



City of Austin

Recommendation for Action

File #: 25-1887, **Agenda Item #:** 6.

9/25/2025

Posting Language

Approve a resolution authorizing Austin Water to continue the GoPurple pilot incentive program and issue incentives on a pilot basis during Fiscal Year 2025-2026 for alternative onsite water reuse systems and reclaimed water connections for new commercial, mixed use, and multi-family developments in the total aggregate amount of \$4,000,000, not to exceed \$1,500,000 per project for affordable housing projects exempt from the GoPurple reuse requirements and not to exceed \$500,000 per project for all other projects. Funding in the amount of \$4,000,000 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Water.

Lead Department

Austin Water.

Fiscal Note

Funding in the amount of \$4,000,000 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Water.

Prior Council Action:

June 05, 2025 - City Council approved a resolution authorizing amendments to Austin Water's Fiscal Year 2024-2025 GoPurple pilot incentive program for alternative onsite water reuse systems and reclaimed water connections for new commercial, mixed use, and multi-family developments in the total aggregate amount of \$4,000,000, not to exceed \$1,500,000 per project for affordable housing projects exempt from the GoPurple reuse requirements and not to exceed \$500,000 per project for all other projects.

September 26, 2024 - City Council approved reauthorization of the Pilot Incentive Program for onsite water reuse systems and reclaimed water connections for Fiscal Year 2024-2025 up to a total aggregate amount of \$4,000,000 and not to exceed \$500,000 for each project on a 10-0 vote.

March 7, 2024 - City Council approved an ordinance amending City Code Chapter 25-9 (Water and Wastewater) relating to clarifying requirements for water conservation in the implementation of the Water Forward Plan, including distances for the Reclaimed Water Connection requirement, clarifying definitions, and modifying variances, including adding certain affordable housing exemptions for Reclaimed Water Connections and Onsite Water Reuse requirements.

March 7, 2024 - City Council voted to reauthorize the Pilot Incentive Program for onsite water reuse systems and reclaimed water connections for Fiscal Year 2024 up to a total aggregate amount of \$5,600,000 and not to exceed \$500,000 for each project on a 11-0 vote.

September 29, 2022 - City Council voted to reauthorize the Pilot Incentive Program for Onsite Water Reuse Systems for Fiscal Year 2023 for the installation of alternative Onsite Water Reuse Systems up to a total aggregate amount of \$1,000,000 and not to exceed \$500,000 for each project on a 10-1 vote.

September 30, 2021 - City Council voted to reauthorize the Pilot Incentive Program for Onsite Water Reuse Systems for Fiscal Year 2022 for the installation of alternative Onsite Water Reuse Systems up to a total aggregate amount of \$1,000,000 and not to exceed \$500,000 for each project on a 10-1 vote.

April 22, 2021 - City Council voted to initially approve the Pilot Incentive Program for Onsite Water Reuse Systems for Fiscal Year 2021 for the installation of alternative Onsite Water Reuse Systems up to a total aggregate amount of \$1,000,000 and not to exceed \$500,000 for each project on a 10-1 vote.

December 10, 2020 - City Council approved an ordinance establishing City Code Chapter 15-13 relating to treatment, monitoring and reporting regulations for Onsite Water Reuse Systems on a 10-0 vote.

February 13, 2020 - City Council voted to approve a Land Development Code revision directing Austin Water to establish a regulatory program and an incentive program for Onsite Water Reuse Systems on second reading on a 7-4 vote.

December 11, 2019 - City Council voted to approve a Land Development Code revision directing Austin Water to establish a regulatory program and an incentive program for Onsite Water Reuse Systems on first reading on a 7-4 vote.

November 29, 2018 - City Council approved the Water Forward Plan on a 10-0 vote.

For More Information:

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Council Committee, Boards and Commission Action:

September 16, 2025 - To be reviewed by the Resource Management Commission.

September 17, 2025 - To be reviewed by the Water and Wastewater Commission.

Additional Backup Information:

This action is for reauthorization of Austin Water's (AW) GoPurple pilot incentive program. The GoPurple pilot incentive program was reauthorized by Council on September 26, 2024, for Fiscal Year 2024-2025 and is reviewed annually to determine if continuation is warranted. Council authorized amendments to the GoPurple pilot incentive program in June 2025 to authorize incentives for affordable housing projects. The program was created to accelerate the expansion of Austin's centralized reclaimed water system and onsite water reuse. These are essential strategies in Austin's Water Forward plan to meet long-range needs for a secure and sustainable water future.

The GoPurple pilot incentive program has a program incentive cap of \$1,500,000 for affordable housing projects that are exempt from the GoPurple reuse requirements and a cap of \$500,000 for all other projects. Exempt development projects provide the City with 50 percent on-site affordable housing units that are income-restricted at 60 percent of the median family income for rental units or 80 percent of the median family income for ownership units. AW estimates these projects will require up to \$1,500,000 per project to fully subsidize water reuse systems.

The requested reauthorization will allow AW to continue to administer the pilot incentive program through Fiscal Year 2025-2026 for onsite water reuse systems and reclaimed water system connections without additional Council approval and to issue reservations of incentives to commercial, mixed use, and multi-family customers for the installation of alternative onsite water reuse systems and reclaimed water system connections up to a total aggregate amount of \$4,000,000, not to exceed \$1,500,000 per project for affordable housing projects exempt from the GoPurple reuse requirements and not to exceed \$500,000 per project for all other projects. The incentives will be paid out over multiple years if projects can meet program guidelines and deadlines for the design, construction, and operation of the onsite water reuse systems or connection to the

City's reclaimed water system.

AW staff will provide quarterly reports to the Water and Wastewater Commission and Resource Management Commission summarizing AW's water conservation, rebate, and other incentive programs, including incentives for the installation of alternative water reuse systems for large new commercial, mixed use, and multi-family development under this program. For all projects for which the incentive amount will exceed \$72,000, the reports will also include measures installed, expected savings, potable water offsets, and other relevant data.