



# City of San Antonio

## Agenda Memorandum

**File Number:**19-7855

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**Agenda Item Number:** 17.

**Agenda Date:** 10/23/2019

**In Control:** Planning Commission

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**DEPARTMENT:** Development Services

**DEPARTMENT HEAD:** Michael Shannon, PE, CBO

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Discussion and possible action on the recommendations from the task force evaluating a City Council Consideration Request (CCR) to review City of San Antonio development regulations and their impact on construction and development costs.

**SUMMARY:**

A CCR was sponsored by Councilman Manny Pelaez on November 14, 2018, which asks staff to conduct a comprehensive review of the Unified Development Code (UDC) update process to determine the feasibility of requiring an economic impact analysis for each UDC amendment. Development Services assembled a diverse taskforce to review CCR and develop policy recommendations. The taskforce consisted of neighborhood representatives, industry representatives, fair housing experts, and economic development experts.

**BACKGROUND INFORMATION:**

The UDC establishes regulations and procedures for development in the City of San Antonio. Regulations related to several city departments are found in the UDC including Development Services, Planning, Transportation and Capital Improvements, Office of Historic Preservation, and Solid Waste. It is designed to provide clear rules about what is expected of applicants in order to gain approval to develop land while also streamlining the approval process and removing unnecessary delay and confusing or vague standards from the process.

The UDC is specifically intended to be updated over time in order to modify procedures and standards for workability and administrative efficiency, eliminate unnecessary development costs, and to update the procedures and standards to reflect changes in the law or the state of the art in land use planning and urban design. Section 35-111 of the UDC established the 5-year update process where proposals for updates are solicited from city staff, advocacy groups, and ordinary citizens. These amendment proposals are vetted by city staff, stakeholders, citizen and neighborhood leaders, the Planning Commission Technical Advisory Committee (PCTAC), various city boards and commissions, and ultimately the City Council. The last 5-year update cycle occurred in 2015 when over 260 amendments covering 670 pages of the UDC were updated.

Since 2015, eleven out-of-cycle amendments have occurred. Out-of-cycle amendments can occur at any time

and are usually initiated at the request of the City Council. In some cases, out-of-cycle amendments may be necessary due to changes in state law. Recent examples of out-of-cycle amendments include courtesy notices for certain development applications, updating of regulations pertaining to demolition of historic structures, revisions to the Military Lighting Overlay District, and the Short Term Rental ordinance. Out-of-cycle amendments are vetted through a diverse stakeholder group, the PCTAC, various city boards and commissions, and ultimately the City Council.

In a recent report, the Mayor's Housing Policy Taskforce identified the extent to which development regulations have the effect of increasing costs for construction. The CCR from Councilman Pelaez states that additional costs and pressures on current process from external groups directly impact the cost and affordability of new construction. As a result, DSD staff plans to convene a diverse stakeholder group which includes city staff from various city departments, citizens and neighborhood leaders, the development community, and the military to review the UDC amendment process - both the five year process and the out-of-cycle process - and to determine the feasibility and process of including economic impact analyses for proposed UDC amendments.

The PCTAC will hear and consider the Amendments on October 21, 2019. Due to Texas Open Meeting Act time constraints, the PCTAC Recommendation will be provided at the Planning Commission meeting.

### **ISSUE:**

The taskforce met three times between June and August, 2019. The taskforce reviewed current UDC amendment processes and best practices from other organizations, including the International Code Council's (ICC) Committee Action Hearings which evaluate proposed changes to the International Building Codes. ICC requires a cost impact statement to be provided with each proposed amendment. The taskforce recommended a similar process for UDC Amendments.

The taskforce recommended the following actions:

### **UDC Amendments**

- Add language in Section 35-111 requiring requests for UDC amendments made during and outside of the 5-year UDC update process to include a statement regarding cost impacts of the proposed amendments. The cost impact statement would be required to indicate whether the UDC amendment would:
  - Increase the cost of construction/development;
  - Decrease the cost of construction/development; or
  - Not impact the cost of construction/development
- The changes would also require the applicant to substantiate their statement with appropriate documentation
- Any UDC Amendment which did not contain the Cost Impact Statement with backup data would be considered incomplete
- The task force also recommended removing the July 1 date for revisions from Section 35-311(b) in order to reduce confusion over deadline dates.

### **Changes to the UDC Update Request Application**

- The task force recommended changes to the UDC Update Request Form to include a Cost Impact Statement in line with the proposed UDC changes

- The Cost Impact Statement narrative directs applicants to
  - Consider and indicate initial and long-term maintenance costs
  - Consider city costs such as personnel and enforcement costs
  - To quantify and rationalize current cost baselines and any cost projections associated with the request.

**ALTERNATIVES:**

PCTAC could recommend to make changes to the proposed Code Language or could recommend that no code change be made.

**FISCAL IMPACT:**

The proposed changes would not have any fiscal impact to the City beyond costs associated with Municode for Codification.

**RECOMMENDATION:**

Due to Texas Open Meeting Act time constraints, the PCTAC Recommendation will be provided at the Planning Commission meeting.

Staff recommends approval of the UDC Amendments as presented.