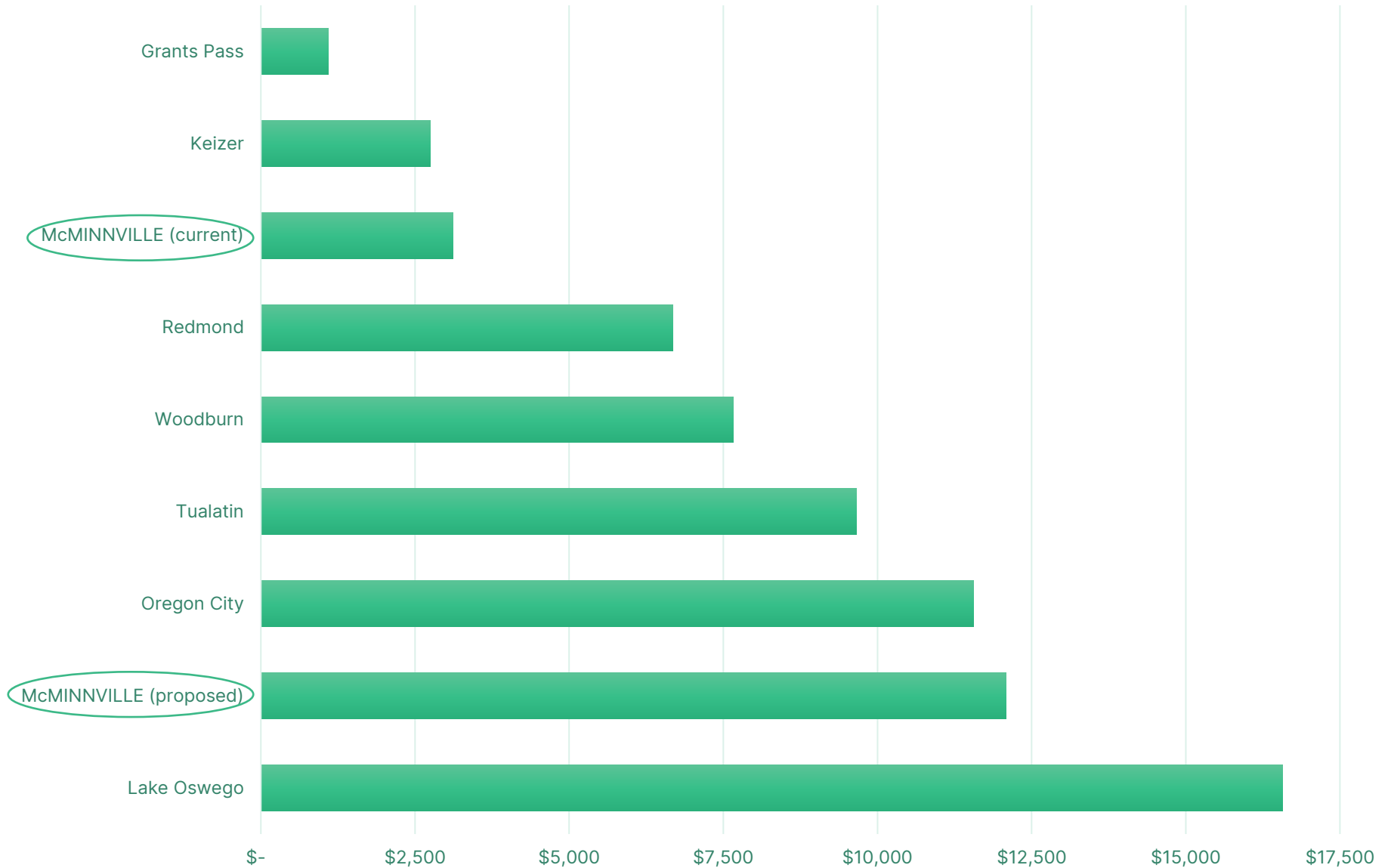
Developer Cost Impact

- Current Parks SDC \approx \$3,210 per unit
 - Inflation-only FY27 rate \approx \$3,088
- New methodology typical home \approx \$12,500
 - Increase reflects full growth cost recovery

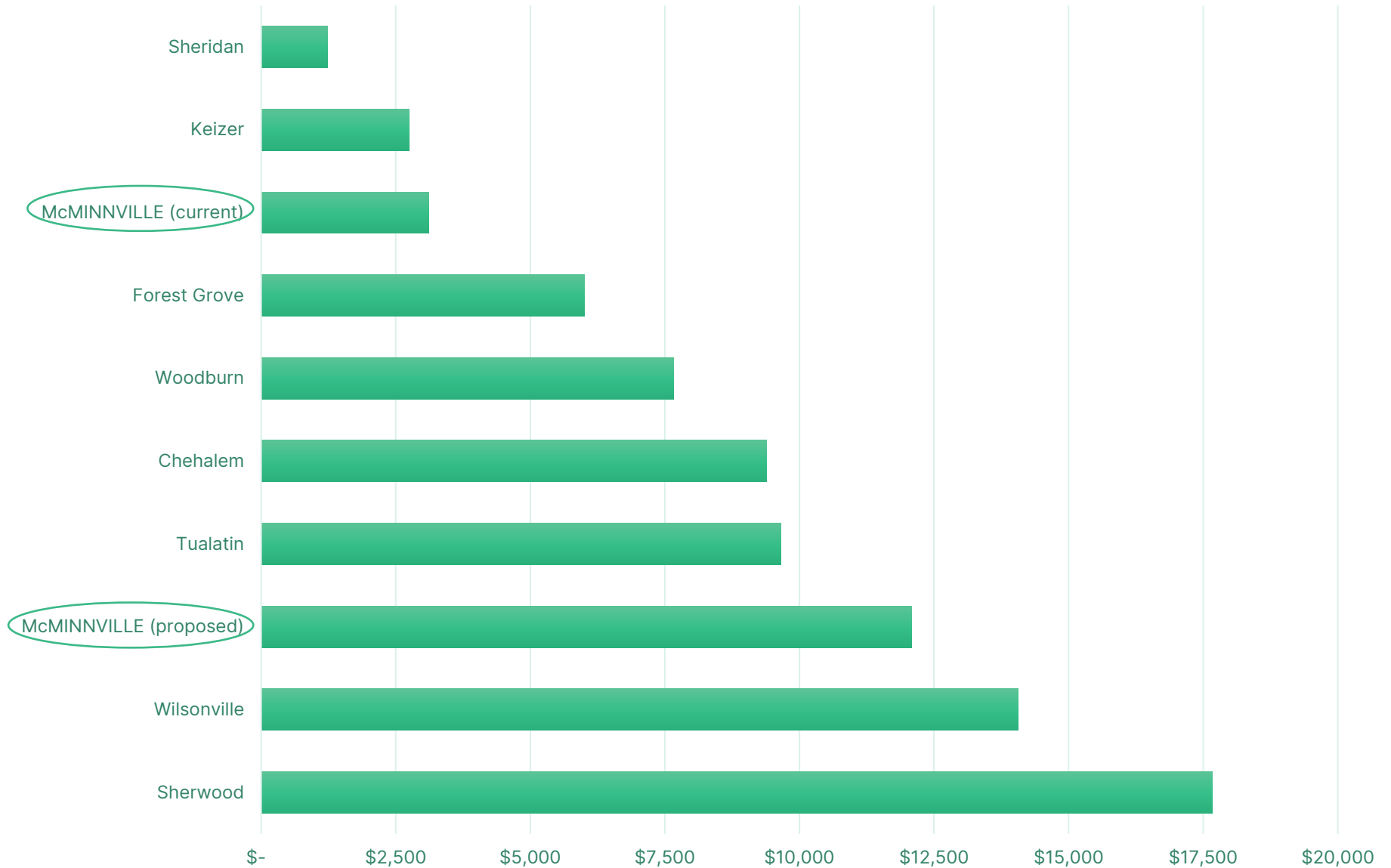
Residential SDC



Residential SDC - Closest Population Comps



Residential SDC - Closest Neighbor Comps



Non-Residential* SDC Examples

- Industrial: \$2.77 / sf
- Warehouse: \$0.78 / sf
- Retail / Hospitality: \$3.47 / sf
- Office: \$2.96 / sf

*Note: 10 of 14 comparative municipalities have Non-Residential Park SDCs

Does the Council have any questions on the numbers?

Missed Revenue

- Over the last 18 months
 - \$2M in Residential SDCs
 - \$700k in Non-Residential SDCs from the 5 largest developments alone

Key Policy Takeaways

- Growth pays for growth capacity at today's Level of Service
- Projects directly tied to adopted CIP
- No funding for operations or maintenance
- Financial transparency and legal defensibility

Does the Council have any final questions?

Does Council need any additional information before staff prepares a resolution/ordinance?

Next Steps

- Staff to prepare any additional information requested by Council.
- Staff to analyze effects of any changes due to discussion this evening.
- Staff to prepare a final Ordinance/Resolution