



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 6.

Agenda Date: 2/15/2016

In Control: Neighborhoods and Livability Committee

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Municipal Setting Designation Program

SUMMARY:

A briefing on the proposed Municipal Setting Designation (MSD) Program which addresses existing shallow groundwater issues under redeveloping properties and request for committee approval of guidelines to serve as a framework for the MSD Program.

BACKGROUND INFORMATION:

Municipal Setting Designation (MSD) is a program created by the state in September 2003 which allows municipalities to have jurisdiction for a specific property that has known historical shallow groundwater contamination. The MSD designation certifies that designated groundwater at the property will not be used as potable water, and is prohibited from future use as potable water through deed restriction. This prohibition must be in the form of a city ordinance.

Properties that have been impacted by the historical shallow groundwater contamination could be many of the same properties the City has identified as brownfields. These sites include abandoned gas stations, dry cleaning facilities, junkyards, old car dealerships, factories, undocumented landfills, and other potentially contaminated properties.

Sites with potential groundwater issues, can remain abandoned and unmarketable, they increase inner city blight and perpetuate the perception that redevelopment is risky and expensive. These sites decrease property

values, hurt local economies, and can threaten community and human health and the environment. Groundwater is the most difficult issue to address because of the unknown costs.

ISSUE:

The Municipal Setting Designation (MSD) Program Guidelines establish a framework for developing properties to address existing shallow groundwater issues. The program is an opportunity for the City to work with the development community to promote redevelopment, while protecting human health and the environment.

This briefing provides a review of the proposed MSD Program Guidelines for the City of San Antonio. Approval of the guidelines does not grant an MSD to any specific property, rather, it simply sets up the program. State law requires an individual site specific ordinance which would come as projects are identified that meet the established guidelines.

The development of the MSD Program Guidelines has been coordinated with multiple city departments including: Economic Development, Center City Development & Operations, Planning, Development Services, Sustainability, Metro Health, Parks & Recreation, and City Attorney's Office.

Additionally, other stakeholders such as: SAWS, Edwards Aquifer Authority, Greater Edwards Aquifer Alliance, the Sierra Club, and the Citizen's Environmental Advisory Committee have provided valuable input on the MSD Program.

ALTERNATIVES:

The Committee could choose not to approve the MSD Program Guidelines and consider Municipal Setting Designations only on a case-by-case basis, however, this would make the program less transparent.

FISCAL IMPACT:

This is no impact to the City's budget at this time. The proposed MSD guidelines include a non-refundable application fee of \$2,000.00 and \$6,000.00 processing fee which would be paid by the developer/owner for the project.

RECOMMENDATION:

Staff recommends that the Neighborhood & Livability Committee approve the Municipal Setting Designation Program and Policy Guidelines to be brought before the full City Council for consideration of adoption.