



# City of Austin

## Recommendation for Action

File #: 24-5914, Agenda Item #: 31.

11/7/2024

### Posting Language

Approve a resolution requesting financial participation from the Texas Water Development Board, authorizing the City Manager to apply for low-interest loans in a total amount not to exceed \$25,000,000 from the Texas Water Development Board's Clean Water State Revolving Fund for the Upper Waller Creek - Guadalupe Street Flood Risk Reduction Project, and making certain findings related to this request.

### Lead Department

Watershed Protection Department.

### For More Information:

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### Additional Backup Information:

The Clean Water State Revolving Fund (CWSRF) is administered for the U.S. Environmental Protection Agency by the Texas Water Development Board (TWDB). The program provides low-cost financing to eligible applicants for a wide range of wastewater, stormwater, reuse, and other pollution control projects. The loan funds may be used for planning, acquisition, design, and construction.

The Watershed Protection Department (Department) submitted a Project Information Form (PIF) on February 26, 2024, for the Upper Waller Creek - Guadalupe Street Flood Risk Reduction Project (Guadalupe Street FRRP) for the State Fiscal Year 2025 CWSRF program. PIFs from across the State were scored, ranked, and included in the CWSRF Intended Use Plan (IUP) by TWDB. The Guadalupe Street FRRP was ranked first on the Project Priority List under Nonpoint Source Pollution and made the Initial Invited Projects List. TWDB formally adopted the IUP on September 12, 2024, and issued an official invitation to apply. The Department must submit a completed application within 60 days of that date. An application does not guarantee funding or commit the City to deliver the proposed project.

CWSRF offers below-market fixed interest rates with the possibility of up to 15 percent principal loan forgiveness for green infrastructure projects. The reduced interest rate will save costs compared to traditional general obligation bond financing for a loan term up to 30 years. CWSRF loans will be secured by City bonds based on the TWDB fixed lending rate reduction. A bond ordinance will be presented to Council for approval to authorize the issuance of bonds before the loan closing, which is anticipated to occur by the end of 2025.

The Guadalupe Street FRRP, an area bounded by Avenue D, West 33rd Street, Guadalupe Street, and West 47th Street, benefits portions of north central Austin. The existing storm drain system is outdated and undersized for the area, which has experienced significant structural flooding in recent years and was heavily impacted during the federally declared flood disaster in 2015.

The multi-phased project will upgrade over 20,000 linear feet of subsurface storm drainpipe, numerous storm drain outlets, and outfall structures. New underground and surface-level detention facilities will be constructed. In addition, the project will provide water quality treatment for flows to upper Waller Creek, which is on the

Texas 303(d) list, an inventory required by the Clean Water Act, as an impaired waterway.

Financial assistance through the CWSRF program will be used for Phase 1 of the proposed project. Current design plans include work to be performed in and improvements made to Adams-Hemphill Neighborhood Park, pending Chapter 26 proceedings.