



Legislation Details (With Text)

File #: ID#20-649 **Version:** 1 **Name:**

Type: Work Session Item **Status:** Individual Consideration

File created: 9/15/2020 **In control:** City Council

On agenda: 10/20/2020 **Final action:**

Title: Receive a Staff presentation, hold discussion, and receive direction from the City Council regarding potential Development Code and City Code amendments to address concerns with developers requesting Texas Pollutant Discharge Elimination System (TPDES) permits, also commonly known as package treatment plants, from the Texas Commission on Environmental Quality (TCEQ) in lieu of connecting to City of San Marcos utility infrastructure.

Sponsors: Amanda Hernandez

Indexes:

Code sections:

Attachments: 1. Staff Memo, 2. Presentation, 3. Map of Proposed Developments with TPDES Applications, 4. Development Comparison Table

Date	Ver.	Action By	Action	Result
10/20/2020	1	City Council		

AGENDA CAPTION:

Receive a Staff presentation, hold discussion, and receive direction from the City Council regarding potential Development Code and City Code amendments to address concerns with developers requesting Texas Pollutant Discharge Elimination System (TPDES) permits, also commonly known as package treatment plants, from the Texas Commission on Environmental Quality (TCEQ) in lieu of connecting to City of San Marcos utility infrastructure.

Meeting date: October 20, 2020

Department: Public Services / Planning & Development Services

Amount & Source of Funding

Funds Required: N/A

Account Number: N/A

Funds Available: N/A

Account Name: N/A

Fiscal Note:

Prior Council Action: N/A

City Council Strategic Initiative: [Please select from the dropdown menu below]

Choose an item.

Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

- ☐ Economic Development - Choose an item.
- ☒ Environment & Resource Protection - Public & Private Sector Partnership to Protect Water Quality & proper development in San Marcos and Blanco Rivers
- ☒ Land Use - Direct Growth, Compatible with Surrounding Uses
- ☐ Neighborhoods & Housing - Choose an item.
- ☐ Parks, Public Spaces & Facilities - Choose an item.
- ☐ Transportation - Choose an item.
- ☐ Core Services
- ☐ Not Applicable

Master Plan: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]

Choose an item.

Background Information:

Recently, a number of developers of property in the San Marcos extraterritorial jurisdiction (ETJ) have stated that they are seeking TCEQ approval of package wastewater treatment plants in lieu of connecting to City services to avoid compliance with the requirements of the City's Development Code. During its September 1, 2020 Executive Session, Council received legal advice from the City Attorney regarding the City's requirements for connection or extension of utilities to property located outside the city limits of San Marcos which entail annexation, zoning and the application of land development code requirements.

At this time, staff is providing a history of how we got to where we are today and is seeking direction from City Council on which amendments, if any, they would like staff to analyze and process to address concerns raised by developers with the current process and rules.

The attached memo provides details about TPDES applications in process, potential revenue loss, and Code sections developers indicate they are unable to comply with.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Staff seeks direction on the potential solutions to the concerns raised in the discussion above and provides the following decision points to the Council for consideration. Staff recommends a combination of the following, in the order provided:

- 1) Amend Chapter 86 of the City Code of Ordinances to make the annexation language more flexible, allowing the developer the potential to negotiate the timing of annexation through the OCU approval or Development Agreement process.
- 2) Amend Table 4.1 in the San Marcos Development Code to indicate conventional residential zoning districts such as SF-6 and SF-4.5 as “P” or preferred in areas of Low Intensity.
- 3) Restore the ability for developers to seek financial incentives, such as Public Improvement Districts (PID), as an incentive to negotiate development agreements or annex into the City. The current moratorium resolution for residential incentives expires in November, 2020 and will be discussed at an upcoming Council Work Session.

Should Council wish, consideration may be given to amending the San Marcos Development Code, either city-wide or only for ETJ developments to remove some standards which developers indicate as barriers to successful development