

# Hermiston raises system development charges

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News Editor



Ben Lonergan/East Oregonian, File

**Construction equipment clears ground at the site of Monte Vista Homes' Theater Park development in Hermiston on May 11, 2020.**

HERMISTON — After nearly two hours of presentation and discussion during its Monday, June 28, meeting, the Hermiston City Council made the decision to raise the city's system development charges for the first time since they were implemented.

System development charges are a one-time charge on new construction projects, meant to help pay for infrastructure needed to support the growth. Cities in Oregon can charge SDCs for water, sewer, parks and transportation.

According to Assistant City Manager Mark Morgan, Hermiston adopted water and sewer charges in 1998 and added parks charges in 2006. Neither set of charges has been increased since, despite rising costs.

The city hired FCS Consulting, which specializes in SDCs, to do an updated calculation of how much the city can charge, taking into account expected growth, planned infrastructure projects and other factors. According to the report, if the city were to fully reimburse itself for the costs, it could charge developers up to \$12,258 per single-family home.

City staff recommended the city not go near the maximum amount, and instead use other sources of revenue to help cover some of the costs for things like new water mains. But staff did recommend some increases to help bring the city's prices, set 22 years ago, up to something with more similar buying power today.

Currently SDCs for a single-family home are \$907.

The proposal, adopted by the council Monday, will break the increase up into four, one-year increments starting in January 2022 and ending with the new price at \$1,768 in January 2026. After that, charges would rise 3% each year to help keep up with inflation. The charges would be split four ways, instead of three, to add money for the city's street fund in addition to water, sewer and parks.

According to numbers put together by FCS Consulting, a \$1,768 SDC would keep Hermiston below Pendleton (\$1,913), Umatilla (\$3,402), Stanfield (\$5,400), all three of the Tri-Cities and several Oregon cities of similar size.

During the public comment period, Luke Pickrell, owner of Monte Vista Homes, said Monte Vista has built more than 500 homes in Hermiston. He noted his

company understood the need to keep up with rising costs, but also said higher SDCs get passed on to homebuyers, who then pay those costs for years to come through ongoing interest on their mortgage.

He said the median income in Hermiston can afford about \$200,000 to \$230,000 for a home, based on a calculation that a family can afford a home four to five times their annual income, but the median list price in Hermiston is over \$300,000 right now. He also noted that homebuilding costs are soaring due to spikes in material costs.

"The (cost) of lumber that it would cost to build 10 houses a year ago would build two houses today," he said.

Hermiston city councilors discussed the need to weigh two competing goals against each other: to encourage affordable housing devel-

opment in Hermiston, and to be fiscally responsible with the city's budget. Councilors Roy Barron and Phillip Spicerkuhn voiced concern that the city was not raising the charges enough to keep up with the costs to complete needed projects.

Councilor Nancy Peterson said she would be the first one to say if she thought the charges were too much, but the change seemed reasonable.

"The numbers make sense," she said.

After approving the increase to system development charges, the council also took care of the following business:

- The city council voted to approve changes to the city's sidewalk ordinance to modernize the language and align it with the public works department standards previously adopted.

- The council voted to approve an updated franchise agreement with Cascade Natural Gas.

- The council voted to award Swaggart Brothers, Inc. of Hermiston a contract to rebuild the apron at the Hermiston Municipal Airport. The company was the low bidder of five bids, at \$1,474,266.

- The council voted to name a new road going into the South Hermiston Industrial Park as East Cook Avenue. City Manager Byron Smith said the name honors Ivan and Vernon Cook, who owned most of the industrial land south of Hermiston and have used that land to help bring in the Walmart Distribution Center, Pioneer Seed and other major employers for the city.

## LOCAL BRIEFING

### EOTEC opens as cooling station

HERMISTON — The Eastern Oregon Trade and Event Center in Hermiston has opened its facilities as a cooling station, providing shelter for people looking to escape the heat wave.

The air-conditioned event center will have multiple rooms open at 8 a.m. throughout the week for people seeking shelter, according to Jennifer Oswald, an administrator at EOTEC. The facilities expect to close around 8 p.m. each day but will allow people to stay longer if they still need a place to stay, she added. The event center will have limited space on Friday from 8 a.m. to 1 p.m. for a wedding that day, Oswald said.

If anyone doesn't have transportation to or from the cooling center, they can call Hermiston Taxi at 541-567-6055 and the city of Hermiston will pay for the ride.

Midday on Tuesday, June 29, no one had shown up to the cooling station yet, but there was air conditioning, tables and jugs of ice water, as well as Wi-Fi and restrooms available. Trade and event center General Manager Al Davis said he hoped that once transportation was worked out — as it was later in the day — that more people would be able to take advantage of the offer.

He said he hadn't initially paid attention to the forecast, but Monday, June 28, when he found out that it could get as hot as 118 degrees the next day, he made the decision to offer up space to anyone who needed it.

"I thought, I have the space and I'm gonna air condition it regardless," Davis said, "so why not?"

### Dog park coming to Boardman

BOARDMAN — Construction is underway for a dog park in Boardman.

Boardman Chamber of Commerce Executive Director Torie Griggs said the park will be about an acre on Front Street at its intersection with Olsen Road.

The Boardman Community Development Association is paying for the park. The association uses enterprise zone funds to support community improvement initiatives that in the past have included homeowner incentives, wayfinding signs, broadband infrastructure and a disc golf course. The association holds meetings each year to gather input from community members.

"This has been a community want for probably the last five years," Griggs said.

She said the park will have a parking area that also can be used for the multi-use field next door. It will feature a "holding area" where dog owners can choose to enter an area for small dogs and an area for large dogs. Amenities will range from water drinking stations for the dogs to activities, such as rings to jump through, "doggy ladders" and platforms.

The park will be open to members of the public, including travelers who may be enticed to stop in Boardman.

"Their kids can stretch their legs at the splash park, their dogs can stretch their legs at the dog park and they can check out the SAGE Center," Griggs said.

The park will open once grass has been planted and grown thick enough, she said.

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