

MEMO

DATE: January 29th, 2026
TO: Adam Garvan, City Manager
CC: Heather Richards, Community Development Director
Geoff Hunsaker, Public Works Director
FROM: James Lofton, City Engineer
SUBJECT: SDC Rates Update

Report in Brief:

This memo establishes revised System Development Charges (SDCs) pertaining to parks and recreation, sanitary sewer, and transportation and replaces all previous SDC rate memos.

Background & Discussion:

Chapter 3.10 of the Municipal Code, as adopted by Ordinance No. 4980 on June 10th, 2014, includes provisions for imposing sanitary sewer, transportation, and parks and recreation system development charges (SDCs). Per Section 3.10.020 (B) of the Municipal Code, the SDCs shall be adjusted annually, as allowed by Oregon Revised Statutes, to reflect the change in construction costs.

Adjustments shall be calculated each January by the City Engineer based upon changes in the Engineering News Record Construction Index (ENR Index) for Seattle, Washington. The index for January 2026 has been issued, and the index shrank by 3.8% for calendar year 2025 (the index went from 15,757.84 in January 2025 to 15,159.42 in January 2026).

Per the attached summary, the sanitary sewer SDC will decrease \$165 for a single family home; the parks and recreation SDC will decrease \$122 per dwelling unit; and the transportation SDC rate will decrease \$125 per PM peak hour trip. The effective date of rate changes shall be July 1, 2026, and the revised SDC rates shall apply to applicable building permits issued on or after that date.

Fiscal Impact:

The purpose of the SDCs is to impose an equitable share of the public costs of capital improvements that increase system capacity upon those developments that create the need for or increase the demands on capital improvements.

Attachments:

1. SDC Rate Changes Summary

Approved by:



1/29/26

City Engineer

Date

Revised 2026/27 SDC's

Engineering News Record Construction Cost Index - Seattle

Jan-25	15,757.84
Jan-26	15,159.42

-3.80% =Annual Increase

SDC RATES	Current	FY25/26	Difference
SANITARY SDC	\$4,350	\$4,185	-\$165
PARKS SDC	\$3,210	\$3,088	-\$122
TRANSPORTATION SDC			
Capital Costs	\$23,876,327	\$22,969,027	
Total New PM peak trips	7,230	7,230	
Rate (per PM pk hr trip)	\$3,302	\$3,177	-\$125