



TIRZ INCENTIVE POLICY

Updated 07/16/14



BACKGROUND

To encourage revitalization and infill development of properties which fall within the TIRZ (Tax Increment Reinvestment Zone) area, the City of San Angelo offers many unique incentives. The TIRZ is divided into two areas, TIRZ - North and TIRZ - South, as illustrated on page 5. Additional incentives may be available, on a case by case basis. Contact the Planning & Development Services Department for more information at (325) 657-4210.

The incentives are part of an overall strategy to leverage investment, lower the cost of doing business and incentivize property owners choosing to improve commercial / retail properties in the target area.

ELIGIBILITY AREAS

TIRZ - North Eligibility Area

The map on page 6 highlights the eligibility area for the TIRZ - North, within which the incentives outlined within this policy are available.

In addition to being located within the eligibility area, projects must be an existing or new building which houses, or will house, one or a combination of uses typical "retail" uses - such as those allowed in San Angelo's General Commercial (CG) zoning district. These include:

- Retail sales
- Restaurants
- Colleges and schools
- Day care for children or adults
- Bed & breakfast
- Business, professional, medical or financial offices
- Vehicle service performed while the customer waits
- Vehicle wash
- Small animal veterinary clinic
- Personal service-oriented business
- Entertainment-oriented business
- Repair-oriented business for household goods

The single exception is that Facade Grants may be awarded to any type of business. Specifically excluded from this incentive policy are churches and non-profit organizations or other tax exempt properties. Façade grants are granted to any business regardless of use.

Unless specifically exempted, all projects seeking incentives must meet current building standards, codes and permitting requirements as well as be current on all taxing obligations. All incentives are subject to funding availability, final approval by the City of San Angelo and, depending on the project, may be more than provided for herein.

TIRZ - South Eligibility Area

The map on page 7 highlights the eligibility area for the TIRZ - South, within which the incentives outlined within this policy are available.

In addition to being located within the eligibility area, projects must be an existing or new building which devotes, or will devote at least 50% of its floor area to one or more of the following uses:

- Residential Living
- Retail Sales
- Restaurant
- Entertainment

Generally speaking, buildings devoting 51% to 100% of floor space dedicated to office uses will only be eligible for financial incentives at half of the incentive maximum (for example, instead of a maximum \$7500 for Facade Grants, \$3750). However, office uses may be eligible for a full incentive, in the following circumstances:

- The proposed office use reserves street-facing, first floor storefronts for retail, restaurant or entertainment related uses;
- The proposed office use reserves one or more residential units in their proposed development (the residential unit cannot occupy the street-facing, first floor storefront).

Unless specifically exempted, all projects seeking incentives must meet current building standards, codes and permitting requirements as well as be current on all taxing obligations. Projects seeking incentives must apply for, if eligible, Historic Overlay Zoning (HOZ). Approval for HOZ is not required to receive incentives. All incentives are subject to funding availability, final approval by the City of San Angelo and, depending on the project, may be more than provided for herein. Fees for application of this designation will be waived.

INCENTIVE TYPES

Sales & Use Tax Rebate

This rebate is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. Designed to encourage new construction and major renovation of downtown properties, the City offers a 100% sales tax rebate on locally-purchased construction materials and equipment used to remodel, rehabilitate, reuse or construct a structure in downtown San Angelo. A minimum expenditure of \$25,000 is required.

Development Fee Reductions

This rebate is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. 80% of the following types of development fees for projects located within the TIRZ - North and TIRZ - South Eligibility Areas may be paid by the TIRZ through September 30, 2014. These fees include:

- Preliminary Plat, Final Plat, Amended Plat and Replat application fees;
- Abandonment of public right-of-way application fees;
- Application fees for release of easements;
- Dedication of a public right-of-way or easement;
- Special Use, Conditional Use or Zone Change application fees;
- Building Permit fees (up to \$5,000);
- Off-site sign demolition permit fees (removal of billboards); and,
- Permit fees for demolition of any non-historic building or structure.

This fee reduction will be in the form of a refund to the applicant. Applicant must pay the full fee amount at the time of application and then submit a request for reimbursement.

Water Tap Refund

This rebate is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. The City of San Angelo will pay up to 75% of costs associated with installation of a new water service tap onto a public water main if the proposed tap is for the purpose of installing a required fire sprinkler system. The maximum incentive is \$5,000. This fee reduction will be in the form of a refund to the applicant. Applicant must pay the full fee amount at the time of application and then submit a request for reimbursement.

Secondary Egress Grant

This grant is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. The TIRZ will provide a cash grant towards the installation of additional exits if required by fire or building codes.

Grant amounts are based on the following:

- No more than 50% of costs associated with creating additional fire exits;
- Maximum of \$5,000 per floor with a total incentive maximum of \$20,000 per building.

Asbestos Abatement Incentive

This incentive is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. The TIRZ will provide an incentive for no more than 50% of the total cost of the abatement, with a maximum incentive of \$15,000.

Sprinkler & Monitored Smoke Alarm System Incentive

This incentive is only available in the TIRZ - South Eligibility Area. The TIRZ pays no more than 50% of the total cost of the system, including installation costs, with a maximum of \$5,000. The system to be installed must be confirmed to be a requirement of the International Fire Code to occupy the building or significantly increase occupancy.

Paving Incentive

This incentive is only available in the TIRZ - North Eligibility Area. The TIRZ will pay no more than 50% of costs associated with approved paving projects including, but not limited to, parking lots, driveways, sidewalks and curbing. The maximum is \$7,500 per business. All paving projects shall be accompanied by landscaping in the public right-of-way, or other areas, as approved by City staff. The TIRZ will pay 75% of these landscaping costs, up to \$2,000, for this required landscaping. Other landscaping which is not required in association with this paving incentive is not covered by this incentive.

Outside Storage Screening Incentive

This incentive is only available in the TIRZ - North Eligibility Area. The TIRZ will provide an incentive of up to \$2,000 per business, at a rate of \$15.00 per linear foot for screening of outside storage areas either facing a public street or abutting a residential property.

New Sign Incentive

This incentive is only available in the TIRZ - North Eligibility Area. The TIRZ will provide an incentive of up to \$500.00 per business for new signs.

Landscape Incentive

This incentive is only available in the TIRZ - North Eligibility Area. The TIRZ will provide an incentive of 50% of the cost of approved projects which are visible from the public right-of-way. The TIRZ will pay 65% of the cost of approved projects which are located within or adjoin the public right-of-way. The maximum possible TIRZ incentive for landscaping projects is \$2,000 per business.

Facade Improvement Program

This incentive is available in both the TIRZ - North Eligibility Area and the TIRZ - South Eligibility Area. Designed to help property owners and/or tenants in the eligibility area improve the aesthetic appearance of their properties by restoring, rehabilitating, or enhancing them. The program is a 50%/50% (property owner/City) matching grant based on an assigned value of \$18 per square foot of street-facing façade (face of the building) area per building up to a limit of \$7,500.

Property Tax Rebate

This incentive is only available in the TIRZ - North Eligibility Area. A rebate of City property taxes on real property will be granted by the TIRZ when the value of proposed improvements increases the estimated value of the existing real property, based on the most recent appraisal figure, by at least 50%, in Year 1.

The rebate will be calculated as follows:

| YEAR | 1-3 | 4 | 5 | 6-10 |
|---------------|------|-----|-----|------|
| REBATE AMOUNT | 100% | 80% | 80% | 50% |

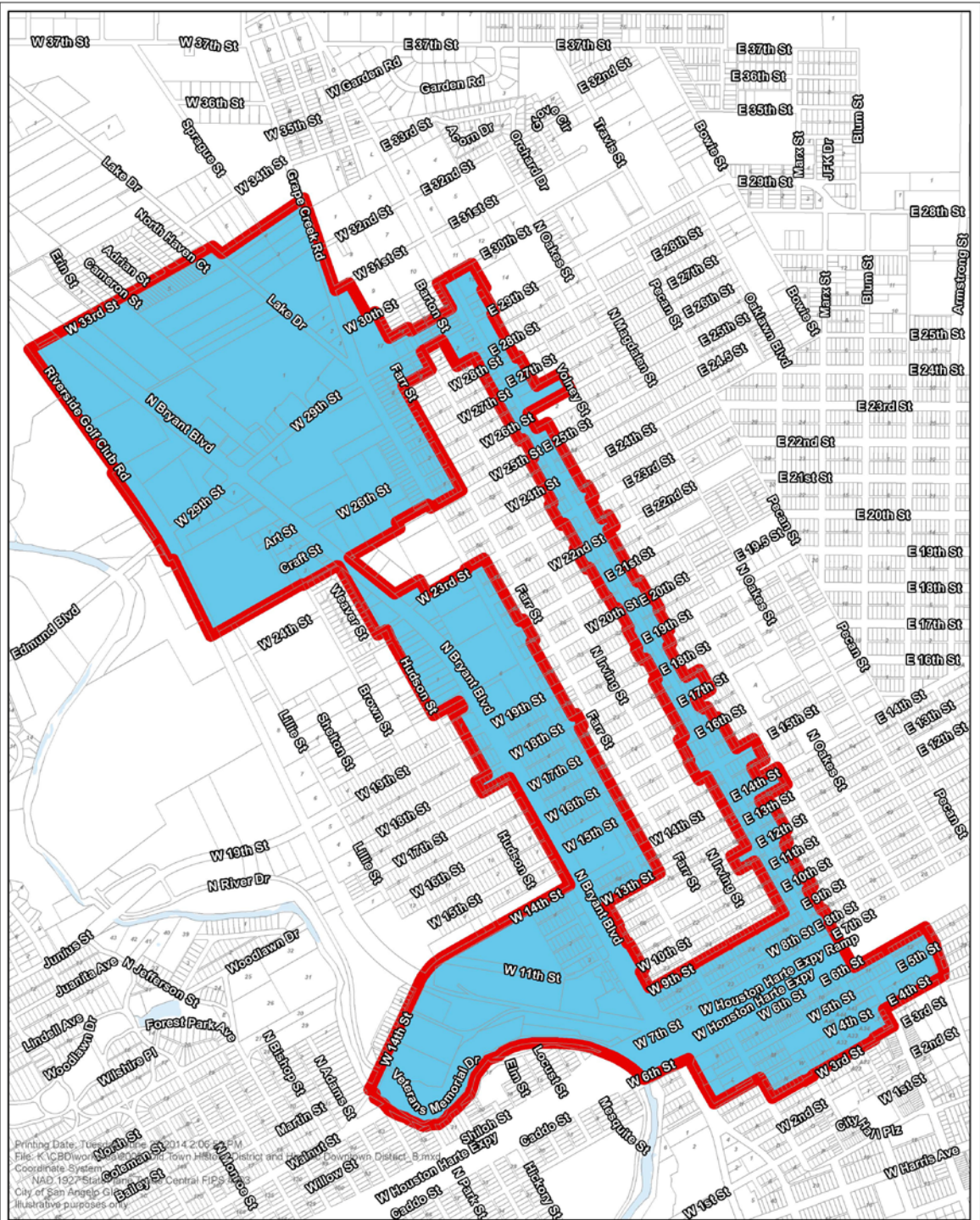
OTHER INCENTIVES AVAILABLE

This incentive policy does not preclude or serve as a guide for any incentives that may be granted by the San Angelo Development Corporation (SADC). For more information about incentives possible from this source, contact the Economic Development Department at (325)657-7197 or visit their offices at 69 N Chadbourne.

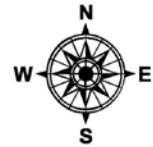
CODE BENEFITS FOR OLDER BUILDINGS

International Existing Building Code: The City of San Angelo has adopted the 2009 edition of the International Existing Building Code, a developer-friendly code that allows for improvements that consider the design limitations of older buildings to encourage adaptive reuse by allowing different levels of modification to existing structures.

Contact the Permits Division at (325)657-4210 for further information regarding questions about the International Existing Building Code.

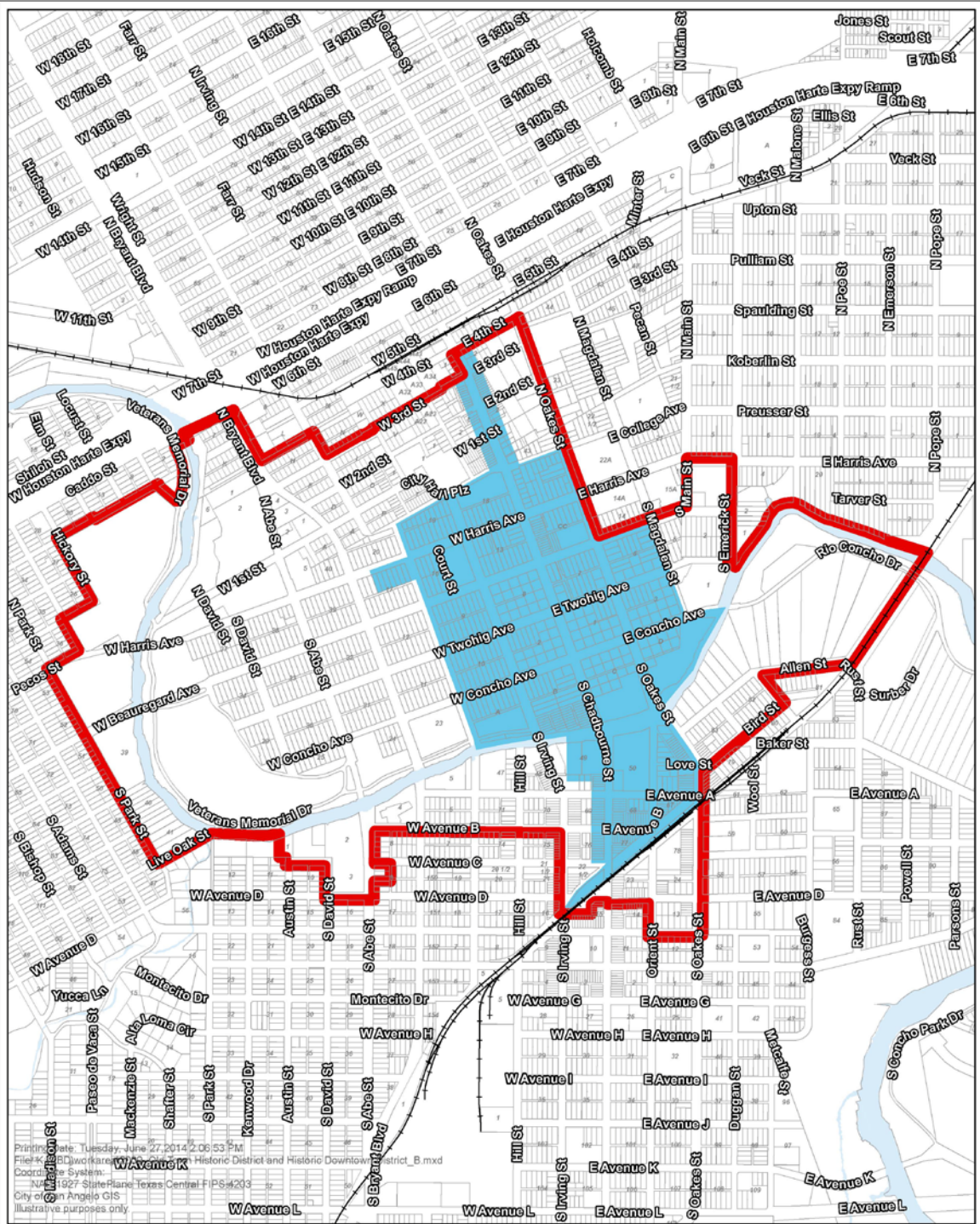


TIRZ - North Incentives Eligibility Area



- TIRZ - North
- Incentive Eligibility Area - North Adjusted

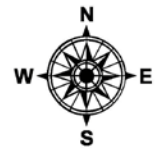
1 inch = 1,000 feet



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 Coordinate System:
 NAD 1983 StatePlane Texas Central FIPS 4203
 City of San Antonio GIS
 Illustrative purposes only



TIRZ - South Incentives Eligibility Area



- TIRZ - South
- Incentive Eligibility Area - South Adjusted

1 inch = 900 feet