

AN ORDINANCE 2006-06-15-0722

APPROVING PHASE II OF THE CITY'S INCENTIVE SCORECARD SYSTEM AND AUTHORIZING ADMINISTRATIVE WAIVER OR REDUCTION OF CERTAIN DEVELOPMENT FEES FOR PROJECTS REACHING SPECIFIED SCORES FROM THE SCORECARD; AND ADOPTING IMPROVEMENTS TO THE PROJECT SCORECARD, THE SCORING SYSTEM AND PRIORITIES FOR DEVELOPMENT TYPES.

* * * * *

WHEREAS, in May 2003, City Council approved the Incentive Scorecard System (the "ISS") as a tool for providing certain pre-approved development incentives to promote development priorities within targeted areas of the community; and

WHEREAS, the ISS is composed of three important components: a catalog of City incentives, the Project Scorecard (the "Scorecard"), and the incentive advisor staff position located within the Economic Development Department; and

WHEREAS, there are a total of 38 different incentive programs in the catalog, and nine (24%) of these programs are included under the Scorecard; and

WHEREAS, the Scorecard is an objective scoring process that facilitates the award of fee waivers and rebates for qualifying development projects and is designed for easy use through online access; and

WHEREAS, the Scorecard does not exempt developers from meeting existing development requirements or review processes, nor does it allow for development that is inconsistent with the City's Master Plan or is in conflict with an existing neighborhood plan; and

WHEREAS, currently, the following fees are to be waived/rebated or reduced through the Scorecard:

- License Fees for Use of Public Right-of-Way ("R-O-W");
- Fees associated with the Closure of Public R-O-W;
- Barricade Permit Fee (street and sidewalk closures);

- Temporary Street Closure Fee;
- Building Preliminary Plan Review Fee; and
- SAWS Water and Sewer Impact Fees for housing projects only; and

WHEREAS, a comprehensive review of the ISS has been conducted and additions and improvements have been identified by staff; and

WHEREAS, the ISS program helps promote targeted development in support of market-rate housing downtown, affordable housing across the City, infill housing, mixed-use projects within the CBD, development within Neighborhood Commercial Revitalization areas, and “Green Building” projects, and protection of the Edwards Aquifer; and

WHEREAS, the proposed improvements also reflect the City’s continued emphasis on development that promotes investment, creates jobs and increases the tax base in targeted areas of the community, **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. City Council approves and adopts Phase II of the City’s Incentive Scorecard System, a copy of which is attached hereto as Attachment I, and authorizes the administrative waiver or reduction of certain development fees for projects achieving specified scores from the attached Scorecard.

SECTION 2. City Council adopts improvements to the Project Scorecard, the Scoring System and the Priorities for Development Types for the Incentive Scorecard System, which includes:

- An increase in the annual San Antonio Water System (“SAWS”) allocation for Water and Sewer impact fee waivers/rebates from \$1 to \$2 million in FY 2007;
- A new City Public Service (“CPS”) Energy Line-Extension Rebate for affordable single-family housing projects;
- A new commercial and residential “Green Building” category;
- An increase in fee waivers for mixed-use, for-profit and public improvement projects within the Central Business District (“CBD”);
- The addition of Development Services fee waivers/rebates for infill affordable

projects, affordable housing projects, commercial or mixed-use developments within ¼ mile of NCR corridors, public improvement projects and mixed-use projects within the CBD.

SECTION 3. This ordinance shall be effective on the tenth (10th) day after passage.

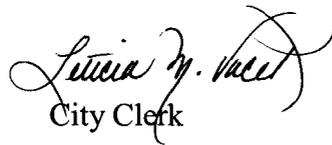
PASSED AND APPROVED this 15th day of June, 2006.



M A Y O R

PHIL HARDBERGER

ATTEST:



City Clerk

APPROVED AS TO FORM: _____



City Attorney

Agenda Voting Results

Name: 7.

Date: 06/15/06

Time: 03:21:13 PM

Vote Type: Multiple selection

Description: An Ordinance approving Phase II of the City's Incentive Scorecard System and authorizing administrative waiver or reduction of certain development fees for projects reaching specified scores from the scorecard; and adopting improvements to the Project Scorecard, the scoring system and priorities for development types. [Presented by Ramiro Cavazos, Director, Economic Development; Jelynn LeBlanc Burley, Deputy City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. MCNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8	Not present			
KEVIN A. WOLFF	DISTRICT 9	Not present			
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		

ATTACHMENT I

The purpose of the Project Scorecard is to develop a Total Project Score based on the proposed project's ability to meet the goals and priorities established by the San Antonio City Council and other desired development criteria that reflect best practices. The Project Score may qualify a project to receive specific incentives based on the criteria established for each respective incentive.

Development Type/Geographic Area (select only one, as applicable)	
A. Commercial/Industrial Development:	
Non-profit or For-profit Corporate Headquarters within CBD	50
Targeted Industry Developments located within the City's 10-year tax abatement areas	50
Office Development - Non-profit or For-profit Tenant Occupied within CBD	45
Construction or Renovation of Public Facility within CBD	45
Non-profit Construction or Renovation of a Community Service Facility	45
Non-profit or For-profit Corporate Headquarters inside Loop 410 or south of Highway 90	40
Office Development - Non-profit or for-profit Tenant Occupied inside Loop 410 or south of Highway 90	40
Targeted Industry Developments located within the City's 6-year tax abatement areas	40
Non-profit or For-profit Corporate Headquarters outside Loop 410 and north of Highway 90	35
Office Development- Non-profit or For-profit Tenant Occupied outside Loop 410 and north of Highway 90	30
Office Development - Speculative	15
Retail Development	10
B. Residential/Mixed-Use Development:	
Market Rate Housing within CBD	50
Affordable, Single-Family Housing outside Loop 410	50
Mixed-Use, Multi-Family Housing Projects city-wide	40
Market Rate Housing within CRAG but outside CBD	40
Mixed-Income, Multi-Family Housing outside Loop 410	40
Market Rate Housing south of Highway 90	40
Affordable, Multi-Family Housing outside Loop 410	35
Mixed-Income, Multi-Family Housing inside Loop 410 but outside CRAG	35
Mixed-Income, Single-Family Housing outside Loop 410	35
Affordable, Multi-Family Housing inside Loop 410 but outside CRAG	30
Mixed-Income, Multi-Family Housing inside CRAG	30
Mixed-Income, Single-Family Housing inside Loop 410 but outside CRAG	30
Affordable, Single-Family Housing inside Loop 410 but outside CRAG	30
Mixed-Income, Multi-Family Housing inside CRAG	30
Market Rate Housing inside Loop 410 but outside CRAG and north of Highway 90	25
Mixed-Income, Single-Family Housing inside CRAG	25
Affordable Housing within CRAG	25
Affordable Housing within CBD	20
Total Development Type/Geographic Area	50
Capital Investment (select only one, as applicable)	
Over \$50 Million	20
\$26-\$50 Million	15
\$11-\$25 Million	10
\$1-\$10 Million	5
Less than \$1 Million	1
Total Capital Investment	20

Quantity of Housing Units (select only one, as applicable)		
	Over 100 Housing Units	10
	11-100 Housing Units	7
	1-10 Housing Units	5
	Total Quantity of Housing Units	15
Quantity of Permanent Jobs Created with Living Wages (select only one, as applicable)		
	Over 501 FTEs	30
	250-500 FTEs	25
	101-250 FTEs	20
	26-100 FTEs	10
	5-25 FTEs	5
	Total Quantity of Permanent Jobs Created with Living Wages	30
Public Enhancement (select all applicable)		
	Infill Housing consistent with character of neighborhood design	30
	Restoration or Rehabilitation of a Historic Property	20
	Trail Blazer or Regional Draw Development	15
	New Development or Substantial Improvement that utilizes the following UDC Use Patterns or Special Districts: Conservation Subdivision, Commercial Retrofit, Traditional Neighborhood Development, Transit Oriented Development, Mixed Use District or Infill Development Zone.	15
	Restoration or Rehabilitation of a Heritage Property	15
	Adaptive Reuse of existing non-Historic, non-Heritage Property	10
	New Public Improvement contiguous to project site with an investment of \$1M or greater in the public right-of-way or a 99-year public easement.	20
	New Development or Substantial Improvement within a designated Reinvestment Zone (Federal Empowerment, State Enterprise, or Defense Economic Readjustment Zone)	10
	New Development or Substantial Improvement within a designated Neighborhood Conservation District or NCR Corridor Revitalization Project area	20
	New Development or Substantial Improvement within a designated Tax Increment Reinvestment Zone (TIRZ)	10
	Applicant is, or is partnered with, a Community Housing Development Organization (CHDO)	15
	Exceeds requirements under the City's Tree Preservation Ordinance (No. 85262)	5
	Commercial or Mixed-Use Development within 1/4 mile of an NCR Project area	20
	Affordable, Multi-family Senior Residential Development	10
	New Development or Substantial Improvement in which the boundary of the development is within 1,000 feet (about 2 blocks) of a transit station or VIA bus stop.	10
	Total Public Enhancement	
Commercial Projects Green Building Programs and Practices (select one)		
	LEED Certified Building - Silver and Above	30
	LEED Certified Building - Basic Certification	20
Residential Projects Green Building Programs and Practices (select one)		
	LEED for Homes - Any Certification	30
	Build San Antonio Green Certified	15
	Total Green Building	30
	TOTAL PROJECT SCORE	

City of San Antonio Catalog of Incentives

Incentive Title:

Reduction or Waiver of License Fees For Use of Public Right of Way

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

City Council has established fees for each non-pipeline use of Public Right of Way at the greater of five thousand dollars (\$5,000.00), or ten percent (10%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for surface rights, seven and one-half percent (7.5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for air rights or five percent (5%) per year of the average of Bexar County Appraisal District assessed values in the vicinity for sub-surface rights. Staff is authorized to negotiate the license fee for any pipeline in Public Right of Way. Applicant must submit a petition, including a non-refundable processing fee of \$500.00, for a license to use Public Right of Way and be recommended for approval by staff.

Eligibility Criteria:

Staff may recommend to City Council the reduction or waiver of the license fee if the petitioner requests to 1) use sub-surface space under a Public Right of Way for an existing basement or utility vault; 2) make improvements specifically beneficial to the public; or 3) preserve, protect, or enhance historically, culturally, architecturally, or archaeologically significant sites or structures, on a case by case basis.

The following incentives are authorized:

- 25% reduction in license fees for Project Scorecard score between 60 and 69.
- 50% reduction in license fees for Project Scorecard score between 70 and 79.
- 75% reduction in license fees for Project Scorecard score between 80 and 89.
- 100% waiver of license fees for Project Scorecard score of 90 or greater.

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives.

Contact Information:

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

City of San Antonio Catalog of Incentives

Incentive Title:

Reduction or Waiver of Consideration for Closure of Public Right of Way

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

City staff shall calculate a fee (“consideration”) for such closure and Petitioner(s) shall remit payment of the consideration for the closure based on an average of Bexar County Appraisal District assessed values of property in the vicinity of the proposed closure. The average of Bexar County Appraisal District assessed values will be reduced by twenty-five percent (25%) when the Public Right of Way sought to be closed cannot be used independently under Chapter 35 of the City Code of the City of San Antonio, Texas or utility easements are retained. Developer must submit a petition, including a non-refundable processing fee of \$500.00, to close, vacate and abandon Public Right of Way and be recommended for approval by staff.

Eligibility Criteria:

Staff may recommend to City Council the reduction or waiver of the consideration for closure if 1) any petitioner originally granted the subject Public Right of Way at no cost, e.g. by dedication through plat or other instrument, to the City; or 2) the calculated consideration for closure does not accurately reflect the value of the Public Right of Way proposed to be closed, vacated and abandoned, on a case by case basis.

The following incentives are authorized:

- Additional 25% reduction in consideration for Project Scorecard score between 60 and 69.
- Additional 50% reduction in consideration for Project Scorecard score between 70 and 79.
- Additional 75% reduction in consideration for Project Scorecard score between 80 and 89.
- 100% waiver of consideration for Project Scorecard score of 90 or greater.

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives.

Contact Information:

City of San Antonio, Department of Asset Management, Property Disposition Division, (210) 207-6971.

City of San Antonio Catalog of Incentives

Incentive Title:

Reduction of Barricade Permit Fee (R.O.W. Lane and Sidewalk Closure Fee)

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The City of San Antonio charges a fee for the temporary closure of a lane of traffic or a portion of a sidewalk that is in the Public Right of Way for the purposes of construction. The fees are as follows:

Application Fee	\$50.00 (per application & per renewal)
Inspection Fee	\$20.00 (one-time fee)
Per Square Foot Fee	\$0.0525
Technology and Development Fee	6% of total fee

Eligibility Criteria:

Application for Barricade Permit Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. ***All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.***

The following incentives are authorized for Non-Profit Organizations and For-Profit, Mixed-Use projects within the Central Business District (CBD):

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Per Square Foot Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Per Square Foot Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Per Square Foot Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for All other For-Profit Businesses/Corporations:

- 25% reduction of Per Square Foot Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Per Square Foot Fee for Project Scorecard score of 80 or greater.

The following incentives are authorized for Public Improvement Projects within the CBD:

- 100% waiver of Per Square Foot Fee for Project Scorecard score of 60 or greater (only on fees associated with the public improvement portion of the project).

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. **The waiver of fees is only valid for the period of time in the approved permit schedule. The developer will be subject to paying the appropriate fees for each day thereafter.**

Contact Information:

City of San Antonio, Department of Public Works, (210) 207-7755.

City of San Antonio Catalog of Incentives

Incentive Title:

Reduction or Waiver of Temporary Street Closure Fee

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The City of San Antonio charges a fee of \$75.00 per block, per day for Temporary Street Closure that would include barricading all lanes of traffic of a street. Such temporary closures are granted for events such as parades, block parties, fiestas, etc.

Eligibility Criteria:

Application for Temporary Street Closure Fee may be made through the City's Department of Public Works. The Police Department may require the presence of a peace officer during such closures. *All reductions or waivers will be subject to time restrictions determined and imposed by the Department of Public Works.*

The following incentives are authorized for Non-Profit Organizations and For-Profit, Mixed-Use projects within the Central Business District (CBD):

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 69.
- 50% reduction of Temp. Street Closure Fee for Project Scorecard score between 70 and 79.
- 75% reduction of Temp. Street Closure Fee for Project Scorecard score between 80 and 89.
- 100% waiver of Temp. Street Closure Fee for Project Scorecard score of 90 or greater.

The following incentives are authorized for All other For-Profit Businesses/Corporations:

- 25% reduction of Temp. Street Closure Fee for Project Scorecard score between 60 and 79.
- 50% reduction of Temp. Street Closure Foot Fee for Project Scorecard score of 80 or greater.

The following incentives are authorized for Public Improvement Projects within the CBD:

- 100% waiver of Temp Street Closure Fee for Project Scorecard score of 60 or greater (only on fees associated with the public improvement portion of the project).

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. **The waiver of fees is only valid for the period of time in the approved permit schedule. The developer will be subject to paying the appropriate fees for each day thereafter.**

Contact Information:

City of San Antonio, Department of Public Works, (210) 207-7755.

City of San Antonio Catalog of Incentives

Incentive Title:

Waiver of Plan Review and Building Permit Fees

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The Department of Development Services will waive 100% of the building plan review and building permit fees.

Eligibility Criteria:

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of:

- 60 points or greater for Public Improvement Projects within the CBD
- 70 points or greater for Infill Affordable Housing; Cap \$800.00 per eligible unit
- 70 points or greater for Affordable Housing; Cap \$800.00 per eligible unit
- 80 points or greater for Commercial or Mixed-use Development within ¼ mile of an NCR District; Cap \$15,000 per project
- 80 points or greater on for-profit, Mixed-use projects within the CBD

After Applicant's Incentive Agreement is approved, it is entitled to receive a 100% waiver of Building Plan Review and Building Permit fees. Application should submit its Commercial Building Permit Application or Residential Building Permit Application to the City's Development Services Department.

Contact Information:

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207-8204

Application for Plan Review by Appointment:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

www.sanantonio.gov/dsd

Assistance to determine if within ¼ mile of an NCR District:

City of San Antonio, Neighborhood Action Department, (210) 207-6979

City of San Antonio Catalog of Incentives

Incentive Title:

Waiver of Preliminary Plan Review Fees

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The Department of Development Services is available to meet with developers to provide a preliminary review of their proposed plans and provide insight on continuing design, possible inconsistencies, and make suggestions on methods to possibly streamline review and approval of plans. The established fee for such meetings is \$75.00 per hour for each plan reviewer required to attend the meeting.

Eligibility Criteria:

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of 60 or greater.

After Applicant's Incentive Agreement is approved, it is entitled to receive a 100% waiver of fees associated with its Application for Preliminary Plan Review. Applicant should submit its Application for Preliminary Plan Review to the City's Development Services Department. The City of San Antonio is offering 100% waiver of these fees in an effort to promote the efficient development of projects that qualify for incentives.

Contact Information:

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207- 8204

Application for Preliminary Plan Review:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

www.sanantonio.gov/dsd

City of San Antonio Catalog of Incentives

Incentive Title:

Waiver of Plan Review by Appointment Fees

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The Department of Development Services is available to meet with developers to review proposed plans by appointment to provide insight on plan review requirements and plan hold comments in order to expedite the review and approval of plans. The established fee for such meetings is \$75.00 per hour for each plan reviewer's time to review the plans on an expedited basis and to attend the meeting, plus a \$200 processing fee per appointment.

Eligibility Criteria:

To receive this incentive, the applicant must apply through the Incentive Scorecard System to receive a Project Score, which may qualify a project to receive this and other fee incentives. Applicant's project must show a score of 60 or greater. Scope of project must be one of the following:

Occupancy Type	Description
Assembly Group A-3	Assembly Occupancy Group A-3 includes buildings for worship, recreation, or amusement such as: amusement arcades, art galleries, auditoriums, bowling alleys, churches, community halls, courtrooms, dance halls, exhibition halls, funeral parlors, gymnasiums, indoor swimming pools, indoor tennis courts, lecture halls, libraries, museums, passenger waiting areas, and pool and billiard parlors
Business Group B	Business Group B occupancy includes, among others, the use of a building or structure, or a portion thereof, for office, professional or service-type transactions, including storage of records and accounts such as: airport traffic control towers, animal hospitals, kennels and pounds, banks, barber and beauty shops, car wash, civic administration, clinic (outpatient); dry cleaning and laundries (pick up and delivery stations and self service), educational occupancies above the 12 th grade; electronic data processing, fire and police stations, laboratories (testing and research); motor vehicle showrooms, post offices, print shops, professional services (architects, attorneys, dentists, physicians, engineers, etc.), radio and television stations and telephone exchanges.

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Education Group E	Education Group E occupancy includes, among others, the use of a building or structure, or a portion thereof, by six or more persons at any time for educational purposes through the 12 th grade. This occupancy group includes the education, supervision, or personal care services for more than five children older than 2 ½.
Mercantile Group M	Mercantile Group M occupancies includes, among others, buildings and structures or a portion thereof, for the display and sale of merchandise, and involves stocks of goods, wares or merchandise incidental to such purposes and accessible to the public such as: department stores, drug stores, markets, motor vehicle service stations, retail or wholesale stores, sales rooms.
Storage Group S	Storage group S occupancy includes among others, the use of a building or structure, or a portion thereof, for storage that is not classified as hazardous occupancy as defined in the International Building Coded.

After Applicant's Incentive Agreement is approved, it is entitled to receive 100% waiver of Plan Review by Appointment fees. The City of San Antonio is offering 100% waiver of these fees in an effort to promote the efficient development of projects that qualify for incentives.

Contact Information:

Development Incentive Application and Project Scorecard:

City of San Antonio, Economic Development Department (210) 207- 8204

Application for Plan Review by Appointment:

City of San Antonio, Development Services Department, (210) 207-8394

Additional information regarding the City of San Antonio's Development Process:

www.sanantonio.gov/dsd

City of San Antonio Catalog of Incentives

Incentive Title:

Rebate or Waiver of Water and Sewer Impact Fees

Incentive Type:

- Fee Incentive
- Financing Incentive
- Regulatory Reduction or Exemption
- Tax Incentive
- Workforce Development/Business Advocacy

Description:

The Water and Sewer Impact Fees are one-time fees imposed by the San Antonio Water System on new development to help recover capital costs associated with providing the infrastructure and other required improvements to provide service to that new development.

On May 29, 2003, the City Council passed Ordinance No. 97716, which approved the Development Incentive Toolkit (now named the Incentive Scorecard System) and provided for the City Manager or her designee to administratively approve the reduction or waiver of specific fees.

Accordingly, on June 24, 2004, City Council passed Ordinance No. 99383, which amended the City's Affordable Housing Incentive Program by approving revisions to the water and sewer impact fee waiver policy and revising Ordinance No. 81974 to reflect said changes.

Ordinance No. 99383 became effective July 4, 2004. The following are the details of the program:

- The geographic criteria for affordable housing includes the area within Loop 410, the area within Loop 1604 that is north of Highway 90, and the Southside Initiative area.
- The geographic criteria for market rate housing includes the area inside the Central Business District (CBD), the area within Loop 410 that is south of Highway 90, and the Southside Initiative area. For purposes of the Incentive Toolkit, the term, "market rate housing" shall mean housing units with a sales price above the affordable housing limit approved by City Council, currently \$110,000.
- Projects located over the Edwards Aquifer Recharge Zone, the Edwards Aquifer Contributing Zone and the Contributing Zone within the Transition Zone are not eligible for an impact fee waiver.

City of San Antonio Catalog of Incentives

- The maximum annual (fiscal year, October 1 – September 31) total program benefit shall be capped at \$1 million. The maximum benefit per project shall be capped at \$100,000. For purposes of the Incentive Toolkit, the term “project” shall mean a single platted development geographically and economically tied to a specific site, a subdivision, a multi-family apartment project, or a large mixed-use commercial and residential phased project.
- Incentives shall be limited to site-built residential construction (i.e. traditional permanent foundation residential construction). Modular homes and mobile home construction are not eligible for award of incentives. In mixed-use projects, waivers or rebates shall be limited to the portion of impact fee associated with the residential component of the project.

Except for for-profit, affordable projects currently under construction and previously eligible for a rebate of water and/or sewer impact fees under Ordinance No. 81974, no project for which payment has been made prior to the effective date of Ordinance No. 99383 to SAWS for water and/or sewer impact fees shall be eligible for rebates or additional waivers of water and/or sewer impact fees.

For an applicant to receive a waiver or rebate they must achieve the appropriate thresholds and be within the applicable geographic boundaries of the policy.

Applicants meeting the scoring and geographic criteria will enter into an Incentive Agreement with the City, through the Economic Development Department, that clearly delineates the City’s expectations of the applicant for the benefit received. Further, enforcement provisions will be included in the Agreement to ensure compliance on the part of the City and applicant; that the City will provide the waiver/rebate and the applicant will provide the promised housing.

Eligibility Criteria:

For a Market Rate Housing project to receive consideration it must meet the following criteria:

1. Applicant must complete the on-line Incentive Scorecard Application.
2. The point threshold for award is 60 points
3. If the application receives the applicable score for waiver the applicant is required to obtain a Confirmation of Cost Quotation from SAWS and present it to the Incentive Advisor for further consideration.
4. City Staff then drafts an Incentive Agreement, a binding contract, clearly delineating the expected performance of the applicant and the corresponding waiver incentive.
5. SAWS acts upon the Incentive Agreement and grants the waiver identified by City Staff.
6. Applicant receives the waiver from SAWS.

City of San Antonio Catalog of Incentives

For an Affordable Housing project to receive consideration it must meet the following criteria:

1. Applicant must complete the on-line Incentive Scorecard Application.
2. If the application receives the required 60-point score for rebate, the applicant is required to submit a copy of the HUD 202 Closing Statement, which specifies the affordable sales price of the home, along with a SAWS receipt for the amount of water and sewer impact fees paid.
3. Applicant must complete a *Verification of Income* form for each unit sold documenting that the income of the homebuyer meets allowable affordable income limits.
4. City Staff then drafts an Incentive Agreement, a binding contract, clearly delineating the expected performance of the applicant and the corresponding rebate incentive.
5. SAWS acts upon the Incentive Agreement and grants the rebate identified by City Staff.
6. Applicant receives the rebate from SAWS.

Contact Information:

City of San Antonio, Department of Economic Development, (210) 207-8204 or (210) 207-8080.

City of San Antonio Catalog of Incentives

4. Applicant then provides a copy of the executed Incentive Agreement to CPS Energy to receive the rebate on the subject property.
5. Applicant receives rebate from CPS Energy.

Contact Information:

City of San Antonio, Department of Economic Development, (210) 207-8204 or (210) 207-8080.

CITY OF SAN ANTONIO
ECONOMIC DEVELOPMENT DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM

TO: Sheryl Sculley, City Manager
FROM: Ramiro A. Cavazos, Director
SUBJECT: Incentive Scorecard System (ISS)
DATE: June 15, 2006

SUMMARY AND RECOMMENDATIONS

This ordinance approves Phase II of the City's Incentive Scorecard System (ISS) and authorizes administrative waiver or reduction of certain development fees for projects reaching qualifying scores under the ISS program. This ordinance also adopts improvements to the scoring system related to development priorities under Project Scorecard.

Staff recommends approval of this item.

BACKGROUND INFORMATION

In May 2003, City Council approved the ISS as a tool for providing certain pre-approved development incentives to promote development priorities within targeted areas of the community. The ISS is composed of three important components: a catalog of City incentives, Project Scorecard, and the incentive advisor staff position located within the Economic Development Department. There is a total of 38 different incentive programs in the catalog, and nine (24%) of these programs are included under the Project Scorecard.

Project Scorecard is as an objective scoring process that facilitates the award of certain incentives (fee waivers and rebates) for development projects. The Scorecard process is designed for easy use through online access. The process also minimizes subjectivity and negotiations between staff and developers seeking incentives for qualifying development projects. However, the Scorecard does not exempt developers from meeting existing development requirements or review processes, nor does it allow for development that is inconsistent with the City's Master Plan or permit development that is in conflict with an existing neighborhood plan.

Currently, the following fee waivers/rebates and reductions are available through Project Scorecard:

- License Fees for Use of Public Right-of-Way (R-O-W);
- Consideration for Closure of Public R-O-W;
- Barricade Permit Fee (street and sidewalk closures);
- Temporary Street Closure Fee;
- Building Preliminary Plan Review Fee; and
- SAWS Water and Sewer Impact Fees (housing only).

Staff has conducted a comprehensive review of the ISS and presented an update on the program at a B-Session on April 5, 2006. Based on Council feedback, staff is recommending continuance of the ISS program and the addition of some new programs with a few improvements to Project Scorecard. These recommendations include the following additions and improvements:

- An increase in the annual SAWS allocation for Water and Sewer impact fee waivers/rebates from \$1 to \$2 million in FY 2007;
- A new CPS Energy Line-Extension Rebate for affordable housing projects;
- A new commercial and residential “Green Building” category;
- An increase in fee waivers for mixed-use, for-profit and public improvement projects within the Central Business District (CBD); and
- The addition of Development Services fee waivers/rebates for infill affordable projects, affordable housing projects, commercial or mixed-use developments within ¼ mile of NCR corridors, public improvement projects and mixed-use projects within the CBD.

POLICY ANALYSIS

The ISS program helps promote targeted development in support of the following City Council priorities: market-rate housing downtown; affordable housing across the City; infill housing; mixed-use projects within the CBD; development within Neighborhood Commercial Revitalization areas; and “Green Building” projects. The proposed improvements also reflect the City’s continued emphasis on development that promotes investment, creates jobs and increases the tax base in targeted areas of the community and protects the Aquifer.

FISCAL IMPACT

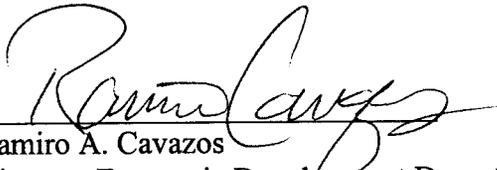
The fiscal investment by the City since inception of the ISS in 2004 is \$301,585. The total amount of SAWS Water and Sewer Impact Fee waivers and rebates is \$2,559,525. The following chart depicts a breakdown of the fiscal investment by department:

Fiscal Year	Asset Management	Public Works	Development Services	SAWS Water and Sewer Impact Fee Waivers/Rebates
2004	\$60,146	\$43,052	\$0	\$599,524
2005	\$149,887	\$7,864	\$525	\$1,000,000
2006 (to date)	\$38,727	\$559	\$ 825	\$1,000,000
Total	\$248,760	\$51,475	\$1,350	\$2,599,524

The addition of Development Services fee waivers and rebates will increase the fiscal investment to the City. The new CPS Energy line conversion fee rebates and the increase in the annual cap for SAWS Water and Sewer Impact Fee waivers/rebates will have no direct fiscal impact to the City's general fund.

COORDINATION

This item was coordinated with the City Manager's Office, City Attorney's Office, Asset Management, CPS Energy, Development Services, Housing and Community Development, Neighborhood Action, Planning, Public Utilities (Finance), and Public Works Departments and SAWS.

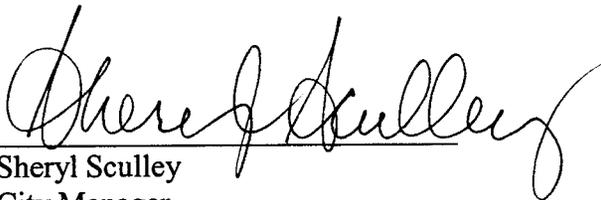


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Approved for Council Consideration:



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