RESOLUTION NO.

WHEREAS, on November 29, 2018, Council approved the adoption of Water Forward, Austin's integrated water resources plan; and

WHEREAS, on May 2, 2019, Council provided policy direction and guidance relating to a Land Development Code amendment to include regulatory requirements adopted as part of Water Forward, including alternative water ordinances; and

WHEREAS, Austin Water held a series of public stakeholder meetings in 2019 to develop the regulatory framework for alternative water ordinances in the Land Development Code amendment; and

WHEREAS, in December 2019 and February 2020, Council voted on first and second readings to approve the Land Development Code amendment with requirements for Austin Water to establish a regulatory program and an incentive program for onsite water reuse systems (OWRS) to achieve alternative water target goals adopted in the Water Forward plan; and

WHEREAS, Ordinance No. 20201210-006 established City Code Chapter 15-13 (*Regulation of Onsite Water Reuse Systems*) relating to treatment, monitoring, and reporting regulations for OWRS; and

WHEREAS, Ordinance No. 20210930-117 created Article 5 in City Code Chapter 25-9 to establish new requirements in the implementation of the Water Forward plan, including expansion of reclaimed water connection requirements, water benchmarking, and mandatory onsite water reuse for certain new developments; and

WHEREAS, Austin Water has determined that the proposed GoPurple Program, which includes pilot incentives for cost-sharing to connect to the City's

DRAFT

reclaimed water system and rebates for OWRS, is necessary for implementing the mandatory water reuse regulations in the Land Development Code for new multi-family, mixed use, and commercial developments that are 250,000 square feet or greater; and

WHEREAS, OWRS help develop local water supplies using technologies that are new and innovative to the water industry; and

WHEREAS, market penetration of OWRS technology for multi-family, mixed use, and commercial buildings is low; and

WHEREAS, Austin Water will use cost and other project data collected from the GoPurple Program to inform future updates to the Water Forward plan; and

WHEREAS, on April 22, 2021, in order to expedite the review and approval of incentives for systems, staff recommended and Council approved for Fiscal Year 2020-2021 a total of $1,000,000 for a pilot incentive program, with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on September 30, 2021, Council reauthorized for Fiscal Year 2021-2022 a total of $1,000,000 for a pilot incentive program, with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on September 29, 2022, Council reauthorized for Fiscal Year 2022-2023 a total of $1,000,000 for a pilot incentive program, with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on March 7, 2024, in order to continue expediting the review

DRAFT

and approval of incentives for OWRS and to incentivize reclaimed system connections, Council approved for Fiscal Year 2023-2024 a total of $5,600,000 for a pilot incentive GoPurple Program, with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on September 26, 2024, in order to continue incentives for OWRS and to incentivize reclaimed system connections, Council approved for Fiscal Year 2024-2025 a total of $4,000,000 for a pilot incentive GoPurple Program, with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on June 5, 2025, in order to continue incentives for OWRS and to incentivize reclaimed system connections, Council approved amendments for Austin Water's Fiscal Year 2024-2025 Go Purple pilot incentive program in a total of $4,000,000 for a pilot incentive GoPurple Program, with not more than $1,500,000 per project for affordable housing projects exempt from the GoPurple reuse requirements and not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, on September 25, 2025, in order to continue incentives for OWRS and to incentivize reclaimed system connections, Council approved for Fiscal Year 2025-2026 a total of $4,000,000 for a pilot incentive GoPurple Program, with not more than $1,500,000 per project for affordable housing projects exempt from the GoPurple reuse requirements and with not more than $500,000 available per individual project, without the need for additional Council approval; and

WHEREAS, Austin Water will report to applicable boards and commissions the incentives and details of approved projects; **NOW, THEREFORE,**

DRAFT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council makes the following findings that support the use of the pilot financial incentive GoPurple Program in the development of onsite water reuse systems and reclaimed water system connections:

1. Given the potential for more severe and frequent drought conditions in Central Texas as a result of the impacts of climate change, it is essential that new policies to conserve water continue to be developed to support the sustainable growth of the City.
2. Water conservation efforts, including incentives for OWRS and reclaimed water connections, help maximize limited resources as the City's population grows while ensuring supply for critical public health and safety needs, including adequate supplies for emergency firefighting, fire suppression, natural disaster, and other emergency management responses.
3. The reuse of alternative on-site water avoids or reduces the costs of new water supply and related infrastructure for the treatment, storage, and distribution of potable water that is charged to Austin Water customers.
4. The GoPurple Program for large, new commercial, mixed use, and multi-family developments will provide information on the cost, installation, operation, maintenance, and regulatory guidance for alternative OWRS needed for the successful implementation of the mandatory installation requirements.
5. The City: (i) accomplishes an important public purpose through use of a pilot financial incentive program to support the development of OWRS and reclaimed water system connections; (ii) retains public

DRAFT

control over the funds to ensure that the public purpose is accomplished and that the public's investment is protected through its oversight of the development and use of alternative OWRS supported by the GoPurple Program; and (iii) ensures that the City receives a return benefit through its oversight of the pilot incentive GoPurple Program.

BE IT FURTHER RESOLVED:

The City Council approves the continuance of the pilot incentive GoPurple Program in an amount not to exceed $4,000,000, with a reimbursement limit of $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, to implement the use of onsite water reuse systems and reclaimed water connections in multi-family, mixed use, and commercial development projects.

ADOPTED: _____, 2026 **ATTEST:** _____

Erika Brady
City Clerk

DRAFT