



**City of Prineville**  
**DEPARTMENT OF PLANNING & COMMUNITY DEVELOPMENT**  
**STAFF REPORT**

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**Date:** June 9, 2009  
**To:** Prineville City Council  
**From:** Ricky Sites, Community Development Director

**Issue for Discussion:** Preparation of SDC Ordinance

In preparing the various elements of the SDC Ordinance, one of the policy issues that the Council may need to consider is payment of fees by schools. In the past schools have been exempted from fee requirements. Now that we are reviewing the costs, their allocation and the division of fees between elements of service (source, distribution, water rights, plant, etc), it has become apparent that there may be a reason to include schools in the fee assessments for certain elements.

Schools, as a rule put a demand on the infrastructure during non-peak hours. For this reason, they would probably not be a facility that would trigger the need for expansion to a plant. However, a school may be located in a geographical area that does not have sufficient distribution lines available and would create a need for new infrastructure.

Also, the City's citizens and new development are tasked with paying for the City services. Many of the Schools serve City population and County residents within the District. None of the people outside the City limits has contributed to this infrastructure.

Given this logic, staff requests direction from the Council as to the policy to be used in ascertaining the fee structure for schools.

**OPTIONS:**

1. Schools should be assessed SDC's for any new development.
2. Schools should be assessed SDC's for those elements within the infrastructure they directly impact.
3. Schools should not be assessed any SDC's for new development.

**Staff Recommendation:**

Staff would recommend Option #2 for economic reasons and for conformance with the current policy of "Development pays for Development". Whichever option, or combination of options, the Council favors will be included in our SDC ordinance that is currently being developed.