Choices for Growth
Quality of life and the natural environment

As our towns and cities grow, we have choices to make about our natural areas, our historic heritage, our mobility, our sense of community -- even our health and safety.

For most coastal communities it is not a question whether or not to grow, but how. As we spread out over the land, we spend more and more time in our cars, and less time with our families, friends, and neighbors. Research shows that this high-stress lifestyle is not only eroding our sense of community, but is also eroding the natural environment that sustains our lives.

The loss of natural areas degrades our quality of life and deprives us of free natural services we need to maintain the quality of water that runs off our land and into our bays and bayous.

The long tradition of human settlement tells us we can design and build towns and cities in ways that enhance our quality of life at the same time we preserve and enhance the health of the environment in which we live.

We need to think about the pattern of future growth if we are to preserve some of the things that are most important to us and to our children.

We have choices. To make wise ones, we have to look at the Big Picture and think through the consequences of our decisions. We have to put all our options on the table. Everyone must have the opportunity to help make the important decisions that will benefit the whole community.

We have to be fair to everyone -- people already living here, and the people who will move here; the developers and the taxpayers; the people on this side of town and the people on that side of town.

This is about the future, about improving our communities, our homes. Every decision we make is an opportunity to make them even better.
I growth, and control urban stormwater runoff. Building a quality place requires vision and planning.

**2 Choices for Growth**

Citizens have the power to develop a plan for their future, and everyone can benefit from planning.

There are three strategies for a healthy, quality environment: preserve open space, encourage compact development, and use best management practices to reduce stormwater runoff.

The big picture

There are three strategies for a healthy, quality environment: preserve open space, encourage compact development, and use best management practices to reduce stormwater runoff.

A full understanding of both urban and natural ecologies enables the integration of both city and country, without destroying the integrity of either. Sprawling development is inefficient and wasteful of community resources. As it occurs, it has a powerful negative effect on the surrounding ecosystem.

There is a threefold approach to quality of life solutions for growth that protect as much natural ecosystem as possible: preserve open space, encourage compact growth, and use best management practices that enable the soil to retain and absorb as much stormwater as possible.

Incorporating these strategies, techniques, and practices into local planning can increase community vitality by improving the balance of the social, economic, and environmental aspects of a community and its sense of place.

It is up to the citizens who live in each locality to decide how to grow. Above all, it requires thinking big, beyond the single project, beyond next year. It requires seeing how neighborhoods and business districts are linked, as well as how the center city and its surrounding environment are linked to other cities and towns, and how that might change over time.

Developers won’t abandon a town that has a vision and plan for its future. On the contrary, a quality plan attracts the best developers.

Cities in Texas have more power to determine their futures than they generally use. Counties, on the other hand, have much less power to affect development in most parts of the state, and this imbalance can make planning difficult in unincorporated areas. But counties can have enormous effect on development because of their road-planning and building role, and roads are usually the first incursion into natural areas. No municipal plan can succeed without a working partnership with the surrounding county.

In spite of the challenges, Texas citizens working together can determine the shape of the built environment in which they live.

The importance of imperviousness

The water quality of a bay or bayou is directly proportional to the amount of developed land in its watershed. The amount of imperviousness – or paved-over land – in a watershed is the best overall indicator of water quality in the receiving water body.

The amount of imperviousness increases the rate at which water reaches streams and rivers. An increase of 10 percent is a substantial increase in water quality.

In the natural environment, pervious soil absorbs water, filtering and cleaning it before restoring it to the water system. But pavement and other hard surfaces make developed land impervious to rainfall.

Water runs quickly off pavement, roofs, and other impervious surfaces, carrying harmful materials into our streams and rivers and then into our marshes and bays, where the food chain absorbs much of them. Runoff from developed land contains the fertilizers and pesticides we add to our landscapes, the oil that leaks from our cars, the heavy metals that fly off our brakes and tires, and all the other chemicals and materials that we use to build and maintain our communities and lifestyles.

The amount of imperviousness – or paved-over land – in a watershed is the best overall indicator of water quality in the receiving water body.

There are dangerous thresholds for imperviousness in a watershed. If as little as 10 percent is impervious, the draining river may no longer be fishable or swimmable. These numbers have profound implications for planning. The impervious cover model below suggests that, if we want to maintain and improve the water quality of our bays and bayous, we must do everything we can to preserve watersheds with relatively little imperviousness. Preservation of natural areas is the most important thing we can do in terms of water quality.

Development replaces natural land with impervious land, so the next important thing we can do is examine how we can manage expansion. Compact, efficient development provides a good solution for encouraging growth in town and urban centers rather than sprawling beyond the edges.

Finally, we must take advantage of every opportunity to introduce pervious surfaces into our developments, where appropriate.

This model is a summary of many separate studies. The data show that on a broad scale there are important thresholds in terms of imperviousness for stream quality (both water quality and aquatic life). Conditions may vary considerably for individual streams. Adapted from Center for Watershed Protection and NEMO materials.
Preserving natural areas

No other environmental management practice is as effective for maintaining and improving runoff water quality as preserving natural open areas.

Natural areas are areas that are undeveloped with few impervious surfaces such as concrete, asphalt, or rooftops. The best of these areas are places that are closest to their original natural state, and acting as "green infrastructure" for the benefit of all life.

Preserving large areas of undeveloped land is the least expensive and most important investment we can make for future water quality. If we develop land sooner or later we have to replace the natural functions we destroy, and at great financial cost.

Developing natural space often produces increased flooding, so we have to spend our budgets allow. But lack of a budget for the last step is to prioritize natural areas in terms of which should be preserved first. In general, the larger the tract and the more undisturbed it is, the more valuable it is in terms of green infrastructure. Lands that are adjacent to streams particularly have very high value because they act as a buffer to help cleanse stormwater runoff before it enters the waterway.

But many other variables enter into this process. Which lands, for example, are under the most threat? Perhaps some of the best open space will not soon be in the path of development, and therefore need not be targeted immediately for preservation. Cost is always a factor. A good natural area plan will thus involve both an inventory of undeveloped land in the community (including a rating in terms of the quality and functionality of each tract or fragment), and a rating in terms of ecological value, cost, and threat, and perhaps cultural value as well (some tracts may have particular historical or other significance).

Finally, there must be a plan for the actual acquisition or setting aside of the properties. A variety of tools too numerous to mention here are available. Land can be zoned or regulated out of development, but tools like these have political costs and are not pursued in some communities. If outright purchase is impossible, there are several legal instruments that can be used to protect natural areas. A simple conservation easement, for example, might allow owners to maintain use of their property but prohibit development. Such easements can be purchased for much less than the sale price of a property, and some landowners will donate the easements or provide them at less than market value. See the resources in the Appendix for a more detailed list of additional instruments.

Green infrastructure

Natural areas or ecosystems are much more than pretty places to look at. They provide us with essential goods and services. The most obvious example is the air we breathe, which is maintained by plant life. Natural areas also lessen flooding by storing water in the soil and in wetlands. These same features maintain the water quality of our natural waterways by the cleansing action of plants and by the unique processes that occur in wetlands. Natural areas also provide a home for wildlife (which may provide direct benefits for communities in terms of ecosystem services). Importantly, natural areas also provide us with an important "sense of place." We readily identify with unique natural areas, be it a special creek or bayou, or perhaps a particular patch of prairie or forest. These areas are just as much a part of the infrastructure of our communities as the built-out areas, and are part of the legacy that most citizens want to pass on to their children.

Native coastal prairies give us a sense of "place" and provide both beauty and natural services.

Native coastal prairies give us a sense of "place" and provide both beauty and natural services.
Compact development

To make wise decisions about what, where, and how to build next, we have to see different patterns of growth and realize we have choices for the future that use less land, but are more livable, safer, and convenient.

If the same urban growth pattern that we have seen since the end of World War II continues unabated, many large, valuable tracts of natural areas will be lost to development.

Traditional design features make cities much more livable and walkable, using far less land, and still allow the use of cars.

Many of these tracts should be preserved because of their unique natural resource or cultural values.

But the traditional patterns of growth that people all over the world have used for centuries are far more compact and convenient, and thus preserve water quality because they reduce imperviousness.

At first glance, the idea of compact growth and reducing impervious surfaces seems to be a contradiction. After all, dense compact growth has much more impervious surface on a per acre basis than a typical suburban development.

The critical issue is the scale at which we are measuring imperviousness. From the point of view of managing water quality in our bayous and buyways, the only scale that matters is the watershed scale, and at that scale it is better to concentrate imperviousness in smaller areas (compact growth) instead of spreading it out over a larger area (conventional suburban growth). Rather than breaking large natural areas into many small impervious places, compact growth gathers up the damage in concentrated areas. Compact growth simply creates less per capita imperviousness.

The current pattern of development has only been with us for the past 50 years or so. It is a pattern of development that is based on the existence of personal cars, a mobility that most people value highly.

This style of growth separates uses - homes from schools, jobs from stores, and so on. Every errand and need is accomplished by getting in a car to get access to the service or place. Often the distances are substantial, with a five-mile drive to a grocery store not uncommon at the suburban edges.

Enormous quantities of pavement are necessary to accommodate the cars, including driveways and parking spaces. Viewed from the air, it is very clear that the green space that survives is in small patches well scattered throughout the development. Disconnected from each other, these small green spaces are essentially useless for maintaining water quality, limiting flooding, or sustaining wildlife.

This style of development leads to ever-increasing consumption of natural areas, and thus ever-declining health of the watershed.

From a quality of life perspective, we are losing easy access to the prairies, rivers, and forests that sustain us, and when we get to them we often find them scarred and struggling.

Closer to home, the inability to walk for even the simplest errands, the lack of interaction with neighbors, increased air pollution from increased driving, and more time spent commuting than most of us want, are negative impacts on our quality of life, and we often feel helpless to do anything about it.

These negatives have inspired many urban planners to look back at how cities were designed before the car. The exciting result is that they have found a wealth of traditional design features that can make cities much more livable and walkable, while using far less land, and still allow the use of cars.

Densifying urban growth may be the best option to conserve natural areas. Although they are at extreme opposite ends of the density spectrum, Manhattan and the City of Houston are interesting studies. Each has 1.9 million people living in it. Yet Manhattan concentrates all those residents and millions of jobs in four percent of the land area that Houston occupies.

Density does not have to mean crowded. To be an attractive alternative, compact development must use good design. Well planned traditional development can actually be more livable than sprawl-out conventional subdivision development, as the number of people flocking to the growing number of compact towns and cities attests.

Three key elements of livable, compact growth:

- Walkable streets
- Human-scaled blocks
- Usable public spaces

From Calthorpe and Fulton, “The Regional City”

Smart growth

A way to restore community and economic vitality while preserving natural areas.

In recent years there has been a renaissance in urban design that focuses on the human scale. Several names are used, including smart growth, sensible growth, livable communities, and new urbanism. We use smart growth because it has the broadest base of practice in the US.

Smart growth means development that accommodates growth in economically viable, environmentally responsible, socially fair, and collaboratively determined ways.

Smart growth results in compact, efficient development that restores community and vitality to existing center cities and suburbs.

Smart growth development is town-centered; transit and pedestrian oriented; has a mix of housing, commercial, and retail uses; and preserves natural areas and other environmental amenities.

Smart growth impacts smaller areas. On a watershed scale, this provides a large return in terms of water quality and eco-services.

Urban Advantage

Historically, Texas cities and towns were compact, like this downtown in Bay City.

The critical issue is the scale at which we are measuring imperviousness.
Older shopping centers can be redeveloped into modern, popular places with more amenities.

**Keys to smart growth**

There are some key areas that require close attention if smart growth is the goal. Chief among them is that things need to be close together so people can walk to places and use their cars less. That means different kinds of businesses and uses, including schools and parks, have to be clustered together and close to homes. This kind of development is called “mixed use.”

Many existing neighborhoods in the Houston region could easily achieve average densities of 20-40 residential units per acre (at least 20,000 people/square mile). This kind of density can result in a high quality of life: access to a diversity of shopping and entertainment, a significant number of nearby jobs, good parks and schools with reduced dependence on private cars. It is the presence of large numbers of people that enables the evolution of shopping and other service facilities.

The reduction of need for cars is enhanced if there is dependable transit service. Transit-oriented developments offer the most diverse and stimulating urban lifestyles possible.

Smaller towns and cities do not usually want to become big cities. But the small town center enables walking to a variety of places and familiarity with your neighbors – the very things that smart growth accomplishes.

All these add up to efficient land use and high quality of life: neighbors and merchants know each other, security comes from having “eyes on the street,” and there is opportunity for creative interaction at a number of scales.

In the next pages, we'll look at these keys.
Improve Connectivity

A way to encourage non-motorized travel and reduce vehicle trip lengths is to improve street connectivity. Street connectivity refers to the efficient linkages between residential or local roads and arterial roads, and can apply to town centers or adjacent residential areas. A neighborhood with good connectivity provides a pedestrian with the shortest, most direct route from his or her home to nearby retail areas, schools, civic buildings, and other neighborhood destinations. The means to accomplish improved street connectivity include shorter blocks, more frequent intersections, and limiting cul-de-sacs. These measures also allow improved response time for emergency services and cost savings for solid waste collection, utility line repairs, and water distribution.

Removing local trips from surrounding arterial roads reduces congestion and minimizes the need for future roadway widening. Fewer trips means less air and water pollution. Where additional roadway connections are not feasible, bicycle and pedestrian connections can be developed. These can be particularly useful in providing access to schools, parks and retail areas. Traffic-calming devices are an affordable and effective component of improving connectivity and vehicle/pedestrian safety. Traffic-calming devices are self-enforcing physical measures intended to slow motor vehicle traffic in a particular street or network of streets. Some examples include speed bumps, sidewalk extensions, traffic circles, narrow streets, use of trees at edges, raised cross-walks, and medians.

Communities can use traffic-calming techniques to enable pedestrian and bike activity in a town center or around community facilities.

Parking

Requirements for excessive parking have probably done more to destroy the urban fabric of our downtowns than any other practice. Often more space is required for parking than the offices the parking lots serve, further disconnecting urban uses. And the provision of free or less-than-market-value parking on public streets is one of the single largest factors of downtown congestion. Up to 30% of downtown traffic may be engaged in trolling for a parking space.

The minimum parking spaces that planners often use as requirements for specific urban uses are frequently based on limited data. Most cities and planning authorities would do better to turn their minimum requirements into maximum allowed spaces. Removing requirements altogether for off-street parking and allowing the market to set parking prices would be one of the single most important steps a city or town could take to reclaim its downtown. Revenues generated from public parking could be returned to the neighborhoods for public improvements.

If structured parking is provided downtown, be sure the ground floor has provision for street-level retail with minimal setbacks from the street. On-street parking design can have a great impact on traffic calming and walkability. Angled parking protects pedestrians and slows traffic. (See Donald Shoup, “The High Cost of Free Parking,” Planners Press, 2004)

Civil Buildings

Civic buildings often form the heart of a community, and can include town halls, police and fire stations, courthouses, Post Office, and schools. Municipalities should guard existing structures if they help to form a center, and should resist moving them to suburban areas.

Schools

School location is a major determinant of how well development will occur. Local governments working with school districts can site schools to encourage infill development and more walkable communities. Parents driving kids to school are a major source of morning congestion. Making walking or bicycling a safe and viable way for kids to reach the school will produce congestion relief as well as health benefits. In many areas, schools also serve as community centers and present the opportunity to combine several types of buildings.

Keys to more accessible schools include:
- Locate the school to provide maximum access to pedestrians and bicyclists
- Plan the site to provide pedestrian access points that minimize crossing points with vehicles
- Use “traffic calming” to reduce vehicle speeds
- Provide adequate pedestrian facilities around the school
- Develop an overall circulation plan within the school attendance zone for pedestrians and bicycle access.

Planning departments and school districts can site schools to encourage infill development and more walkable communities.

Key components of high-use urban parks:
- Access and linkages: parks should be easy to get to, particularly on foot, and have unrestricted access on all sides.
- Comfort: People feel safe when other people are present.
- Uses and activities: parks and plazas help draw the community to the park and promote familiarity with it.
- Sociability: well-designed parks are community centers where people naturally gather.

(adapted from Projects for Public Spaces)

Tools to create neighborhood parks include:
- Park dedication in subdivision ordinance
- Public/private partnerships for land acquisition and maintenance.

Cluster Development

One method of achieving higher densities is known as cluster subdivision development. A cluster subdivision generally includes houses on smaller parcels of land, while the land that traditionally would have been included for a larger lot is converted to a common shared open space for the residents. Typically, read frontage, lot size, setbacks, and other subdivision regulations are redefined to permit the developer to preserve ecologically sensitive areas, historical sites, or other unique characteristics of the land being subdivided.

These developments are often called “conservation subdivisions,” and the houses in them usually fetch a higher price than conventional subdivisions without the natural open space. Many people will give up some lot space to have high quality natural space nearby.

Conservation developments provide environmental benefit in terms of an increase in pervious surfaces as compared with conventional subdivisions. But the benefit only occurs on the subdivision level, rather than at the watershed level. This can be an effective method for very large developments of at least several thousand acres, particularly if the open natural areas are kept in one piece. A collection of smaller conservation subdivisions might have the same total open space as the larger development, but the open areas would be highly fragmented and thus much less useful for maintenance of water quality or for habitat values.
Controlling stormwater runoff

Best management practices include preventing pollution and treating affected water

Prevention practices

WaterSmart landscaping

Landslides consume up to 50% of municipal water supplies in summer and are a major source of nutrient and pesticide contamination, often the major source. In their attempt to maintain lawns, homeowners may apply 10 times the amount of pesticide per acre that a farmer would. Much can be done to educate homeowners about this. More importantly, homeowners and professional groundkeepers can be encouraged to use native and noninvasive adapted plants that require few fertilizers and little or no pesticides. Most localities now have landscapers and landscape architects versed in environmentally friendly landscapes. Municipalities and other entities should show the way by converting their own public landscapes to a WaterSmart standard. See www.watersmart.cc.

Good housekeeping

Household hazardous waste collection days are among many BMPs in this area. Education on the proper use, storage, and management of hazardous materials at home and at work are essential to a good stormwater management program. It’s also useful to encourage homeowners and others to use alternative, nontoxic products. Information is available at: epa.gov/owow/tpm/urbanmm/mn10.pdf.

Construction site erosion control

Construction sites are notorious sources of sediments. By law, all construction sites over one acre must have a stormwater protection plan and erosion control practices in place. The most common practice is to place silt fences around the perimeter of the disturbed site. A better practice may be to use compost or a compost/mulch mix as a filter berm to contain sediments. One advantage of using compost is that clean up costs are virtually nil as the berm can be raked back into the soil.

Low Impact Development (LID)

The basic idea of Low Impact Development is to keep as much stormwater as possible onsite by using every tool to give stormwater a chance to infiltrate into the soil. Practices include onsite measures such as vegetated swales, rain gardens, green roofs, and porous pavement, and larger scale practices such as retention ponds.

These practices are most appropriate in suburban settings where there is sufficient space to implement them. Vegetated swales, for example, are not always appropriate in urban areas. A green roof, however, could find application in almost any setting.

Centralized stormwater runoff treatment

The classic engineering approach to stormwater management is through large centralized systems of channels and basins. These systems may work best for managing and treating runoff from dense urban zones.

Centralized systems need not be sterile concrete wastelands. Naturalized wetlands and ponds can be engineered into most detention basins so they become valuable amenities rather than eyesores. Most runoff collectors in denser urban zones are likely to be concrete lined, but accommodations can be made for naturalized greenbelts that can grace the urban core.

Suggested best management practices (BMPs)

<table>
<thead>
<tr>
<th>Natural Reserve</th>
<th>Natural preserve</th>
<th>Sub-urban</th>
<th>Neighborhood center</th>
<th>Urban center</th>
<th>Urban core</th>
</tr>
</thead>
<tbody>
<tr>
<td>WaterSmart landscaping</td>
<td>Good housekeeping</td>
<td>Porous pavement</td>
<td>Bioretention/ swales</td>
<td>Detention basins</td>
<td>Tree boxes, sand filters</td>
</tr>
</tbody>
</table>

Selected stormwater treatment practices categorized by appropriateness to the type of development. The graphic at the top shows what each of the development types looks like. The darkest boxes in the table below indicate the most appropriate location for the specific practice, with lighter colors indicating potential but less important applications in that context.
Resources

Zoning and other ordinances are two primary tools that communities can use to encourage increased density development. Overlay zones can protect important resources and sensitive areas. Typical objectives of overlay zoning include floodplain management, historic preservation, and provision of affordable housing. Overlay zoning ordinances apply in addition to the underlying zoning regulations, which regulate the type of uses permitted, such as residential or commercial, while the overlay zone imposes specific requirements within a defined area. Overlay zoning could be used in a town center to promote:

- Uniform “build-to” lines
- Street-front windows
- Shared parking
- Minimizing/eliminating curb cuts

Form-based codes are an emerging form of zoning that focuses on not land use or density, but on the actual form and placement of buildings, streets, and parking. Form-based codes are much simpler than the standard “Euclidian” codes and are much better at enabling development and permitting smaller networks of utilities and streets and the use of more economically building types and shared facilities.

- Permit combining and coordinating of land uses, building types, and building relationships within a development, that otherwise would not be provided.

Web Sites

The Trust for Public Land (tpl.org) has a wealth of resources including a four-volume series entitled “Local Greenprinting for Growth,” a step-by-step guide to defining a conservation vision for a community, obtaining the funds for conservation, and acquiring and managing conservation lands. The National NEMO Network has a useful “open space planning packet” full of fact sheets and step by step guides available at nemo.uconn.edu/publications/index.htmplanning.

Compact/smart growth
Information on smart growth can be found at a number of sources, including:
- Gulf Coast Institute www.gulfcoastinstitute.org
- Smart Growth America www.smartgrowthamerica.org
- Urban Advantage transformations urban-advantage.com

Low Impact Development
Information on low impact development can be found at several sources, including:
- Low Impact Development Center www.lowimpactdevelopment.org
- Texas NonPoint Source Book www.tnpsbook.org

Choices for Growth

A tax increment reinvestment zone (TIRZ) is a financing tool created under the Texas Tax Code, in Chapter 311. In a TIRZ, a zone’s base taxable value is established during the year the TIRZ is created – the “base year.” For a period of years, participating taxing units, such as cities and school districts, receive tax revenue only on the base year values. As property values rise, taxes on the remainder, the “incremental value,” flow back to the TIRZ to finance public improvements within its boundaries. TIRZs also have regulatory authorities to ensure development is supportive of the overall plan for the zone.

TIRZ/PID Combination
This combination can be effective in increasing development and redevelopment potential and financing opportunities. It can be an effective way to finance comprehensive improvements on a district-wide basis, while focusing strategic investments in a particular area.

Enterprise Zones
Enterprise zones are economic development tools that municipalities and counties, in partnership with the State, can use when packaging local and state tax and regulatory benefits to offer new or expanding businesses in economically distressed areas. Any community with a poverty rate of at least 20% is automatically an enterprise zone in Texas. A business outside an enterprise zone may be nominated to participate as an enterprise project.

Cities, counties, and other taxing units may offer incentives such as tax abatement, tax increment financing, sales tax refunds, utility redevelopments, and regulatory incentives to businesses within an enterprise zone. Businesses may be nominated as enterprise projects, which allows them to obtain state sales, use tax, and franchise tax benefits for five years.

Planned Unit Development
Big sales tax
The “4B” sales tax allows cities to use local tax revenues for quality of life improvements to attract and retain employers. This tax, which must be established by a local ballot initiative, may be used, among other things, to fund:

- Tourism, entertainment, and recreation facilities
- Related store, restaurant, concession, parking, and transportation facilities
- Related street, water, and sewer facilities
- Land acquisition for infrastructure improvements
- Affordable housing

This program is among the most successful revitalization programs in the nation, having assisted more than 130 Texas cities. While it is primarily a self-help program, selected communities are eligible to receive a range of services as well as grants.

- Public parking construction/improvements
- Construction required to eliminate archaic building codes
- Lower development and building costs by permitting smaller networks of utilities and streets
- Sidewalk construction/improvements
- Construction required to eliminate architectural barriers for the handicapped.

Web Sites

The Trust for Public Land (tpl.org) has a wealth of resources including a four-volume series entitled “Local Greenprinting for Growth,” a step-by-step guide to defining a conservation vision for a community, obtaining the funds for conservation, and acquiring and managing conservation lands. The National NEMO Network has a useful “open space planning packet” full of fact sheets and step by step guides available at nemo.uconn.edu/publications/index.htmplanning.

Compact/smart growth
Information on smart growth can be found at a number of sources, including:
- Gulf Coast Institute www.gulfcoastinstitute.org
- Smart Growth America www.smartgrowthamerica.org
- Urban Advantage transformations urban-advantage.com

Low Impact Development
Information on low impact development can be found at several sources, including:
- Low Impact Development Center www.lowimpactdevelopment.org
- Texas NonPoint Source Book www.tnpsbook.org

Choices for Growth

A tax increment reinvestment zone (TIRZ) is a financing tool created under the Texas Tax Code, in Chapter 311. In a TIRZ, a zone’s base taxable value is established during the year the TIRZ is created – the “base year.” For a period of years, participating taxing units, such as cities and school districts, receive tax revenue only on the base year values. As property values rise, taxes on the remainder, the “incremental value,” flow back to the TIRZ to finance public improvements within its boundaries. TIRZs also have regulatory authorities to ensure development is supportive of the overall plan for the zone.

TIRZ/PID Combination
This combination can be effective in increasing development and redevelopment potential and financing opportunities. It can be an effective way to finance comprehensive improvements on a district-wide basis, while focusing strategic investments in a particular area.

Enterprise Zones
Enterprise zones are economic development tools that municipalities and counties, in partnership with the State, can use when packaging local and state tax and regulatory benefits to offer new or expanding businesses in economically distressed areas. Any community with a poverty rate of at least 20% is automatically an enterprise zone in Texas. A business outside an enterprise zone may be nominated to participate as an enterprise project.

Cities, counties, and other taxing units may offer incentives such as tax abatement, tax increment financing, sales tax refunds, utility redevelopments, and regulatory incentives to businesses within an enterprise zone. Businesses may be nominated as enterprise projects, which allows them to obtain state sales, use tax, and franchise tax benefits for five years.

Planned Unit Development
Big sales tax
The “4B” sales tax allows cities to use local tax revenues for quality of life improvements to attract and retain employers. This tax, which must be established by a local ballot initiative, may be used, among other things, to fund:

- Tourism, entertainment, and recreation facilities
- Related store, restaurant, concession, parking, and transportation facilities
- Related street, water, and sewer facilities
- Land acquisition for infrastructure improvements
- Affordable housing

This program is among the most successful revitalization programs in the nation, having assisted more than 130 Texas cities. While it is primarily a self-help program, selected communities are eligible to receive a range of services as well as grants.

- Public parking construction/improvements
- Construction required to eliminate archaic building codes
- Lower development and building costs by permitting smaller networks of utilities and streets
- Sidewalk construction/improvements
- Construction required to eliminate architectural barriers for the handicapped.

Web Sites

The Trust for Public Land (tpl.org) has a wealth of resources including a four-volume series entitled “Local Greenprinting for Growth,” a step-by-step guide to defining a conservation vision for a community, obtaining the funds for conservation, and acquiring and managing conservation lands. The National NEMO Network has a useful “open space planning packet” full of fact sheets and step by step guides available at nemo.uconn.edu/publications/index.htmplanning.

Compact/smart growth
Information on smart growth can be found at a number of sources, including:
- Gulf Coast Institute www.gulfcoastinstitute.org
- Smart Growth America www.smartgrowthamerica.org
- Urban Advantage transformations urban-advantage.com

Low Impact Development
Information on low impact development can be found at several sources, including:
- Low Impact Development Center www.lowimpactdevelopment.org
- Texas NonPoint Source Book www.tnpsbook.org

Choices for Growth

A tax increment reinvestment zone (TIRZ) is a financing tool created under the Texas Tax Code, in Chapter 311. In a TIRZ, a zone’s base taxable value is established during the year the TIRZ is created – the “base year.” For a period of years, participating taxing units, such as cities and school districts, receive tax revenue only on the base year values. As property values rise, taxes on the remainder, the “incremental value,” flow back to the TIRZ to finance public improvements within its boundaries. TIRZs also have regulatory authorities to ensure development is supportive of the overall plan for the zone.

TIRZ/PID Combination
This combination can be effective in increasing development and redevelopment potential and financing opportunities. It can be an effective way to finance comprehensive improvements on a district-wide basis, while focusing strategic investments in a particular area.

Enterprise Zones
Enterprise zones are economic development tools that municipalities and counties, in partnership with the State, can use when packaging local and state tax and regulatory benefits to offer new or expanding businesses in economically distressed areas. Any community with a poverty rate of at least 20% is automatically an enterprise zone in Texas. A business outside an enterprise zone may be nominated to participate as an enterprise project.

Cities, counties, and other taxing units may offer incentives such as tax abatement, tax increment financing, sales tax refunds, utility redevelopments, and regulatory incentives to businesses within an enterprise zone. Businesses may be nominated as enterprise projects, which allows them to obtain state sales, use tax, and franchise tax benefits for five years.

Planned Unit Development
Big sales tax
The “4B” sales tax allows cities to use local tax revenues for quality of life improvements to attract and retain employers. This tax, which must be established by a local ballot initiative, may be used, among other things, to fund:

- Tourism, entertainment, and recreation facilities
- Related store, restaurant, concession, parking, and transportation facilities
- Related street, water, and sewer facilities
- Land acquisition for infrastructure improvements
- Affordable housing

This program is among the most successful revitalization programs in the nation, having assisted more than 130 Texas cities. While it is primarily a self-help program, selected communities are eligible to receive a range of services as well as grants.

- Public parking construction/improvements
- Construction required to eliminate archaic building codes
- Lower development and building costs by permitting smaller networks of utilities and streets
- Sidewalk construction/improvements
- Construction required to eliminate architectural barriers for the handicapped.
What do we want for our future?

This
- Walkable neighborhoods, towns, and cities where we know our neighbors?
- Access to beautiful natural areas?
- Fishable and swimable bays and bayous?
- Clean air and water?

Or this
- More air pollution?
- More time spent in our car and less with family and neighbors?
- Degraded water bodies and natural areas?

We have choices.

A collaborative publication

Urban Advantage