

AN ORDINANCE

2013-02-21-0137

AMENDING THE SAWS FEE WAIVER PROGRAM AND GUIDELINES BY ADJUSTING THE ANNUAL ALLOCATION OF SAWS FUNDING FOR FEE WAIVERS; AUTHORIZING WAIVERS AT 1% OF THE TOTAL PROJECT INVESTMENT; AND ADDING AN EXCEPTION TO THE MARKET-RATE HOUSING EXCLUSION FOR HOMES ENROLLED IN THE HOUSING REHABILITATION LOAN PROGRAM; AND OTHER ANCILLARY ADMINISTRATIVE REVISIONS.

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WHEREAS, on February 11, 2010, the City Council approved City Ordinance 2010-02-11-0116, which adopted the SAWS Fee Waiver Guidelines (the "Guidelines"); and

WHEREAS, the Guidelines provide the criteria for the administration of sewer and impact fee waivers for defined developments; and

WHEREAS, the City seeks to amend the Guidelines by: (1) adjusting the annual allocation of SAWS funding for fee waivers; (2) authorizing waivers at 1% of the total project investment; (3) adding an exception to the market-rate housing exclusion for homes enrolled in the Housing Rehabilitation Loan Program; and making other ancillary administrative revisions; **NOW THEREFORE:**

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

SECTION 1. The City Council hereby approves an amendment to the SAWS Fee Waiver Guidelines in accordance with **Attachment I** and as follows:

- (a) An adjustment in the annual allocation from SAWS over an 8-year period beginning in Fiscal Year 2013 until Fiscal Year 2020 in accordance with Table 1 below.

TABLE 1

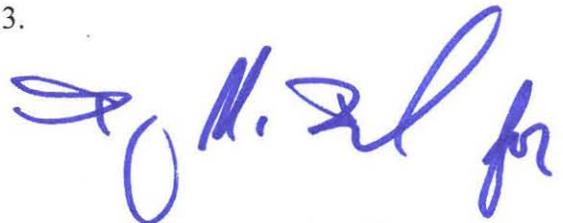
Fiscal Year	Current	Proposed
2013	\$2 million	\$4 million
2014	\$2 million	\$4 million
2015	\$2 million	\$2 million
2016	\$2 million	\$2 million
2017	\$2 million	\$1 million
2018	\$2 million	\$1 million
2019	\$2 million	\$1 million
2020	\$2 million	\$1 million
TOTAL: \$16 million		

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- (b) Replacing the award scale of \$100,000 per \$10 million of investment with a flat award of up to 1% of the total project investment.
- (c) Adding an exception to the market-rate housing exclusion for projects enrolled in the City's Housing Rehabilitation Loan Program.

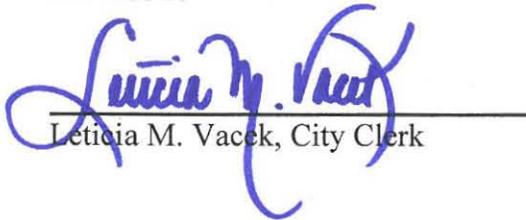
SECTION 2. This Ordinance shall become effective immediately upon its passage by eight (8) affirmative votes or ten (10) days after its passage on fewer than eight (8) affirmative votes.

PASSED AND APPROVED this 21st day of February, 2013.



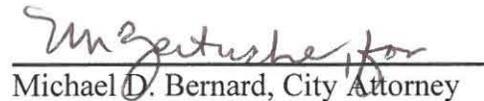
M A Y O R
Julián Castro

ATTEST:



Leticia M. Vacck, City Clerk

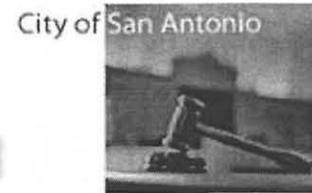
APPROVED AS TO FORM:



Michael D. Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 22

Name:	22						
Date:	02/21/2013						
Time:	11:10:12 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing amendments to the SAWS Fee Waiver Program and Guidelines. [Carlos Contreras, Assistant City Manager; Lori Houston, Director, Center City Development Office]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor	x					
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				x
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6	x					
Cris Medina	District 7	x					
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x			x	
Carlton Soules	District 10			x			

ATTACHMENT I

SAWS Impact Fee Waiver Guidelines

A. Policy Statement

It is the intent of the City and the San Antonio Water System (SAWS) to support policies that promote growth and development in targeted areas of the City, as described in the City's Inner City Reinvestment and Infill Policy (ICRIP) Target Area. The ICRIP specifically identifies areas targeted for reinvestment. It is the intent of the ICRIP to utilize SAWS incentives in combination with other City incentives within the target area in order to stimulate investment in creating walkable urban communities.

B. Program Goals

The award and distribution of SAWS impact fee waiver incentives will follow the general and specific goals outlined below.

- (1) Increase new development (housing and commercial) on vacant infill lots.
- (2) Increase redevelopment of underused buildings and sites.
- (3) Increase rehabilitation, upgrade, and adaptive reuse of existing buildings.
- (4) Increase business recruitment and expansion in the City's targeted industries.

C. Eligibility Criteria

1. The following projects are eligible under these Guidelines for a SAWS impact fee waiver equal to 1% of the total project investment. Eligible projects with a total investment of less than \$500,000 qualify for a minimum waiver of \$5,000:
 - a. All projects **within the target area**, other than those identified in Section 3 below. Maximum waiver amount of \$500,000.
 - b. Eligible projects located **outside the target area** that fall into one of the following categories. Maximum waiver amount of \$100,000:
 - i. The Project must be in a targeted industry, as defined in the City's Tax Abatement Guidelines, and must include a capital investment of at least \$50 million or create at least 500 new full-time jobs.
 - ii. A housing project that includes at least some affordable residential units that are occupied by a family whose household income does not exceed 80% of San Antonio's Area Median income, as adjusted for household size and as defined by the U.S. Department of Housing and Urban Development (HUD). For projects with less than 50% affordable residential units as defined here, the maximum waiver amount is proportional to the percentage of affordable units. For example, if a residential housing project, anywhere in the City, has a mix of 70 percent market rate and 30 percent affordable units, then the project would be eligible for a waiver of 30 percent of the SAWS impact fee, up to \$100,000.

- iii. A non-profit or public entity performing community service defined as an organization whose mission and goal is to provide community service to benefit or serve the community by offering services for the benefit of the public at no fee to its participants with the intent of improving society. Such services include: child care, education, health care, housing, mentoring, crime prevention, and public safety.
2. The following project types are not eligible for SAWS impact fee waiver incentives, either inside or outside the target area:
 - a. Projects over the Edwards Recharge or Contributing Zones.
 - b. Retail stores such as, check-cashing agencies, automotive part retailers, tire shops, non-bank financial retail outlets, nightclubs, bars, liquor stores, convenience stores, gun shops, pawnshops, gas stations, tattoo parlors, tanning salons, mobile food vendors and sexually oriented businesses.
 - c. Hotels and Motels.
 - d. Entertainment facilities, specifically theme park and destination resorts, as defined in the City's Unified Development Code.
 - e. Projects built by and funded with state or federal appropriations on federal or state land, including projects on military installations.
 - f. Sectarian or religious facilities.
 - g. Market-rate single-family or two-family dwellings are excluded, unless:
 - Project is enrolled in the City's Housing Rehabilitation Loan Program
 - Project costs are valued at fifty (50) percent or more of the latest BCAD improvement value; or
 - Project is reconstruction of structures destroyed or ruined by flooding, fire, windstorm or other natural disaster.
 3. Retail projects are generally not eligible for SAWS impact fee waivers; however, the following criteria may be used in evaluating requests for fee waivers for retail projects.
 - Retail projects must show some public benefit to the ICRIP target area such as a provider of goods or services currently not available, catalytic retail concept, blight elimination, etc.
 - Level of investment, project financing and analysis of the financial gap requiring public assistance
 - Fiscal and economic impact
 - Public improvements from the project
 - Consistency with existing master plans and/or neighborhood plans
 - Ability to improve shopping discontinuity, create critical mass of retail and retail market potential
 - Job creation
 - Alignment with policy goals as stated in Section B above.

- Geographic indicators within the ICRIP target area, such as HUB Zone, Empowerment Zone, Tax Increment Reinvestment Zone, Neighborhood Commercial Revitalization, Community Plan Areas, Texas Enterprise Zone, and HUD Neighborhood Stabilization Tracts.
- The close proximity of a retail project from one of the following educational institutions: UIW, OLLU, St. Mary's University, St. Phillip's College, UTSA-Downtown, Trinity, SAC, Palo Alto College, and the Westside Education and Training Center.

D. Administration & Additional Requirements:

- a. Applications will be received and processed through the City's Center City Development Office.
- b. The City and SAWS will jointly track the number of approved waivers to ensure the total amount of waivers approved in a given fiscal year does not exceed the allotted fiscal year budget for SAWS fee waivers.
- c. Applicants must certify the project investment for appropriate calculation of the waiver. Applicants may be required to provide proof of total project investment.
- d. Waiver requests over \$50,000 require a written fee estimate from SAWS prior to processing.
- e. All SAWS fee waivers of \$100,000 or more require City Council approval.
- f. Waivers are not retroactive for fees already paid. No reimbursements will be granted.
- g. Waivers for multifamily housing projects enrolled in the Center City Housing Incentive Policy (CCHIP) program are granted per the terms of the CCHIP policy, and may exceed 1% of the total project investment.