



City of San Antonio

Agenda Memorandum

File Number:14-772

Agenda Item Number: 15.

Agenda Date: 4/3/2014

In Control: City Council A Session

SUBJECT:

Public Hearing Date for SAWS Impact Fees

SUMMARY:

The proposed ordinance establishes a public hearing date of May 8, 2014, to consider an update of the Land Use Assumptions Plan (LUAP), the Capital Improvements Plan (CIP), and updated impact fees for the service territory of the San Antonio Water System (SAWS).

BACKGROUND INFORMATION:

Chapter 395 of the Local Government Code establishes the requirements and the process that must be followed if a municipality is to assess and collect impact fees. One of the requirements is that the LUAP and CIP be updated every five years. The LUAP sets out a description of the service area and forecasts changes in land uses, densities, intensities, and population in the service area over the next 10 year period. Generally, the CIP describes the parts of the capital improvements or facility expansions and their costs necessitated by and attributed to new development in the service area based on the approved land use assumptions. The current LUAP, CIP, and impact fees for water delivery, water supply and wastewater were approved by City Council on May 19, 2011.

An impact fee is a one-time charge imposed on new development to help recover capital costs associated with infrastructure and facility expansions necessary to provide service to that new development. Impact fees provide SAWS with a mechanism to have new development pay its equitable portion of required capital costs with these infrastructure projects. The goal of impact fees is to protect ratepayers from subsidizing new growth.

SAWS began the current process to update all of its impact fees by engaging Red Oak Consulting, a professional engineering firm, to conduct a Capital Improvements Plan and an Impact Fee Study in February 2013. SAWS staff and Red Oak Consulting have been providing technical support to the City Council appointed Capital Improvements Advisory Committee (CIAC) since May 2013. The CIAC has held 17 meetings to review the updated LUAP, CIP, and impact fees. The CIAC will make its independent written recommendations to the City Council on the updated LUAP, CIP, and impact fees. Separately, the SAWS Board of Trustees is expected to approve a resolution adopting an updated LUAP, CIP and impact fees on April 1, 2014.

Chapter 395 requires the establishment of a public hearing to consider the LUAP, CIP, and impact fees. The proposed ordinance establishes May 8, 2014, as the public hearing date for LUAP, CIP, and impact fee consideration. Notice by publication of the hearing will take place in April 2014, in the San Antonio Express News. The Council will receive a

briefing on April 2, 2014, during the City Council “B” Session meeting.

ISSUE:

Chapter 395 of the Local Government Code establishes the requirements and the process that must be followed if a municipality is to assess and collect impact fees. Chapter 395 requires the establishment of a public hearing to consider the LUAP, CIP, and impact fees. The proposed ordinance establishes May 8, 2014, as the public hearing date for LUAP, CIP, and impact fee consideration.

ALTERNATIVES:

Another date could be selected for the public hearing to consider the LUAP, CIP, and impact fees; however, the May 8, 2014, date complies with the five year update requirement of Chapter 395.

FISCAL IMPACT:

The proposed ordinance establishes a date for a public hearing. As such, there is no fiscal impact to the City.

RECOMMENDATION:

Staff recommends approval of the proposed ordinance establishing May 8, 2014 as the public hearing date to consider the LUAP, CIP, and impact fees for the service territory of SAWS.