

Administrative Rules for Sanitary and Stormwater System Development Charges

ENB – 4.05

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ENVIRONMENTAL SERVICES
CITY OF PORTLAND
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These are the administrative rules of the Bureau of Environmental Services (BES) for determining sanitary and stormwater system development charges.

1. Applicability

All development projects that create new or increased demand on the public sewer and drainage system are subject to sanitary and stormwater system development charges (SDCs), with the exception of trade permits and residential additions and alterations. Sanitary and stormwater SDC rates are published in the annual rate ordinance, Binding City Policy ENB-4.20.

2. Purpose

The purpose of these rules is to describe the decision-making criteria and means by which sanitary and stormwater SDCs are calculated and charged.

3. Definitions

These rules use terms defined in PCC Chapters 17.32, 17.34, 17.36, 17.38, and 17.39 and the following definitions:

- A. **"Facial Challenge"** means a challenge to a requirement that is based on an argument that the requirement cannot be applied fairly or reasonably in any situation. By contrast, an as-applied challenge is one based on an argument that a requirement should not be applied to the challenger's particular situation because of factors that, in the challenger's view, distinguish it from similar situations.

4. Regulatory Authority

These rules are authorized by PCC Chapter 3.13 and implement PCC Chapter 17.36.

5. Sanitary SDCs

Sanitary SDCs for residential and nonresidential development are based on the net increase of sanitary flow to the public sewer system as determined by a development's occupancy type and proposed drainage fixture units (DFU). All sanitary SDCs are calculated on a tiered rate structure by multiplying the net new number of DFUs by the rate as published in the annual rate ordinance, Binding City Policy ENB-4.20, for the appropriate occupancy tier.

A DFU inventory is used to relate plumbing fixtures to approximate water use and, therefore, the demand on the public sewer system. For the purposes of calculating sanitary SDCs, the City will assign the DFU values according to the "public" category of the then-current Oregon Plumbing Specialty Code. Sanitary SDC rate tiers by occupancy type are shown in Table 1. These rate tiers are established by BES and reflect the Bureau's assessment of water usage per DFU by occupancy type.

- A. **Occupancy types not listed.** The City will evaluate occupancy types not listed in Table 1 on a case-by-case basis and assign a rate tier consistent with occupancy types having similar water usage and sanitary flows.



Table 1. SDC Rate Tiers by Occupancy Type

Tier 1	Tier 2	Tier 3
Automotive retailers	Clinics/medical offices	Beverage processing/ distilleries
Automotive and other repair services	Clothing & dry goods stores	Cannabis growing and processing
Business offices	Coffee shops/delis/catering	Car washes
Care facilities	Dental offices	Food service – cart pod
Churches/clubs/organizations	Drinking establishments/ tasting rooms	Food service - fast food
Construction trade services	Food carts with direct connections	Food service – restaurant
Education/cultural sites	General retail sales	Grocery stores/ supermarkets
Fire stations	Spas/beauty and barber salons	Laundry services/self-services
Hospitals	Pet grooming/pet boarding	
Hotels/motels/lodging	Warehouses used for storage	
Industrial/manufacturing uses		
Recreational vehicle parks		
Rental/storage services		
Repair services		
Senior living facilities		
Schools/colleges/universities		

- B. Residential developments.** SDCs for residential units, including those within mixed-use projects, are charged 60-percent of the Tier 1 rate per DFU.
- C. Mixed-use developments.** SDCs for mixed-use developments are based on the combined total of all SDCs calculated for each occupancy type and tier.
- D. Change in occupancy.** SDCs are calculated by multiplying the net increase of DFUs by the SDC rate tier corresponding with the new occupancy type.
- E. Part-year usage.** Educational institutions that can demonstrate to the satisfaction of the City that the development will require public water service for nine months or less of the year may request up to a 25 percent discount on their sanitary SDCs.



6. Stormwater SDCs

Stormwater SDCs for residential and commercial development are based on the net increase of impact on the storm system using measured square feet of stormwater billable area on a site. The City will calculate the stormwater SDCs by multiplying the development's net increase of stormwater billable area by the stormwater SDC rate.

7. Credit for Prior SDC Contributions

Prior SDC contributions credited to a property as described in this section have no cash value and are not refundable. Credit for prior sanitary and stormwater SDC contributions is available as described in this section.

- A. Sanitary.** Pre-existing DFU connections to the public sewer that are removed will be credited to the property and applied towards sanitary SDCs associated with future development at the same location. Sanitary DFU credits are based on the total count of pre-existing DFUs removed from the property and are not transferable to other properties. Prior sanitary sewer connection and pre-existing DFUs must be verified by public records.
 - 1. The City will assume a 16 DFU credit for a single-dwelling development where public records are not available.

- B. Stormwater.** Pre-existing impervious area that is removed will be credited to the property and applied towards future stormwater SDCs associated with future development at the same location. Impervious area credits are based on the amount of pre-existing impervious area removed from the property. The impervious area credit is not transferable to other properties. Impervious area credits are void and of no value if not redeemed in conjunction with future development at the same location within three years of the date of the removal of impervious area as documented through final demolition permit records, aerial photography, or other comparable evidence.
 - 1. The City will credit 2,400 square feet of impervious area where a single-dwelling development was removed but accurate public records documenting pre-existing impervious area are unavailable.

8. Temporary Use

Temporary structures and connections as described in PCC Chapter 17.36 are not subject to SDCs. System development charges become due and payable for structures or connections that are not removed within three years of building permit issuance. Developments that do not remove temporary structures within three years from building permit issuance may be subject to additional penalties and interest charges.



9. Exemptions

Certain structures and uses are exempt from sanitary and stormwater SDCs as described in PCC Chapter 17.14.

10. Collection of Charges

System development charges must be paid or a financing agreement with the City must be in place prior to the issuance of a building permit, sewer connection permit, or plumbing permit. Payment options, including prepayment and bonding, are described in PCC Chapter 17.36. The City may authorize financing agreements that provide for payment deferrals and installment payments of system development charges as described in PCC Chapter 17.14.

11. Administrative Review

A person may request reconsideration of a BES decision through administrative review as described in this section. After the requestor has exhausted all BES administrative review options, the requestor may file an appeal of a decision with the Code Hearings Officer (CHO) per PCC Title 22. A person may only appeal a decision that is subject to administrative review by BES.

- A. Administrative review request.** A person to whom a notice was addressed will have 20 business days from the date the notice was issued to submit a written request for administrative review of a decision described in the notice. The requestor must provide all information known to the requestor that supports an assertion made in the request. The requestor must provide such information via graphic, written, or recorded communication or in person at the administrative review meeting. BES will hold an administrative review meeting within 15 business days of receipt of the request unless BES determines in its reasonable discretion that a delay is justified. The requestor may provide detailed information in writing in lieu of attending the administrative review meeting.
- B. Non-reviewable items.** A BES decision made under these rules is subject to administrative review except that BES will not grant administrative review for the following:
 - 1. Council-adopted SDC rates;
 - 2. Oregon Plumbing Specialty Code fixture types and corresponding DFU values;
 - 3. Components of SDC development methodology, except to the extent that a challenge is allowed under ORS 223.304; or
 - 4. A facial challenge to a requirement in these rules or associated City Code, or to any technical standard.
- C. BES evaluation.** BES will use authorizing City Code, the provisions of these rules, City records, and the testimony and documentation provided by the requestor to make a final determination on the issue that is the subject of the administrative review.



D. Final determination. BES will issue to the requestor a written final determination within 15 business days of the administrative review meeting unless BES determines that extenuating circumstances justify a reasonably longer period of evaluation. The written final determination will provide information about the process for filing an appeal to the CHO.

