System Development Charges

Presentation to the Customer Review Panel
System Development Charges (SDCs)

• One-time charge for new developments

• Reimbursement to existing customers

• City Council and Customer Review Panel recommended SPU pursue updated Water SDC and new Drainage and Wastewater SDCs
Process Overview

• SPU analyzed potential for SDCs 2018-19
• Brought forward for decision
• Decision not to pursue
Balancing Two Objectives

Development Pays for Development (results in lower rates)

Make New Housing More Affordable (results in higher rates)
SDC Analysis

• Outreach to development community, including affordable housing providers

• Key policy issues
  1. Use of SDC revenue
  2. Affordable housing impacts
  4. Phase-in
  5. Who pays SDCs
  6. Infrastructure credits
  7. SDCs funding main extensions
Wrap up and Q&A