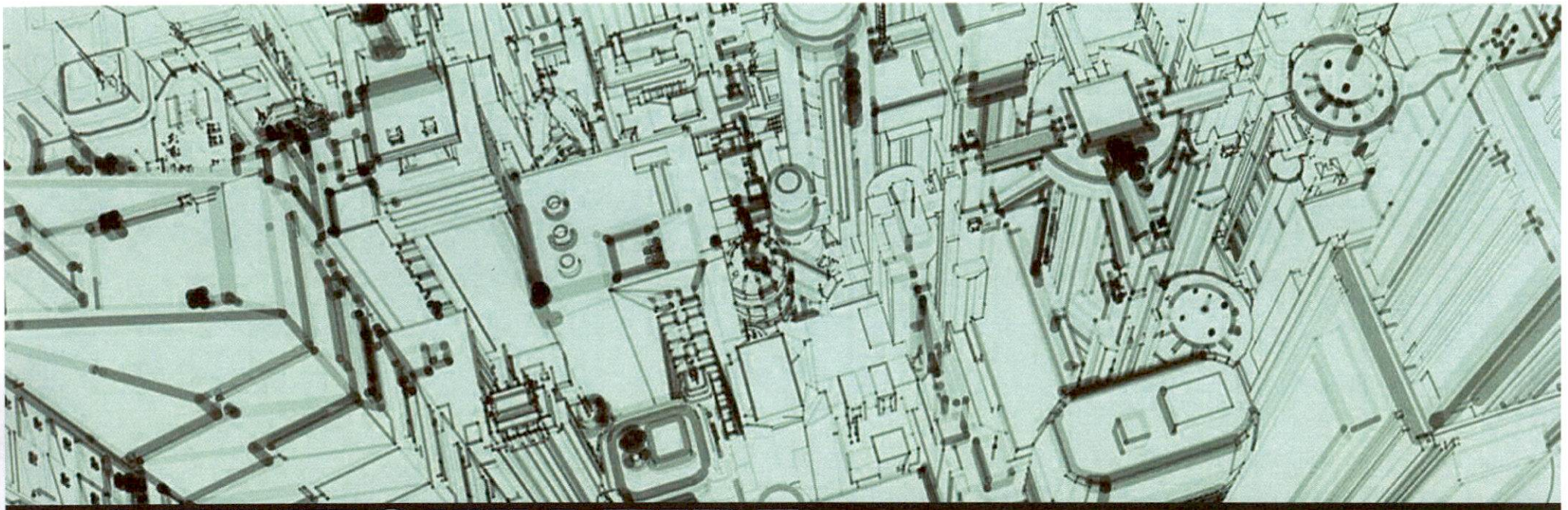
6/21/24 Item# 28

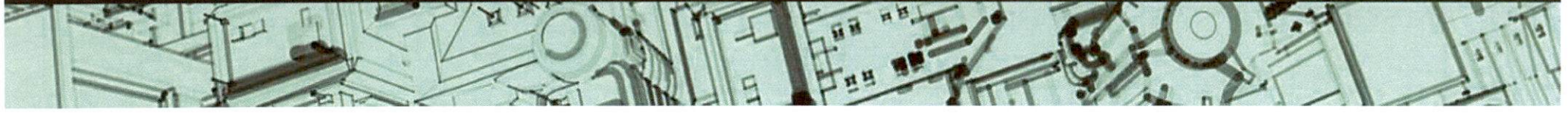


DOWNTOWN TIRZ

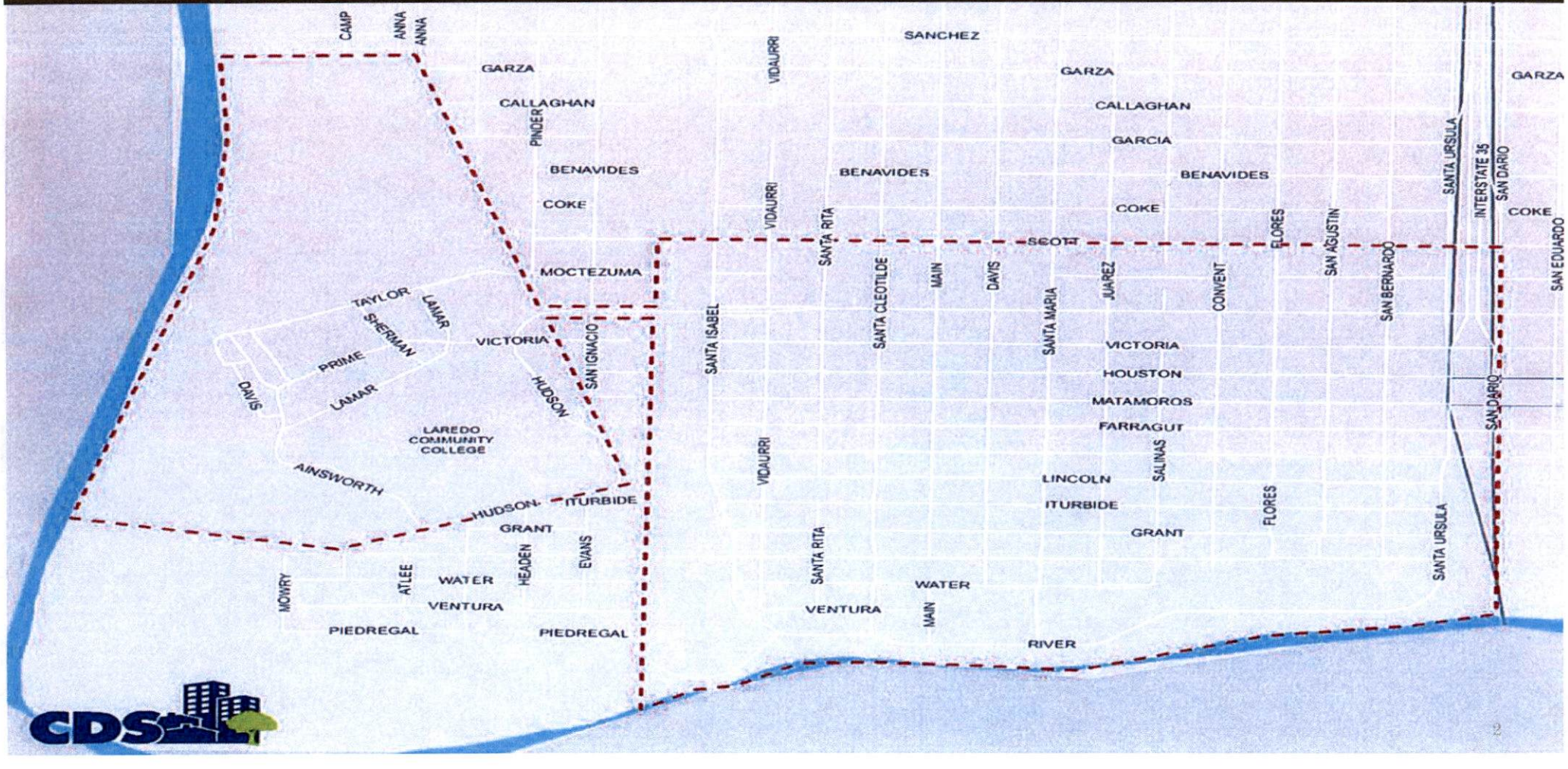
Creating an Enhanced Tool for Downtown Revitalization

WebbCountytx.gov

Prepared for Webb County



$235M in Current Tax Value within TIRZ No. 1 Boundaries



What are the Problems in Downtown area?

Downtown area is in decline with approximately 50% of buildings vacant, other properties in disrepair and current property ownership not putting money into properties due to a multitude of headwinds and changing times. Infrastructure has been neglected historically.

What is the Solution for Downtown?

The Downtown TIRZ can serve to help support improved infrastructure, beautification and promotion, and critical support services that are needed. The result should be part of the solution to help attract investment into Downtown to preserve our cultural heritage and revitalize an important area for Webb County.

TIRZ No. 1 Formation and Current Plans

- TIRZ No. 1 was set-up for 30-years, beginning 2017.
- TIRZ No. 1 designed to implement major infrastructure improvement plans to provide new and reconstructed public improvements serving downtown
- Primary focuses: streetscapes, landscaping, beautification, lighting, traffic signalization, security infrastructure and urban design components
- Initial focus areas to promote stability and improve property values:
  - Streetscape improvements
  - Monuments
  - Wayfinding
  - Murals

TIRZ No. 1's Current Status

- Phase I (Zaragoza, San Agustin and Iturbide streetscapes)
- Associated Monument Project designs approved ready to go to bid
- Wayfinding and directional street signs contract recently approved
- Nearly $50K recently awarded to local artists for Initial Mural Project
- Authorized Able City to assist in design of façade program in order to leverage proposed substantial ($500K+) investment from private sector
- Phase II – Salinas St. Improvement Project: $1.25M
  - MPO/DOT Downtown Safe Sidewalk Project ($1M-TxDOT; $250K-TIRZ)

Budget Potential With Full 100% Participation 22-Year TIRZ remaining life

City of Laredo TIRZ Funds	$19,900,000
Webb County TIRZ Funds	$10,400,000
Laredo College TIRZ Funds	$7,200,000
Total	$37,500,000

NOTE: Assumes 100% participation over remaining 22 years of zone at 3.5% growth rate, with total appraised value of $501M in final year of zone.

Request and Impact of Participation

- Webb County join TIRZ#1 by designating zone by order.
- Substantially increase downtown property values and thus available increment
- Participation will also enhance bonding capacity of TIRZ
- What does this mean for Webb County's Downtown?
  - Acceleration of construction and overall downtown improvements
  - Expansion of façade and murals programs for beautification
  - Creation of environmental remediation and residential housing grant programs
  - Provide funds for improvement of parking facilities/options
  - Potential grant program to encourage demolition of unsafe structures

Estimated Tax Increment Capture from Webb County Participation

- FY 2025 - $31,674
- FY 2026 and beyond – tax increment capture would depend on level of redevelopment (tax appraisal value gain for the TIRZ#1 area)

TIRZ#1 Board Representation and Webb County Representation

TIRZ#1 Board is composed of 7 members as follows:

- Position 1 - District 8 Council Member or Appointee
- Position 2 - City Manager or Appointee
- Position 3 - City of Laredo Director of Planning
- Position 4 - City of Laredo Director of Finance
- Position 5, 6, and 7 – Mayor Appointees

- Webb County would appoint representatives at a level to be determined.

TIRZ Streetscape Plans and Designs

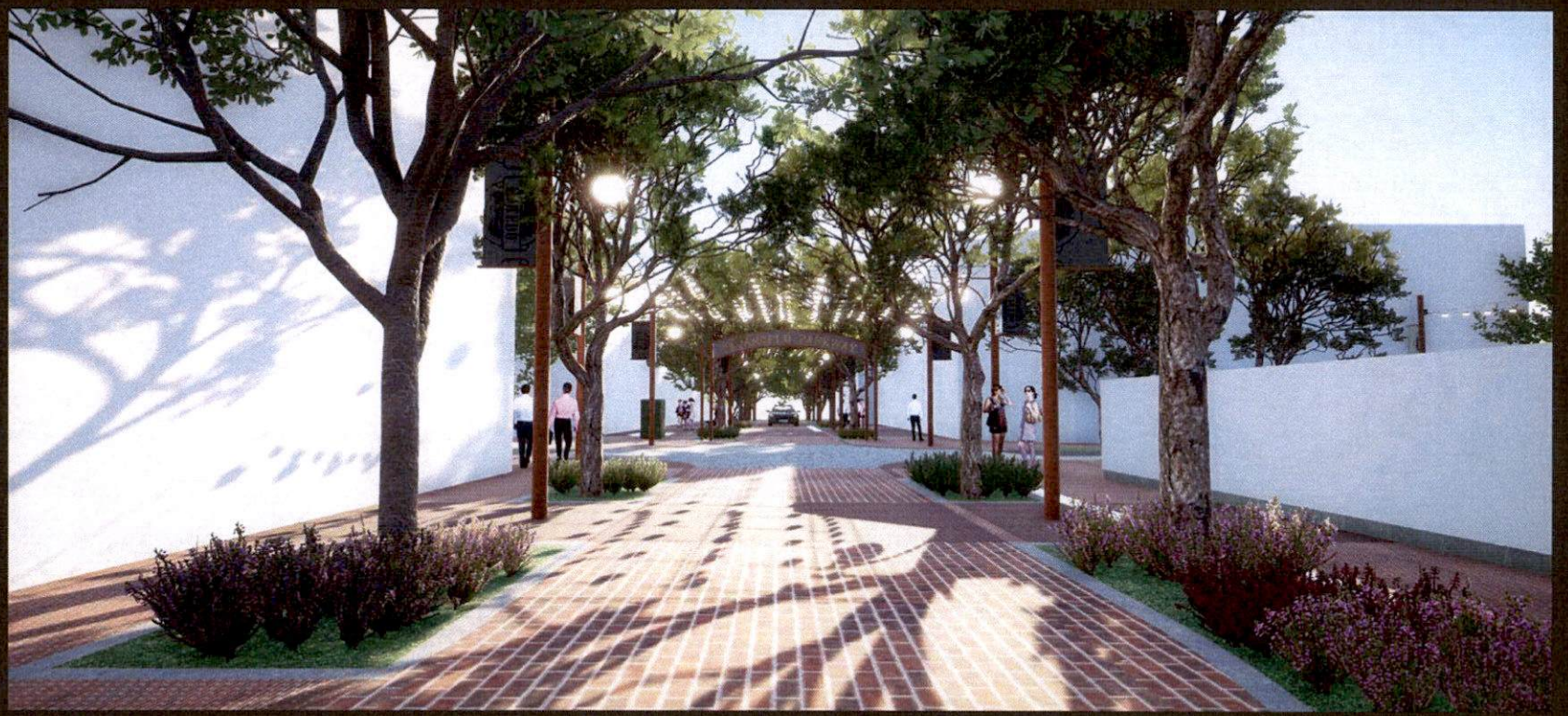
- Zaragoza Street – Existing Conditions

TIRZ Streetscape Plans and Designs (cont.)

- Zaragoza Street – Proposed Improvements

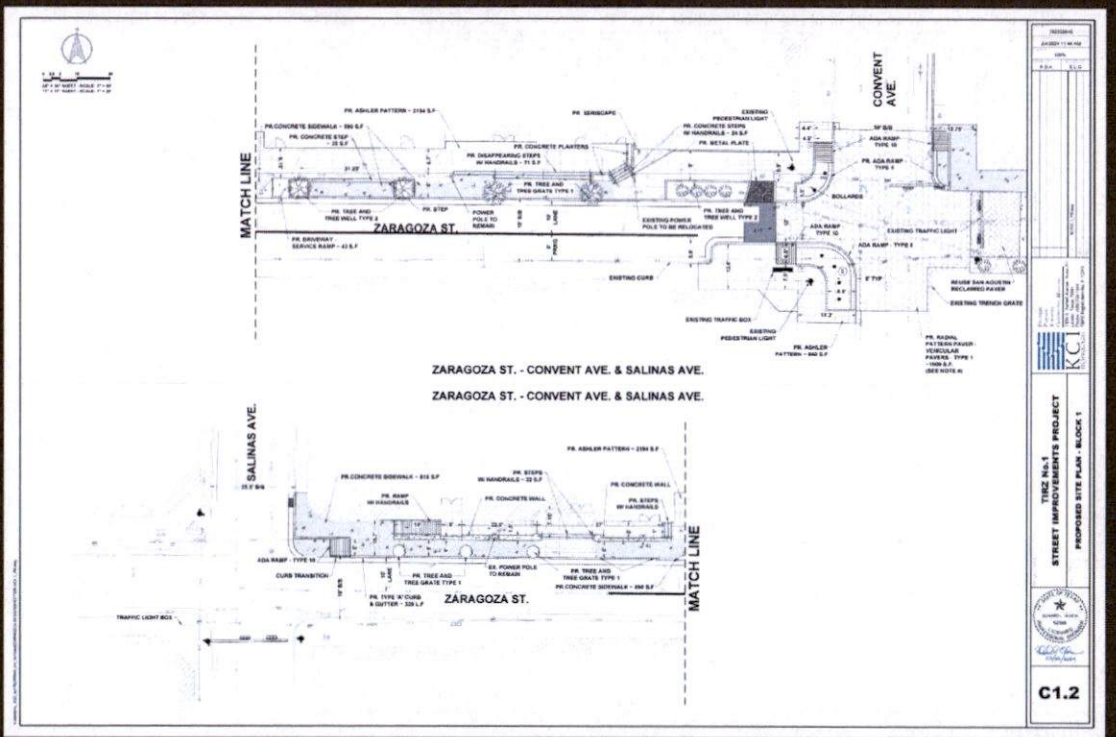
TIRZ Streetscape Plans and Designs (cont.)

TIRZ Streetscape Plans and Designs (cont.)

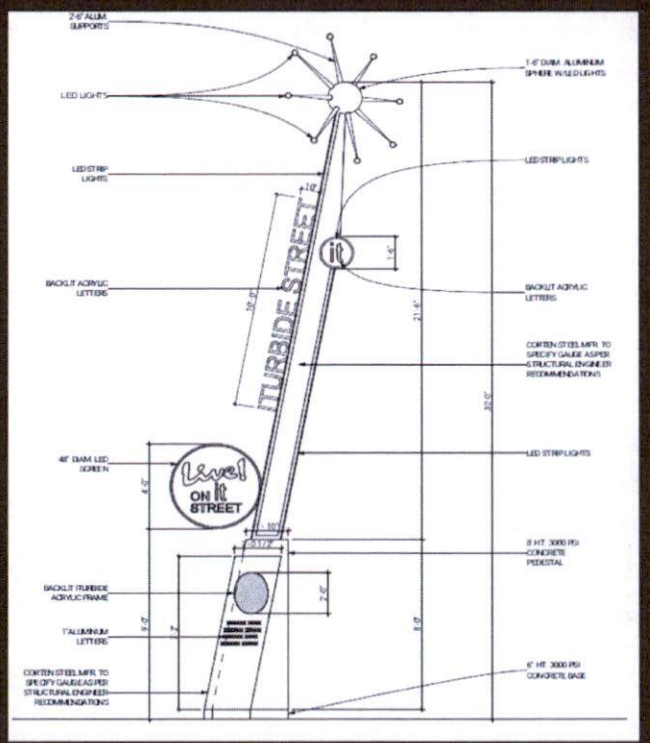


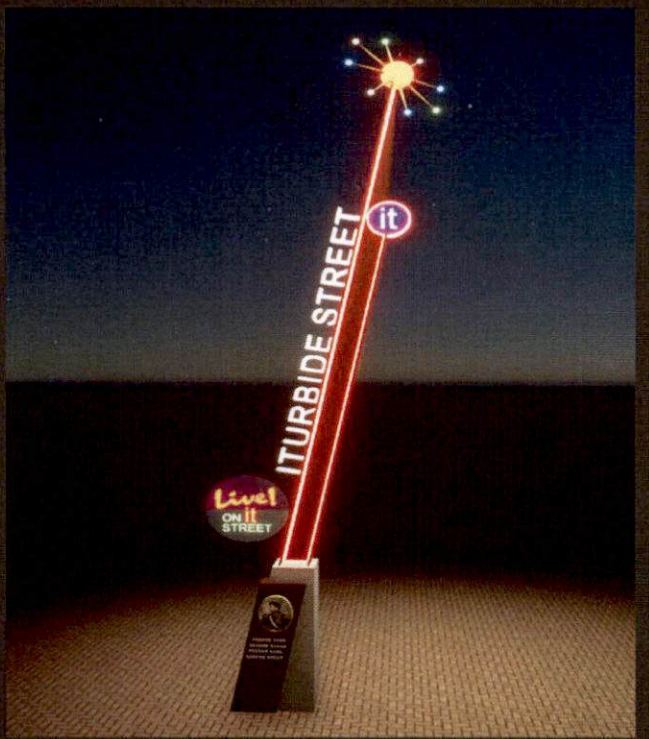
TIRZ Streetscape Plans and Designs (cont.)

TIRZ Streetscape Project Plans and Designs (cont.)



TIRZ Monument Project Plans and Designs

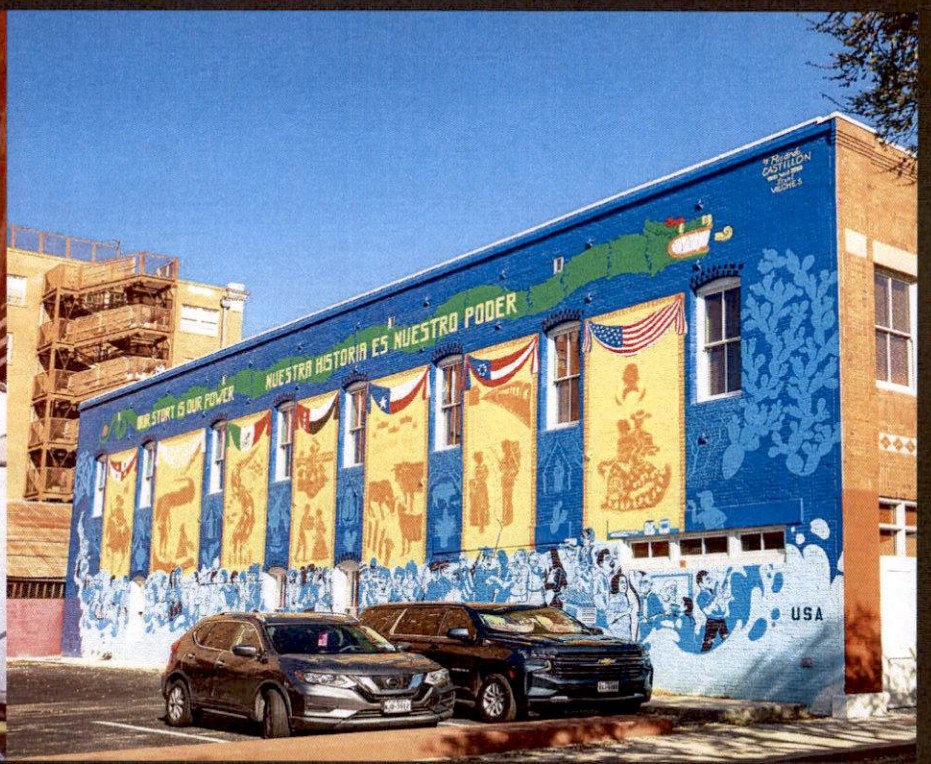




New Monument on Zaragoza St/ Santa Ursula

TIRZ Wayfinding Project Plans and Designs

TIRZ Initial Mural Project



Possible Reforestation Program

INSTALLATION TYPE 1

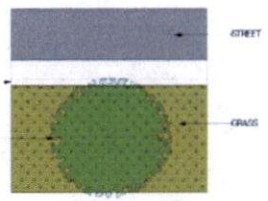
TREE & PLANTING LABOR
MINOR IRRIGATION
(TAPPING INTO EXISTING IRRIGATION)

INSTALLATION TYPE 2

TREE & PLANTING LABOR
MAJOR IRRIGATION
CONCRETE SIDEWALK
SAWCUT DEMO (4'X4') & DISPOSAL

INSTALLATION TYPE 3

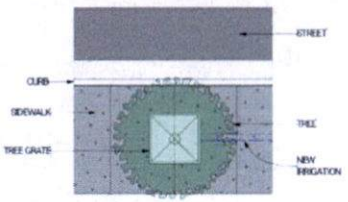
TREE & PLANTING LABOR
MAJOR IRRIGATION
ASPHALT SAWCUT
DEMO (6'X8') & DISPOSAL
CONC. CURB & GUTTER



TREE PLANTING ONLY
(INSTALLATION TYPE 1)

TREE & PLANTING LABOR
(BY USDA GRANT)
MINOR IRRIGATION
(TAPPING INTO EXISTING IRRIGATION)

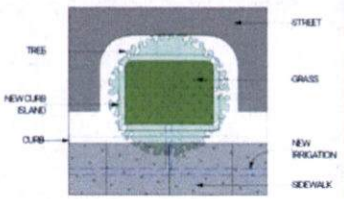
AVG COST OF WORK: $1,000.00 / TREE
IRRIGATION: $0.00 / BLOCK



TREE IN EXIST. SIDEWALK
(INSTALLATION TYPE 2)

TREE & PLANTING LABOR
(BY USDA GRANT)
MAJOR IRRIGATION
CONCRETE SIDEWALK
SAWCUT DEMO (4'X4') & DISPOSAL

AVG COST OF WORK: $10,000.00 / TREE
IRRIGATION: $16,000.00 / BLOCK



TREE ISLAND
(INSTALLATION TYPE 3)

TREE & PLANTING LABOR
(BY USDA GRANT)
MAJOR IRRIGATION
ASPHALT SAWCUT DEMO
(6'X8') & DISPOSAL
CONC. CURB & GUTTER

AVG COST OF WORK: $17,000.00 /
TIRRIGATION: $32,000.00 / BLOCK

Conclusion

- Improving Webb County's Downtown requires a true partnership
- Participation of all taxing authorities will make TIRZ truly impactful
- More importantly, lack of participation will likely reduce or at least slow the potential impact of planned downtown improvements
- TIRZ is one of the key tools for the revitalization of downtown
- Various TIRZ infrastructure improvements, NEZ tools, along with activation of the MMD and implementation of other programs (e.g., revised downtown building codes and enforcement of VBO) would help revitalize this critical area
- A revitalized downtown benefits all