



City of San Antonio

Agenda Memorandum

File Number:20-6122

Agenda Item Number: 12.

Agenda Date: 11/12/2020

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Five-year Funding Commitment for SAWS Impact Fee Waivers

SUMMARY:

An Ordinance authorizing funding for SAWS impact fee waivers for a five-year period from fiscal year 2021 to fiscal year 2025, paid for through the SAWS annual budget.

BACKGROUND INFORMATION:

On February 11, 2010 the City adopted the San Antonio Water System (SAWS) Fee Waiver Guidelines, providing the criteria for the administration of sewer and water impact fee waivers for defined developments. These fee waivers were primarily administered through the City's Inner City Reinvestment/Infill Policy (ICRIP).

On May 29, 2014 the Council authorized funding for SAWS impact fee waivers in the amount of \$20 million to be allocated over a six-year period from fiscal year 2015 to fiscal year 2020.

On December 13, 2018, the City Council adopted the City of San Antonio Fee Waiver Program, thereby replacing the Inner City Reinvestment/Infill Policy (ICRIP) as the primary mechanism for awarding SAWS impact fee waivers. The City of San Antonio Fee Waiver Program prioritizes the issuance of City and SAWS fee waivers to projects meeting certain criteria, including affordable housing, historic rehabilitation, owner-occupied rehabilitation, small and legacy business development, and targeted industry development. The adopted Fee Waiver Program guidelines are attached.

ISSUE:

To further the goals of the City of San Antonio Fee Waiver Program, a Council reauthorization of funding is required to award SAWS impact fee waivers in FY 2021 and in future years. This request is for a total of \$15 million to be paid for through the SAWS annual budget, allocated over a five-year period from fiscal year 2021 to fiscal year 2025, outlined as follows:

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
\$3.0M	\$3.0M	\$3.0M	\$3.0M	\$3.0M	\$15.0M

A maximum of \$5 million in unclaimed impact fee waivers will carry forward into future fiscal years, as calculated annually based on the SAWS fiscal year. Adjustments to the carryforward amount and schedule will require mutual agreement between the City and SAWS. The allocation of SAWS fee waivers will commence on January 1, 2021 in alignment with the SAWS fiscal year.

Approval of this five-year fee waiver commitment is subject to approval of the SAWS annual budget. The SAWS Board of Trustees is scheduled to approve their fiscal year 2021 budget on December 8, 2020.

ALTERNATIVES:

The City Council may opt not to approve this Ordinance, which would hinder the City and SAWS' ability to support priority development projects citywide.

FISCAL IMPACT:

Impact fee waivers are issued by SAWS and have no impact to the General Fund. Funding availability is subject to the approval of the SAWS annual budget.

RECOMMENDATION:

Staff recommends approval of the Ordinance authorizing funding in the amount of \$15 million for SAWS impact fee waivers, allocated over a five-year period from fiscal year 2021 to fiscal year 2025.