



# City of San Antonio

## Agenda Memorandum

**File Number:**  
**{{item.tracking\_number}}**

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**Agenda Item Number:** 3

**Agenda Date:** October 31, 2022

**In Control:** Planning and Community Development Committee

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Interim Director

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Tax Increment Financing Program Policy Update

**SUMMARY:**

Briefing and possible action on the Tax Increment Financing Program Policy Update

**BACKGROUND INFORMATION:**

Cities are authorized by Chapter 311 of the Texas Tax Code to use Tax Increment Financing as an economic development tool to spur development or redevelopment of blighted or underperforming areas that would otherwise remain stagnant. Tax Increment Financing incentivizes economic development by capturing the growth in taxes within a defined area (Tax Increment Reinvestment Zone) and is used to pay costs associated with projects and programs that meet the guidelines established in Chapter 311, stimulating further improvement within the zone and surrounding area.

The City of San Antonio's TIF policy was established in 1998 and updated on May 14, 2015 to help guide the use of TIRZ funding and to align with the City's primary revitalization programs and initiatives.

On May 9, 2022, Neighborhood and Housing Services briefed the Planning and Community Development Committee (PCDC) on the need to update the TIF Program Policy.

**ISSUE:**

Staff has briefed Council and various stakeholders based on the feedback received at the last PCDC meeting and has focused the policy update on these main areas:

- Simplify and streamline the existing policy and application
- Update to reference current City programs, plans, and policies
- Establish requirements for housing projects
- Establish process to identify priorities for each TIRZ to be used when evaluating projects
- Establish process on establishment and extensions of TIRZ as well as appointments to TIRZ Boards

NHSD staff has met with Council and their staff, community groups, single family home developers, affordable housing developers, legal representatives, as well as other City Departments to gather valuable feedback on the current TIF Program Policy.

Staff is returning to the Planning and Community Development Committee to provide updates and final recommendations on any changes to the policy before going to City Council for consideration of proposed recommendations.

**FISCAL IMPACT:**

There is no fiscal impact.

**ALTERNATIVES:**

This item is for briefing purposes.

**RECOMMENDATION:**

Staff recommends the Planning and Community Development Committee refers the TIF Policy Program update to the full City Council for consideration.