



Wastewater System Development Charges (SDCs) Frequently Asked Questions

What are System Development Charges (SDCs)?

System Development Charges are one-time fees assessed when a new property connects to the City's wastewater system or when an existing property increases its service capacity (for example, by upsizing a water meter). These fees help pay for systemwide infrastructure needed to support population growth.

Why is Tacoma adopting wastewater SDCs?

Tacoma is expecting more housing and population growth under Home in Tacoma. Additional growth requires expanding wastewater system capacity. SDCs provide a dedicated funding source for these upgrades and help ensure that growth-related costs are paid by new development rather than existing ratepayers.

Who pays the SDC?

The SDC is paid by the developer or property owner at the time they establish new wastewater service or request increased service. Existing customers who are not changing their level of service do not pay SDCs.

Will this increase wastewater bills for current customers?

No. SDCs are designed to avoid rate increases for existing customers by using development-related revenue to fund growth-driven capital projects.

How much does an SDC cost?

SDCs are standardized fees, not calculated on a project-by-project basis.

The cost depends on:

- Water meter size, and
- Customer type (single-family residential, multi-family residential, or commercial)

A typical single-family home with a 5/8" meter would pay \$3,339 (effective July 1, 2026).

When do the new charges take effect?

The SDC program becomes effective July 1, 2026.

Applications approved before this date will be charged under the existing Connection Charge-in-Lieu-of-Assessment program.

Applications approved on or after July 1, 2026, will pay the new SDC.

What happens to the existing Connection Charge-in-Lieu-of-Assessment program?

The existing program will be retired on July 1, 2026.

Any parcels that previously paid a Connection Charge-in-Lieu will **not** be charged again for the same infrastructure under the new SDC program.



Environmental Services

Are there exceptions or discounts?

Yes. Examples include:

- Dedicated fire protection lines (no SDC)
- Certain single-family fire sprinkler upgrades
- A Septic System Amnesty Program that offers a 50% SDC reduction for eligible properties connecting to sewer for the first time (subject to annual funding)

Can SDCs be financed?

Yes. For meters 3 inches and larger, the City may offer payment plans of up to 10 years with interest, depending on the down payment amount. Smaller meters (2" and below) must pay in full at installation.

How will SDC revenue be used?

SDC revenue must be used for:

- Wastewater capital projects that increase system capacity, or
- Related debt service
- Funds cannot be used for operations or maintenance