



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 2

Agenda Date: November 14, 2022

In Control: Planning and Community Development Committee

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. NHSD returned to PCDC on October 31, 2022 with a briefing on feedback received and next steps.

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 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.