



CITY OF CORNELIUS SYSTEM DEVELOPMENT CHARGE (SDC) CREDIT POLICIES

Below is a summary of policy positions for each SDC for which a credit may be applied, and the conditions under which a credit will be assessed for existing uses. City of Cornelius SDC credit policy for existing uses is governed by Cornelius Municipal Code Section 12.40.090. In all cases, eligible SDC credits are generally issued as a SDC credit certificate prior to issuance of any new building permits, where new SDCs are typically due. In all cases, SDC credits are valid for ten (10) years from the date the credit is issued.

Water

Water service is provided by the City of Cornelius, which is a wholesale water customer of the City of Hillsboro. As part of this wholesale agreement, new development must pay SDCs to both the City of Hillsboro and the City of Cornelius, at their respective SDC rates. The current single-family residential (5/8-inch meter) rates for Water SDCs are \$5,565 for Hillsboro and \$3,884 for Cornelius. For sites where existing meters serve current or previous uses, the reuse or removal of the existing meters at or from the site will result in the calculation of Water SDC credits at current Water SDC rates. There is no requirement for proof of prior payment of Water SDCs. Water SDC credits are only eligible for use on the original site where the original water service was located; in the case of a subdivision the credits may be used for any development unit within the parent parcel. Water SDC credits that exceed the SDCs due may not be redeemed for a refund nor are they transferable to another property.

Parks

The City of Cornelius assesses a parks SDC for all new development at a rate of \$4,471 per residential unit (single or multifamily), or for commercial projects the rate is \$74 per full-time equivalent employee. For existing uses, the Parks SDC credit is calculated at current Parks SDC rates. There is no requirement for proof of prior payment of Parks SDCs. Parks SDC credits are only eligible for use on the original site where the existing use was located; in the case of a subdivision the credits may be used for any development unit within the parent parcel. Parks SDC credits that exceed the SDCs due may not be redeemed for a refund nor are they transferable to another property.

Sewer

Sewer SDCs are assessed by Clean Water Services (CWS) and the City of Cornelius. The current single-family residential rates (or 1 EDU equivalent) for Sewer SDCs are \$5,500 for CWS and \$232 for Cornelius. According to a policy summary provided by CWS staff, in order for a Sewer SDC credit to be assessed for an existing use, there must be proof that a Sewer SDC was previously paid. The simple fact that a sewer user fee has consistently been paid and the presence of a sewer connection at the site is not sufficient to warrant the existing use eligible for a Sewer SDC credit. CWS states that they try their best to research and find the permit in their records to verify the original connection SDCs to assist the applicant. For existing uses, the Sewer SDC credit is calculated at current Sewer SDC rates. Sewer SDC credits are only eligible for use on the original site where the existing use was located; in the case of a subdivision the credits may be used for any development unit within the parent parcel. Sewer SDC credits that exceed the SDCs due may not be redeemed for a refund nor are they transferable to another property.

Surface Water Management

Surface Water Management (SWM) SDCs are assessed by the City of Cornelius. The current single-family residential rate (or 1 ESU equivalent) for SWM SDCs is \$1,050 for storm water quantity and \$859.50 for surface water quality. Consistent with CWS SWM SDC credits policy, in order for a SWM SDC credit to be assessed for an existing use, there must be proof that a SWM SDC was previously paid (either to the City of Cornelius or CWS, the latter if the subject property was previously unincorporated). For existing uses, the SWM SDC credit is calculated at current SWM SDC rates. SWM SDC credits are only eligible for use on the original site where the existing use was located; in the case of a subdivision the credits may be used for any development unit within the parent parcel. SWM SDC credits that exceed the SDCs due may not be redeemed for a refund nor are they transferable to another property.

In cases where water quality facilities are constructed as part of a development, in order to meet CWS and City of Cornelius regulations, the standard SWM SDC for water quality is credited to account for the surface water treatment provided by the newly-constructed water quality facility. In these situations, the SWM SDC for water quantity is the only SDC assessed for new development.

Transportation Development Tax

The Transportation Development Tax (TDT) is a transportation-related SDC approved by Washington County voters in 2009. Although it is a County-wide SDC, the TDT is assessed and administered by the local jurisdiction within which the development is located. TDT rates are found in the Washington County TDT code, and are generally based on project size and use. In accordance with Section 3.17.050 of the Washington County TDT Code, “for new development for which a previous use existed on the property, the amount of the TDT due shall be determined by calculating the TDT of the previous use(s) on the property and subtracting that sum from the TDT [due] for all of the proposed use(s).” According to the Washington County TDT Procedures Manual:

Only a previous lawful use within 10 years prior to the date of the application is allowed to be considered. If a property has changed use multiple times over the last 10 years, any use within the last 10 years may apply. A use on the property greater than 10 years prior to the application, or an unlawful use, may NOT be considered. The previous use must have been permissible, but not necessarily active or ongoing at the property within the past 10 years. If a use could re-establish itself permissibly within the past 10 years, then it should be considered as a previous use.

For previous/existing and proposed uses, the rate for TDT credit is calculated at the current TDT rate, in accordance with the Washington County TDT Rate Table. There is no requirement for proof of prior payment of TDT. TDT credits for previous/existing use are only eligible for use on the original site where the original previous/existing use was located; in the case of a subdivision the credits may be used for any development unit within the parent parcel. TDT credits that exceed the TDT fees due may not be redeemed for a refund nor are they transferable to another property.