

CITY OF SAN ANTONIO OFFICE OF THE CITY COUNCIL COUNCIL CONSIDERATION REQUEST

TO: Mayor & City Council

FROM: City Councilman Greg Brockhouse

Sheryl Sculley, City Manager; Leticia Vacek, City Clerk; Andy Segovia, City

Attorney; John Peterek, Assistant to the City Manager; Christopher Callanen,

Assistant to the City Council

SUBJECT: Review of City Incentives for Residential and Commercial Projects

DATE: October 2, 2017

Issue Proposed for Consideration

I ask for your support for the inclusion of the following item on the agenda of the earliest available meeting of the Governance Committee:

The Decade of Downtown has flourished and reenergized development along the Broadway Corridor and parts of Downtown. The City of San Antonio needs a comprehensive review of all incentive programs for residential and commercial projects within the City of San Antonio to ensure an <u>equitable</u> distribution of funding, fee waivers and tax abatements across the entire City.

Brief Background

I respectfully request that the Mayor and City Council be provided with a comprehensive review of the current incentive plans to ensure they serve the goals of incentivizing and encouraging small, medium, and large sized business expansion and relocation across ALL of San Antonio. The programs for review are:

- Inner City Reinvestment and Infill Policy and Boundaries
- Center City Housing Incentive Policy
- San Antonio Housing Trust Policies
- Property Tax Abatement Policies
- Impact and Development Fee Structure and Waivers

This list is not exhaustive and should include any and all tools for residential and commercial incentive development plans.

A majority of these initiatives were created to catalyze certain areas and generate a positive market outcome. These initiatives have been successful supporting targeted areas, but with the advent of a City budget focused on Equity, the incentive programs require a thorough review to ensure they meet the goals of raising up and growing areas that are neglected or receive minimal commercial and residential incentivizing.

In addition to the location of targeted incentives, research must also be conducted to offer recommendations to broaden incentives, fee waivers, and tax abatements for small and medium sized business. As a City, small and medium sized businesses are the backbone of

our job creation potential. We need to determine how to remove barriers and incent small and medium sized businesses to grow with an equitable distribution of resources.

Potential outcomes of this review include, but are not limited to:

- Defining Equity in City wide commercial and residential incentive programs.
- Defining Equity for small, medium and large sized businesses in the City's incentive programs.
- Determine City wide fee waiver structures for small, medium and large sized businesses.
- Determine City wide SAWS and CPS Energy fee waiver structures for small, medium and large sized businesses.
- Recommend business participation requirements for small, medium and large sized businesses, such as wages and full-time positions necessary for incentivizing.
- Gauge the feasibility of implementing City wide incentivizing programs and finding the right blend between inner and outer core growth strategies.
- Determine "Sunset" policies for areas that have received an inequitable amount of funding. Sunset policies should include metrics and timelines for the reduction and elimination of incentives once an area has reached the desired growth environment.

Councilman Greg Brockhouse, District 6

Supporting Councilmember's Signatures (4 only) District No. 1. 2. 4.

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