

To: Carla McLane, City of Boardman
Date: September 2, 2026
From: John Ghilarducci, FCS, a Bowman company
RE: System Development Charge Policy Analysis

This memorandum documents the policy analysis and recommendations arising out of our review of Chapter 3.08 of the municipal code of the City of Boardman (City). Each major section below provides guidance on a single policy issue. The final major section distills our recommendations into a redline version of Chapter 3.08.

DEFINITIONS

The definition of “development” should be revised to focus on those activities that increase demand on capital improvements. For example, “dividing land into two or more parcels,” by itself, does not create additional burdens on infrastructure. We recommend substituting the definition from the *Model System Development Charge Ordinance* (League of Oregon Cities, 2019) for the existing language.

Definitions should be omitted for terms that do not recur in Chapter 3.08. This applies to “land area” and “owner.”

The definition of “reimbursement fee” should include the criterion of available capacity to ensure compliance with state law.

METHODOLOGY

The purpose of a system development charge (SDC) methodology is to calculate, in a manner consistent with state law, the maximum SDC that the City may charge. We therefore recommend adding to Section 3.08.040 the provision that an SDC adopted by the city council must not exceed the SDC calculated in the methodology except when indexing the SDC under the provisions of Oregon Revised Statutes (ORS) 223.304(8).

Section 3.08.050(B) is correct as far as it goes, but it could be improved by specifying that eligible costs create capacity for future users.

IMPROVEMENT PLAN

We recommend specifying a process for modifying the improvement plan that is consistent with ORS 223.309(2). We also recommend specifying a process for indexing SDCs that is consistent with ORS 223.304(8). The current text is silent on these matters.

EXEMPTIONS

We find Section 3.08.100(D) to be legally risky and recommend its deletion. If the City engages in development activity that creates additional demand on infrastructure, the City should contribute to the cost of that infrastructure in the same manner as private development.

CREDITS

Two provisions from Section 3.08.110 should be deleted because they confer powers on the City that are not consistent with state law.

The first is the limitation of a credit for a qualified public improvement to the amount of the improvement fee (subsection B). Section 3.08.110(D) provides a procedure (consistent with the requirements of ORS 223.304) for credits that exceed the improvement fee.

The second is the final clause of Section 3.08.110(E). The “any other rationale” criterion effectively grants license to the city council to exempt any developer from paying an SDC for any reason.

ANNUAL ACCOUNTING

We recommend revising Section 3.08.130(B) to reflect the annual deadline established in ORS 223.311.

APPEALS

We suggest reordering the subsections to clarify that Section 3.08.140(B) does not apply to the challenges described in subsection A and subsection D.