



City of San Antonio

Agenda Memorandum

File Number:15-3088

Agenda Item Number: 14.

Agenda Date: 5/28/2015

In Control: City Council A Session

DEPARTMENT: Center City Development and Operations Department

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

Amendments to the Inner City Reinvestment and Infill Policy (ICRIP) Fee Waiver Program Guidelines

SUMMARY:

This Ordinance approves amendments to the ICRIP Fee Waiver Program Guidelines.

BACKGROUND INFORMATION:

The Inner City Reinvestment and Infill Policy (ICRIP) was adopted in 2010 as a component of the Strategic Plan for Community Development. The ICRIP establishes the inner city and other areas as priorities for reinvestment, and makes a range of City incentives available for eligible projects in these areas, including fee waivers.

Eligible projects under the policy can receive a waiver of City development fees and/or SAWS water and sewer impact fees. In FY2015, City Council appropriated \$1.5 million for City development fees waivers, and SAWS allocated \$3 million in fee waiver credits (assessed but non-collected impact fees).

To be eligible, projects must be in the ICRIP program area and NOT be an excluded project.

ISSUE:

In 2014, an audit of the fee waiver program was conducted and produced positive findings with a few

recommended improvements for clarity and efficiency. Most of those recommendations have been implemented into the business process of administering the fee waivers, but some require changes to the program guidelines which are the subject of this item.

As such, staff is proposing three substantive amendments to the program:

- 1) Consolidating the City Fee Waiver Program Guidelines and the SAWS Impact Fee Waiver Program Guidelines into one document;
- 2) Applying the boundary exceptions equally for both City and SAWS waivers; and,
- 3) Adding a zoning qualification to the eligibility standards and removing the retail exclusion.

Amendment #1: Consolidation

Currently, fee waiver incentives have been administered under the ICRIP policy with separate, but largely identical, guidelines for City fee waivers and SAWS fee waivers. This has led to some confusion for both the public and for other City staff in administering the incentives. With this action, the guidelines will be combined and streamlined to be more effective for auditing and administrative purposes, as well as to be more understandable for the general public.

Amendment #2: Boundary Exceptions

To be eligible, projects must be in the ICRIP program area; however, the current SAWS fee waiver guidelines include exceptions to allow waivers for certain projects outside the program area such as affordable housing projects, high-impact economic development projects, and community service projects.

Currently, the same exceptions do not apply to City fee waivers. This has caused some confusion for both the public and City staff. In order to provide clarity and consistency of purpose, staff is recommending to extend these same boundary exceptions to City fee waivers. In doing so, these exceptional projects outside the program area would be eligible for both City and SAWS fee waivers.

Amendment #3: Zoning Qualification and Retail Exclusion

Eligibility is currently based on two criteria: location and use. The project must be in the program area AND NOT be an excluded project. This includes projects such as nightclubs, pawn shops, gas stations, liquor stores, tire shops, sexually-oriented businesses, etc. Retail projects are also generally excluded unless staff determines, based on a number of different factors, that the project is exceptionally valuable to the neighborhood. This makes administration of the program difficult and highly subjective when it pertains to retail projects.

Therefore, staff is recommending a change to the program eligibility to remove the retail exclusion and, instead, rely on the area zoning to determine appropriateness. In effect, this transfers the eligibility determination on use from a City staff person to an area zoning plan that has been adopted with input by local neighborhoods. With this amendment, an eligible project will be one that is in the ICRIP program area, is NOT one of the excluded uses, and is appropriately-zoned for the intended use, regardless of whether or not it is retail.

For a full list of exclusions, see Attachment I - Proposed Guidelines as Amended.

ALTERNATIVES:

The City Council may elect to edit or deny the program guidelines, as amended.

FISCAL IMPACT:

This item has no fiscal impact.

RECOMMENDATION:

Staff recommends approval of the Amended ICRIP Fee Waiver Program Guidelines, as proposed. Approval of these amendments would improve the program's functionality and accountability and tailor it for the local needs of ICRIP area neighborhoods.