

RESOLUTION NO. 2015-165R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS ESTABLISHING A FIVE YEAR REVIEW PERIOD TO EVALUATE THE EFFECTIVENESS OF FINANCIAL INCENTIVES PREVIOUSLY GRANTED TO STIMULATE RESIDENTIAL DEVELOPMENT IN SAN MARCOS AND DETERMINE IF THERE IS A NEED TO OFFER ADDITIONAL INCENTIVES INCLUDING PUBLIC IMPROVEMENT DISTRICTS, TAX INCREMENT REINVESTMENT ZONES, AND CHAPTER 380 ECONOMIC DEVELOPMENT GRANTS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. Various provisions of the Texas Local Government Code make available financial incentives for single-family and multi-family residential development, including Public Improvement Districts, Tax Increment Reinvestment Zones, Chapter 380 Economic Development Grants and similar financial incentives.

2. In recent years the City has approved or facilitated financial incentives for such residential projects as Blanco Vista, Highpointe/Trace, La Cima, Paso Robles and Whisper Texas.

3. Over 7,900 residential dwelling units are estimated to be constructed within these previously incentivized residential developments.

4. The City of San Marcos has been fastest growing city in the country for the past three years and is home to the fourth largest university in the state that continues to see increased enrollment.

5. While the City Council continues to welcome private sector investment in the development and construction of additional residential housing in San Marcos, the city's financial advisors have recommended that the city monitor the rate at which the market absorbs the already incentivized housing units, establish a baseline from which to evaluate the effectiveness of the approved incentives, and determine if any additional residential incentives are necessary to attract more residential development.

6. For these reasons, the City Council wishes to temporarily suspend its consideration of financial incentives for future residential development.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The Council hereby directs the city staff to not accept any applications for financial incentives for residential development, including Public Improvement Districts, Tax Increment Reinvestment Zones, Chapter 380 Economic Development Grants or similar financial

incentives for a period of five years from the date of this resolution or until otherwise directed.

PART 2. The restriction in Part 1 shall not apply to residential developments for which financial incentives have already been approved by the City Council.

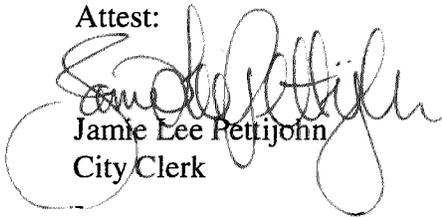
PART 3. This Resolution shall be in full force and effect from and after its passage.

ADOPTED on November 17, 2015.



Daniel Guerrero
Mayor

Attest:



Jamie Lee Pettijohn
City Clerk