

3.3 Future Land Use Plan (FLUP)



Future Land Use Plan

Land use, development pattern, and built environment are all terms that refer to the relationship between people and the land. More specifically, these terms refer to how the physical world is adapted, modified, or put to use for human purposes. This includes even the “non-use” of lands reserved for open space or parks and protected from human impacts or used for recreation.

Land is the most valuable municipal resource. Once a building is constructed and roads installed, this resource shapes the city and its identity. While the near-term benefits of new development are attractive, there are long-term impacts to how the land is developed, affecting the social environment, fiscal health, and environmental resiliency of the city. The type, mix, and pattern of what is put on the land can boost quality of life and economic activity, but the buildings, infrastructure, and associated public services can also become liabilities over time if the city is not able to maintain them to citizen expectations. Therefore, decisions about when, where, and how to allow development are paramount for the community today and in the future.

As a major component of this plan, the land use chapter presents the existing development pattern and lays out the future for Crowley, guided by community input. The chapter consists of the following sections.

- ★ Typical Past
Illustrative depiction of existing land uses developed over the past 50 years which clearly identifies the predominance of suburban single family development.
- ★ Fiscal Nexus
Detailed analysis showing the correlation between the built environment / type of development and the sustainability of the municipal budget and, ultimately, the community. Also, provides evidence for the need for a range of residential housing types and lot sizes.
- ★ Organic Crowley
Pictorial presentation and description of future land uses intended to promote and inspire Crowley to build from within and cultivate its strong sense of community using local resources to make it happen.

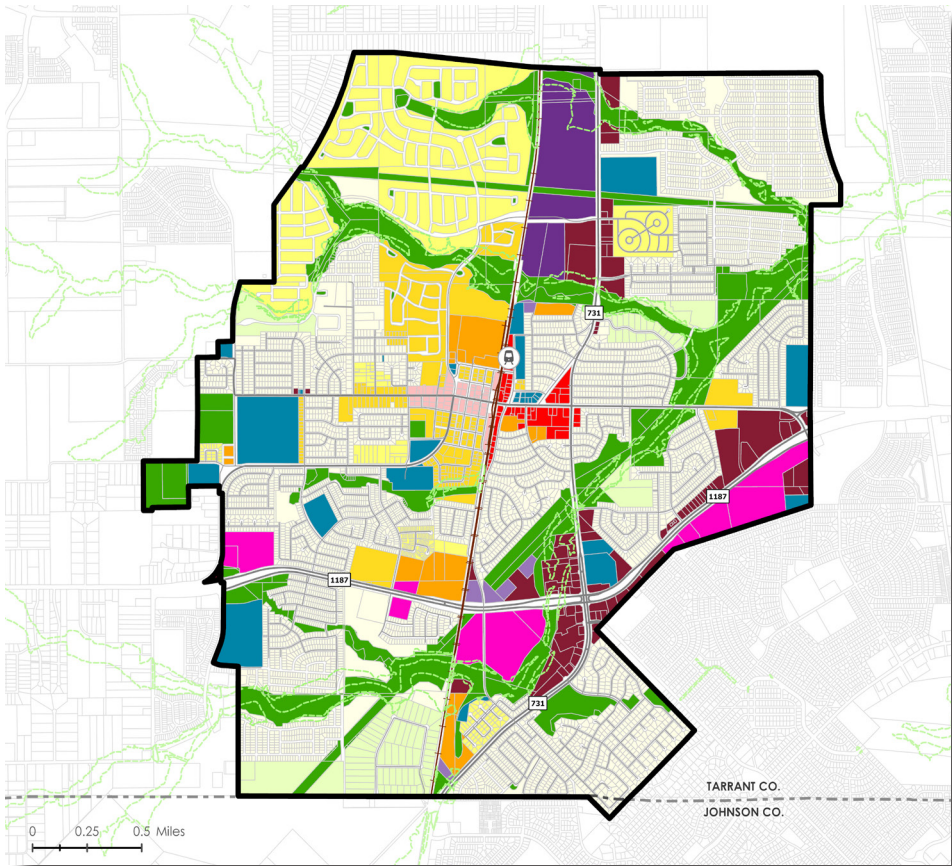


Figure 3-3-1: Future Land Use Plan (FLUP)
City of Crowley 2045 Comprehensive Plan

3.3.1 Typical Past

Existing Land Uses

Crowley appears to be in the midst of its next wave of residential and commercial development.* Two new major residential neighborhoods are in the planning stages, Main Street is being reconstructed with buffered bike lanes and on-street parking, and several new businesses have opened in the are of the Crowley Main Stret Downtown District. At over 37 percent, vacant land is still the largest land use category. The map on the following page shows the existing land uses as of early 2020; however, it is important to note that much of the northern part of the city is currently in the entitlement and review process for the proposed new neighborhoods Karis and Hunter's Ridge. (Recent residential land proposals are depicted on the Future Subdivisions map provided in Chapter 2.) While vacant land is still the largest land use category, single-family residential uses currently make up the second largest use category at approximately 28 percent of the total land area in the city.

EXISTING LAND USE (2019)

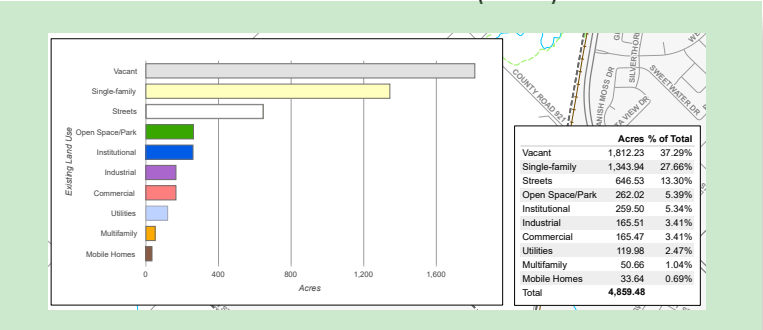
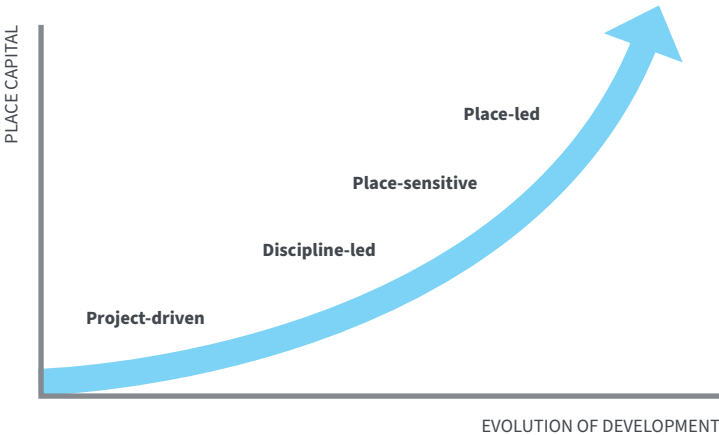


Figure 3-3-2: Chart Land Use by Category and Area

* Update May 2020: It is undetermined at this time how the pandem-ic will affect the residential market. With so many lots in the process of gaining entitlement approval combined with low interest rates, it is possible that the trend will slow but may not be completely interrupted.

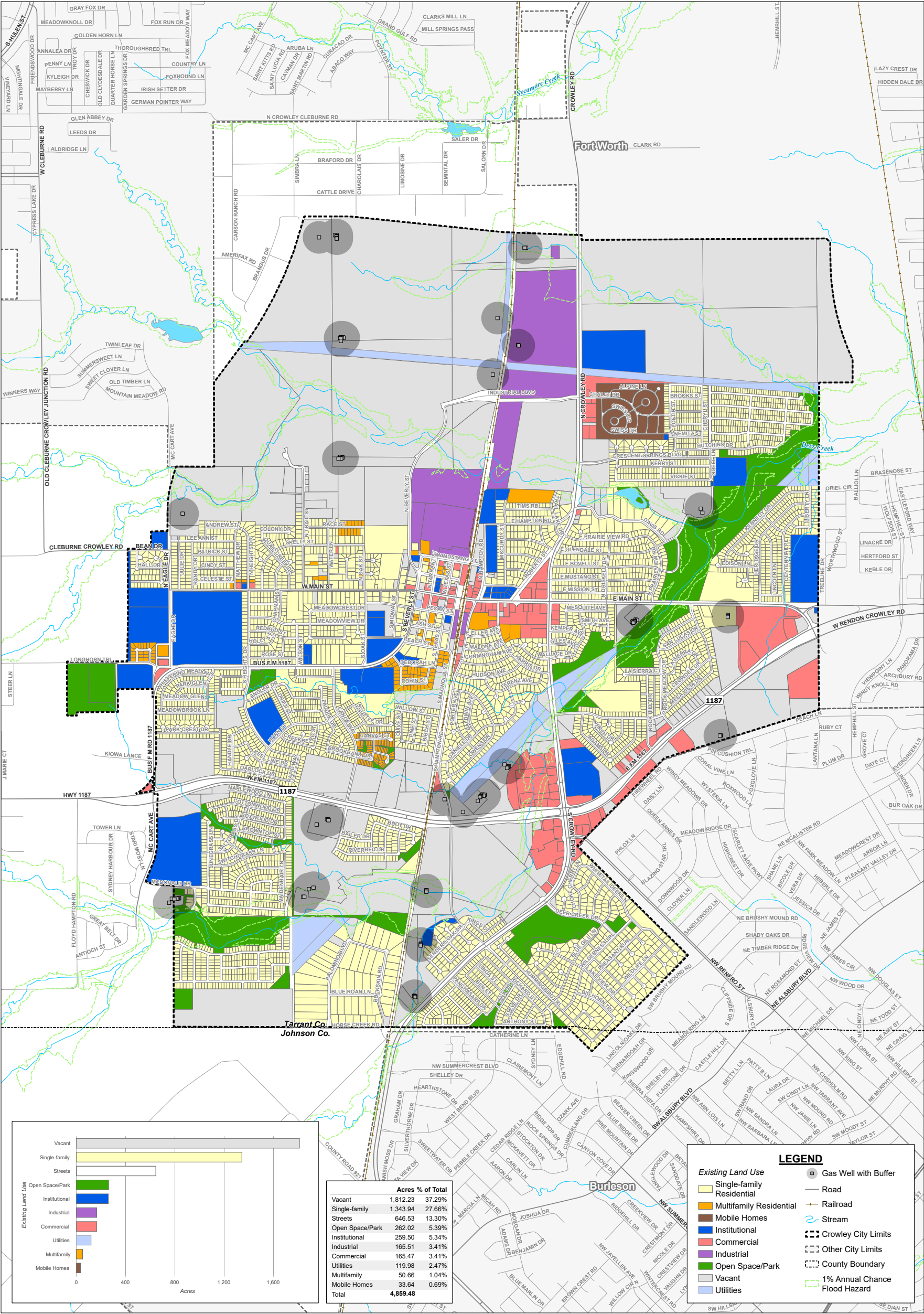
Focus on the Opportunity

EVOLVING DEVELOPMENT



As the city prepares for its next several decades of development and growth, it is important to focus on the largest category of land use. Current metrics reveal that 37 percent of the city is vacant and, therefore, available for development (refer to Existing Land Use map on following page). While the area along the northern limits of the city has pending development proposals, only one has gone as far as to complete the preliminary plat phase. Hunter's Ridge is currently in the preliminary plat phase, and a final plat is anticipated to be approved by city officials in the next few months. There remains an opportunity for the city, through this plan, once adopted, to potentially change the development pattern of the proposals should they withdraw or expire. But these areas are not the only opportune sites within the city. There are also large vacant parcels behind Kroger, along either side of SH 1187 and on the west side of FM 731 north. The next sections will discuss how the existing built environment impacts the municipal budget and proposes strategies to use the vacant land to increase the city return on investment, for the city's budget and for the quality of life of Crowley's residents.

Figure 3-3-3: Evolution of Development



Existing Land Use



0 900 1,800 Feet



April 23, 2020

Figure 3-3-4: Existing Land Use Map

3.3.2 Fiscal Analysis - Land Use / Budget Nexus: Understanding Long-Term Impacts of the Rate and Pattern of Growth

The rate and pattern of city growth has a direct impact on a city's long-term fiscal health. While new development can generate increased tax revenues, it also increases a city's service costs and infrastructure liabilities. Since the 1950's many communities have prioritized auto-centric development patterns and fast growth in the near-term without fully considering the long-term impacts.

The chart to the right illustrates the relationship between growth rate and infrastructure liabilities over time. Most cities start with a small service area where the town was founded – a town square or a Main Street – and stay small for some time. Then when a city enters its growth phase, you typically see a large amount of new development and geographic expansion over a short time period, typically 10-20 years. As a city expands, the average age of its infrastructure decreases because the amount of new infrastructure exceeds the original infrastructure, oftentimes by a large amount. This creates an illusion of fiscal health, because in this phase, much of a community looks and feels new and requires minimal maintenance, while at the same time, the increased revenue from the new homes and businesses provides a surplus in city budgets. However, as cities continue to mature and the amount of land available for new development declines, revenues begin to plateau while maintenance costs begin to rise rapidly due to the aging infrastructure. In many cases, the costs quickly begin to outpace the revenue available to cover them, creating a resource gap. This resource gap often manifests as deferred maintenance, frequent bond elections, and tax increases to fund maintenance projects, or in some cases service area constriction, which means a city permanently removes infrastructure and services.

Crowley is nearing the end of its growth phase and is fortunate to still have an opportunity to avoid the path described above. While the majority of the city's area has been developed, mostly with single family subdivisions, there are still a few greenfield sites left for new development, and the downtown is ripe for infill and revitalization. The costs to maintain and replace infrastructure from neighborhoods built in the 1970s, 80s, and 90s are begin-

ning to come due, so it's critical for future land use, development, and infrastructure decisions to be made with this in mind. The land use fiscal analysis element of this Plan quantifies the City's resource gap and includes information to inform future development scenarios so the City can strategically manage its resource gap in the years ahead.

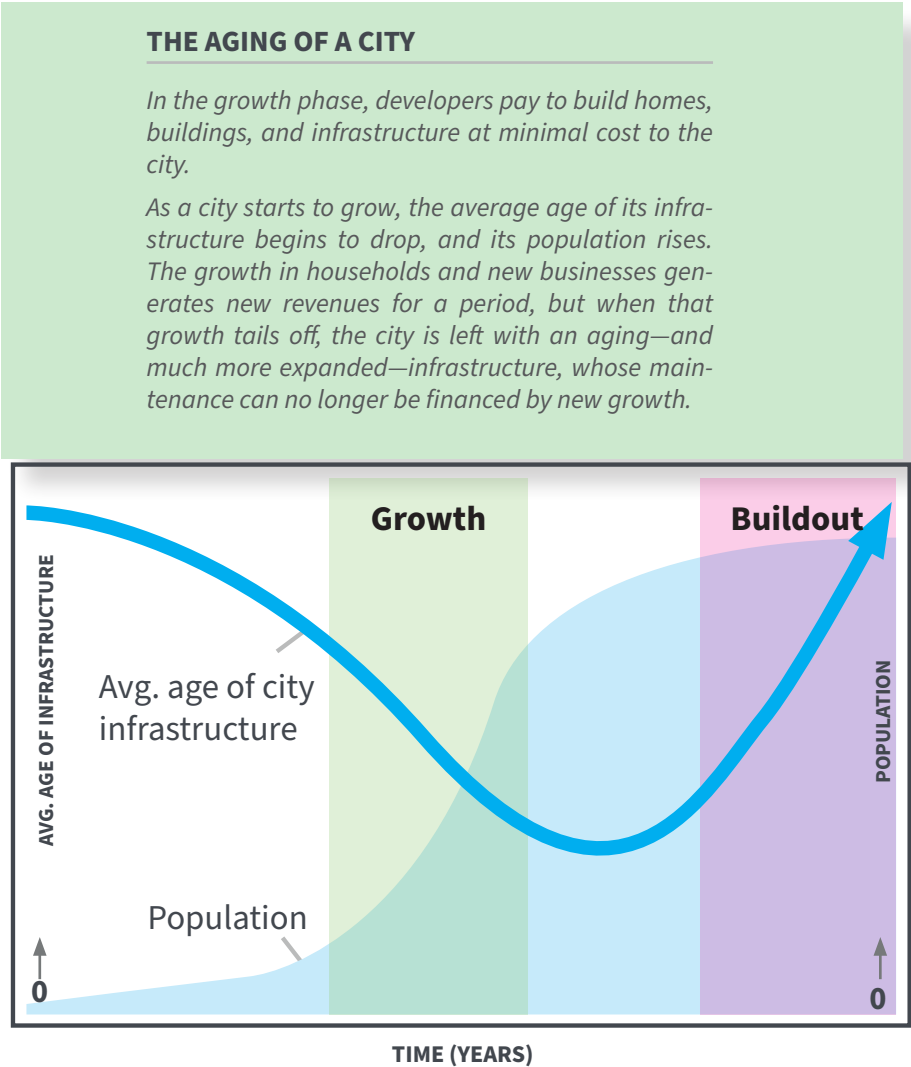


Figure 3-3-5: How a City Ages

Methodology

The land use fiscal analysis process employed as part of this planning effort focuses on the direct relationship between the development pattern on the ground, the property taxes generated, and the services paid for (or that should be paid for) by property tax. There is a strong correlation between the physical and spatial characteristics of development patterns and their fiscal value to the city. Characteristics such as building layout, block structure, street design, and architectural standards all impact property tax as well as retail sales tax revenues. They also impact the cost burden of the same properties on the city. When looking at property tax revenue generated versus costs required to serve a parcel, some development patterns operate at a net gain, while others result in a net loss. It's important to note that a city doesn't need every parcel to operate at a net gain. A city just needs enough net gainers to compensate for those that operate at a net loss. The critical takeaway is that a city can help close its funding gap through adjusting its development pattern, potentially without raising tax rates. The methodology can be summarized in the following steps:

1. Map the appraised value for all parcels in the city. This map reflects the appraised value of parcels but does not fully take into account the size of the lot or the costs to serve it.
2. Map the levy per acre for all parcels in the city. This reflects the actual ad valorem (property tax) revenue a city collects from a property. It eliminates non-revenue generating parcels and factors in exemptions, and then converts the value into a ratio of revenue per acre. This provides a metric through which to evaluate and compare the fiscal productivity on a parcel basis.
3. The first phase of cost analysis represents existing budget conditions. It matches up the generated revenue with general fund costs so that the sum zeroes out. At the city level, this is reflected in the balanced budget where revenues equal

expenses, but when you drill down to the parcel level, you can see which parcels bring in more than they cost to serve, and which ones cost more to serve than they generate in revenue. This is referred to as "Scenario A" in the following maps and charts.

4. The next step adds costs for street replacement liabilities that are anticipated in future years but currently not funded. This reflects a more accurate representation of the true costs associated with development. This is referred to as "Scenario B" in the following maps and charts.
5. The results can then be analyzed to evaluate how different land use categories, zoning districts, and geographic areas (such as downtown or neighborhoods) perform. This information was used to inform the future land use plan and implementation recommendations.

Analysis: Property Tax Revenue Per Acre vs. Appraised Value

The fiscal analysis can be broken down into three main stages: Revenue, Costs, and Return on Investment (ROI). When talking about revenue, many cities have focused on appraised or assessed values of properties, compared to the overall cost of infrastructure. It's a common pair of metrics used in the development world to discuss private sector projects with cities, which cities then use for their own analysis. While this "appraised value vs up front infrastructure cost" metric works well for analyzing how a developer's cost burdens and revenue streams relate, a city requires a different set of metrics. Development projects carry most of the cost burden on the front end as finite capital investment, mostly in the form of design and installation of infrastructure such as streets and utilities. A developer typically recoups their costs by selling lots, generating revenue on a per unit basis. In this regard it makes sense for them to look at potential revenue per lot or unit. Moreover, a developer's projected return on investment has a very strong relationship to the number of units they plan to sell. The more units they sell, the more infrastructure they'll need

to install. The return on investment analysis can look more like a multi-phase transaction. Conversely, a city's cost burden comes from the ongoing maintenance of that infrastructure in addition to the costs of whatever public services the city provides. These expenses continue in perpetuity.

A city's return on investment model needs to look more like a membership structure than a single transaction. The city's cost burden comes from an adopted standard of ongoing service rather than a sale of product. A fire station has a set cost of operation based on what services they provide and their response time standards. The cost stays the same even if they don't get a single call for service. Citizens pay for the availability of that service whenever they need it, like a membership to a gym. The same applies to police protection, street maintenance, libraries, parks, and city administration. These costs have a strong geographic weight because they mostly serve a defined area. That makes a per acre (or per square foot) metric more appropriate for analyzing costs and revenues for a city than a volume or unit-based metric.

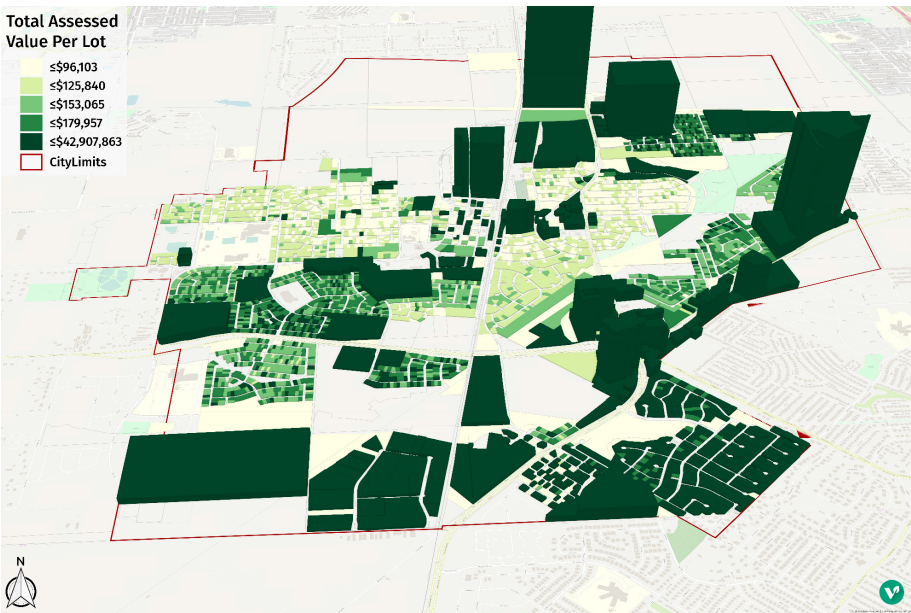
The analysis for this comprehensive plan used data from the 2018 certified tax rolls and budget.

The first two maps illustrate the enormous difference between the Appraised Value Per Lot metric and the Property Tax Revenue Per Acre metric. (Larger maps are provided on the following pages.)

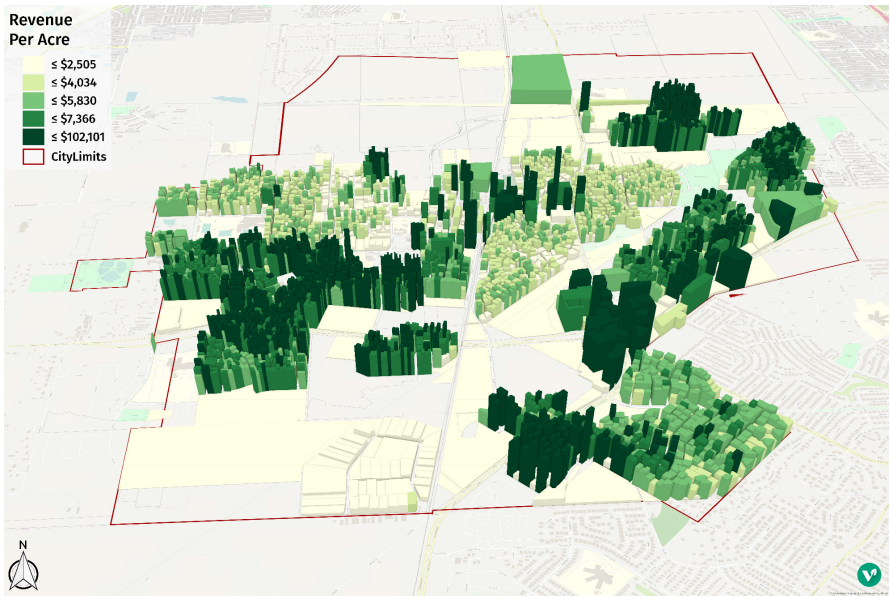
Map 1.0 illustrates the total assessed value for tax-generating properties in Crowley for 2018.

Map 1.1 illustrates the revenue per acre for the same properties in the same year.

Map 1.0



Map 1.1



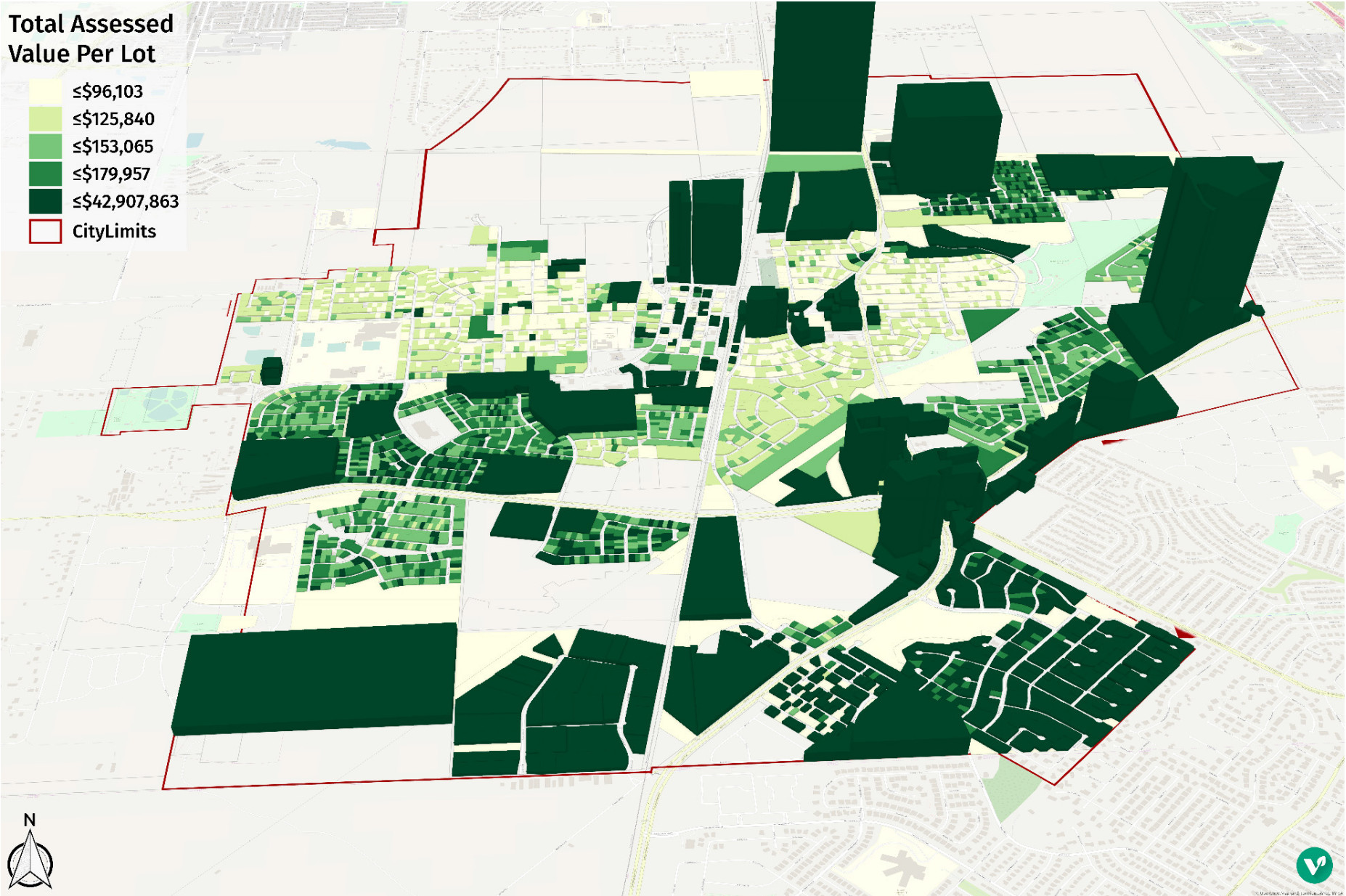


Figure 3-3-6: Map 1.0 - Total Assessed Value per Lot

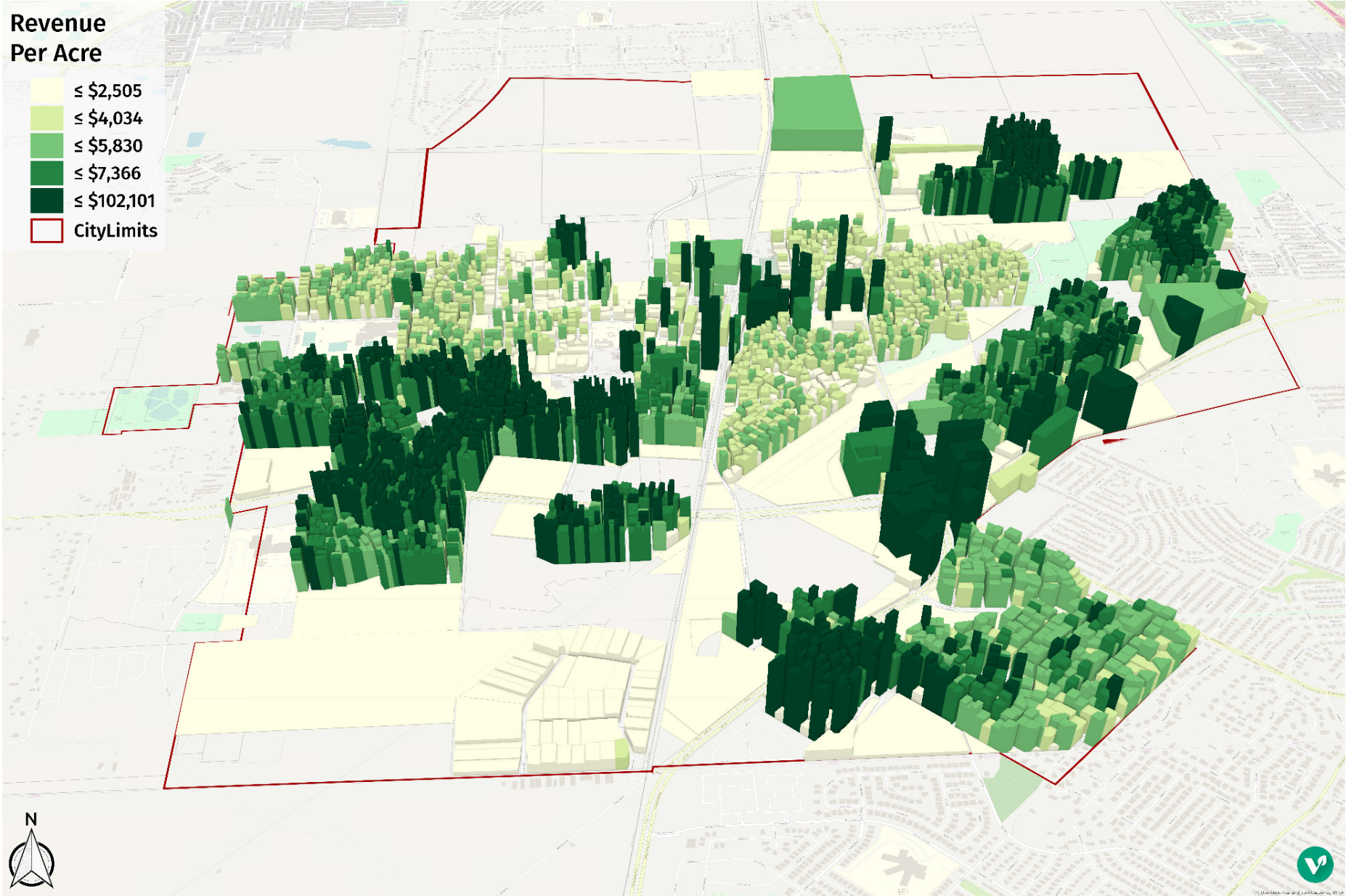


Figure 3-3-7: Map 1.1 - Revenue per Acre

Net Revenue Per Acre

This consideration of revenue and costs on a per-acre basis also provides a clearer view of the net revenue (or loss) and return on investment (ROI) for properties in the city. ROI establishes how much revenue the city received through property taxes for every dollar spent in services. Map 1.2 (Scenario A) illustrates the ROI for every parcel in Crowley in 2018 using budgeted costs. The budget is balanced at the citywide level, but as this map shows, there are certain development patterns and parcels within the city that generate surplus revenue, and others that cost more to serve than they generate in property tax. This map alone provides a great foundation for analyzing the ROI based on different development patterns across the City.

An important thing to know about a city's existing budget is that it typically does not include all the liabilities the city must find revenue to cover. Street replacement typically comprises the largest unfunded maintenance item, and that is true in Crowley as well. Streets have a shelf life and need replacement once their condition falls below a certain grade. Streets generally cost around \$1 million per 11-foot lane mile to replace. For example: one mile of a street 30 total feet in width would have a replacement cost around \$2.7 million (30 ft / 11 ft x \$1M). Even if that same street is only striped for two lanes, the amount of pavement used to construct it is what drives the cost. While a solid maintenance program can extend the life of city streets, it cannot do so forever.

To further exacerbate the problem, most cities have not dedicated nearly enough money to street maintenance to extend the life of all its streets. When the street replacement costs for existing infrastructure on a 30-year schedule are added to the calculated costs, the ROI shifts dramatically, as illustrated in Map 1.3 (Scenario B). The overall replacement cost for the entire existing street network totals to more than \$126M dollars, representing the current financial gap between the current budget and the unfunded infrastructure and service needs. Paying to close that gap over 30 years would require an allocation of \$4.2M per year. While it may be unrealistic for a city to fund that amount of money annually, it is crucial for the fiscal health of the city to understand this cost burden. These maps reveal some clues about how development patterns and regulations can impact those numbers moving forward.

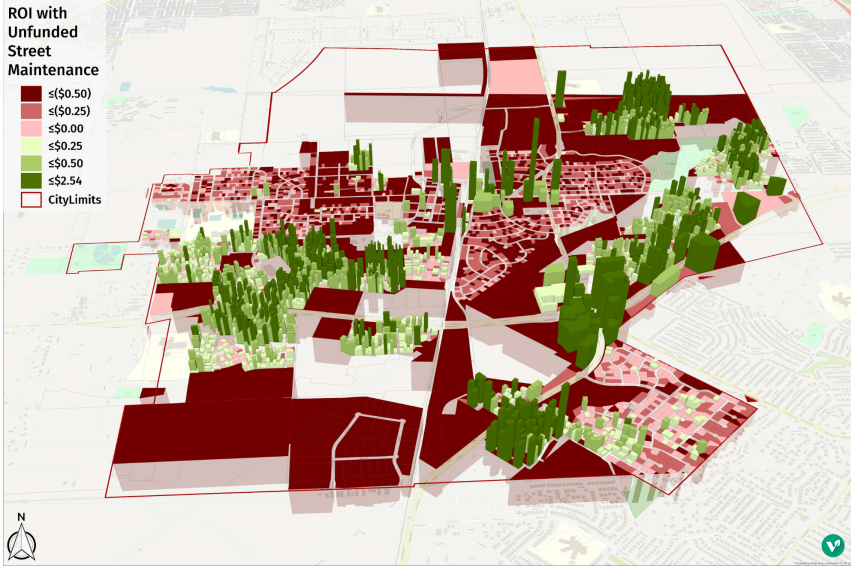
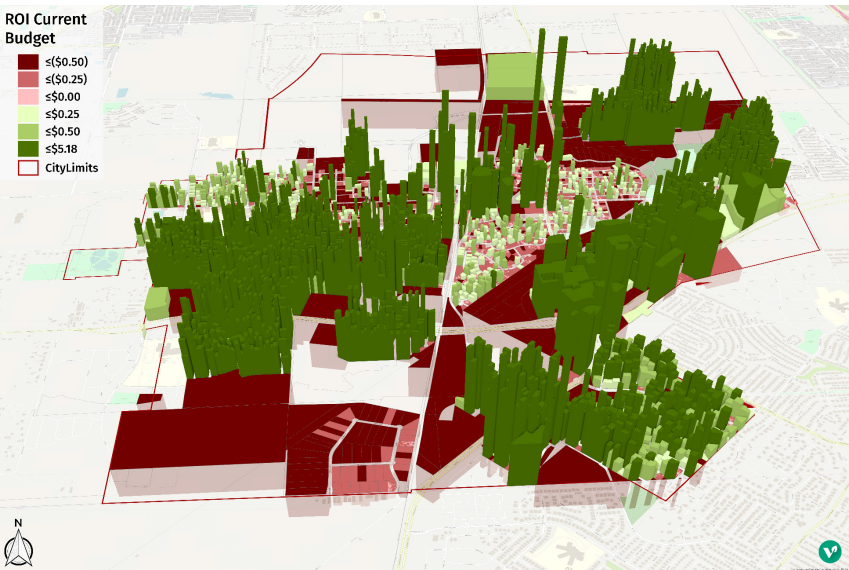


Figure 3-3-8: Map 1.2 - Scenario A

Figure 3-3-9: Map 1.3 Scenario B



Figure 3-3-8: Map 1.2 Scenario A - ROI Current Budget

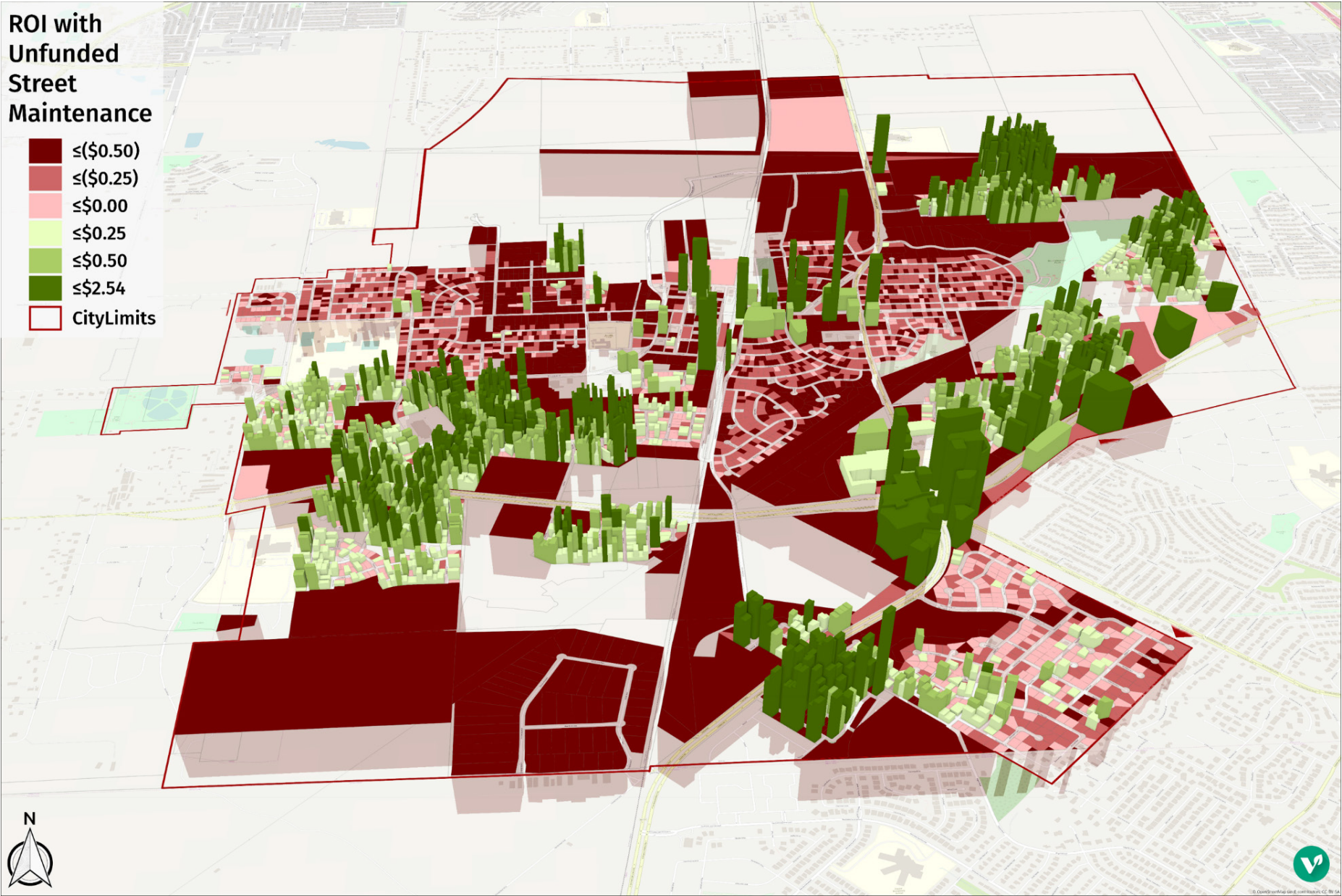


Figure 3-3-9: Map 1.3 Scenario B - ROI with Unfunded Street Maintenance
City of Crowley 2045 Comprehensive Plan

Exploring the Fiscal Performance of Land Use, Zoning, and Development Patterns

Categorically, the state land use codes¹ (used by appraisal districts around Texas) can illustrate how different development types perform. Chart 1.0 (below) illustrates how residential properties perform, based on lot size. The values on the left vertical axis and the green line illustrate the revenue per acre; the values on the right axis and the bars represent the average improvement value per parcel. This chart suggests that average improvement values generally increase with larger lot sizing. However, the revenue per acre drops dramatically as the average improvement value and lot size increases. The revenue per acre metric provides a far better metric for cities to use for analysis.

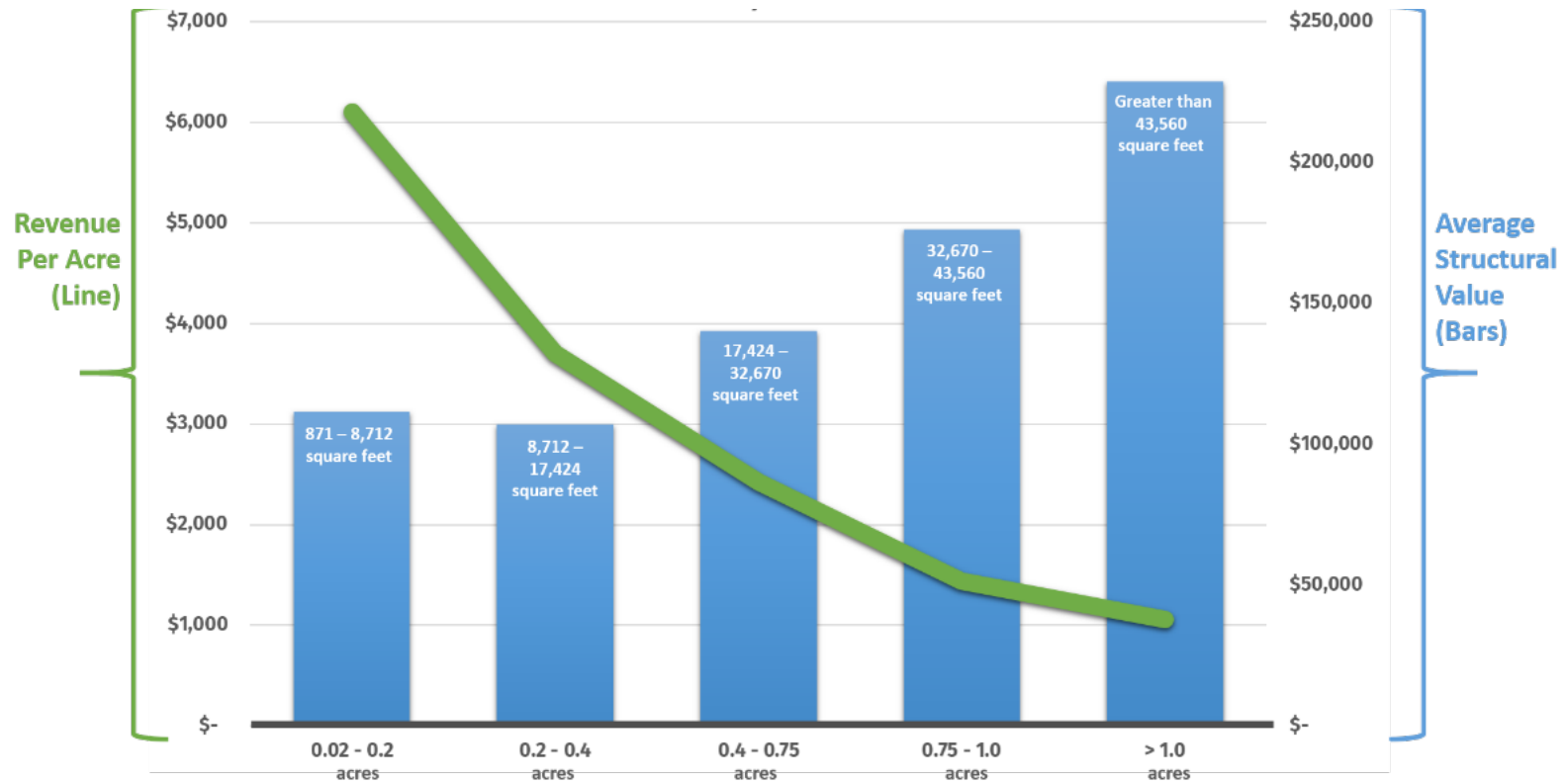


Figure 3-3-10: Chart 1.0: Average Home Price vs Revenue per Acre by Lot Size

Bottom Line: The City of Crowley looks and performs like most small suburban towns in Texas



The City of Crowley looks and performs like most small suburban towns in Texas located on the edge of a much larger city.

Table 1.0 below describes the analysis results for different land uses within the City, broken down into specific lot size segments. The land use classifications come from the state land use code used by the appraisal district for taxing purposes. There are inherent issues with this data because the data only includes what has been built and entered into the system according to the appraisal district. Typically, the appraisal district information lags behind actual development, and aggregate data is only updated annually.

Table 1.0 - ROI: State Land Use Category by Lot Size

Land Use Description	Lot Size Range	Revenue	Rev / Acre	Average Imp Value	Net/Acre (Current Budget)
Single Family <i>Acreage Sizes</i>	All	\$ 4,502,052	\$ 4,224	\$ 113,122	\$ 914.90
	0.02 - 0.2	\$ 2,645,976	\$ 6,104	\$ 111,572	\$ 2,795.48
	0.2 - 0.4	\$ 1,508,419	\$ 3,702	\$ 107,033	\$ 392.70
	0.4 - 0.75	\$ 178,419	\$ 2,428	\$ 140,260	\$ (880.57)
	0.75 - 1.0	\$ 32,129	\$ 1,437	\$ 176,415	\$ (1,872.35)
	> 1.0	\$ 137,109	\$ 1,062	\$ 228,716	\$ (2,246.77)
Multifamily <i>Acreage Sizes</i>	All	\$ 290,590	\$ 5,882	\$ 175,349	\$ 2,572.90
	<= 1.0	\$ 221,048	\$ 6,842	\$ 137,812	\$ 3,532.55
	> 1.0	\$ 69,542	\$ 4,068	\$ 1,204,958	\$ 759.08
Commercial <i>Acreage Sizes</i>	All	\$ 911,966	\$ 5,201	\$ 604,882	\$ 1,892.22
	<= 1.0	\$ 100,716	\$ 7,436	\$ 180,613	\$ 4,127.28
	> 1.0	\$ 811,250	\$ 5,014	\$ 896,171	\$ 1,705.12
Industrial		\$ 324,038	\$ 4,799	\$ 2,296,256	\$ 1,490.23
Undeveloped		\$ 156,770	\$ 203	\$ 324	\$ (1,084.24)

Table 1.1, on the next page, depicts analysis of how each of the city's current zoning districts perform when developed. Descriptions of the column headings in the tables are provided here which demonstrate the following metrics for each land use code and lot size combination:

- Land Use Description - Aggregated categories from state land use code
- Lot Size Range – The area of the lot in acres
- Revenue – Total property tax revenue for this land use/lot size combination
- Rev / Acre – Average property tax revenue per acre
- Average Imp Value – Average structural improvement value
- Net/Acre (Current Budget) – Net revenue per acre for current budget conditions
- ROI (Current Budget) – Return on Investment for current budget conditions (Map 1.2)
- Net/Acre (Budget + Unfunded Streets) – Net revenue per acre for current budget + unfunded street costs
- ROI (Budget + Unfunded Streets) – Return on Investment for current budget + unfunded street costs (Map 1.3)

Table 1.1 - ROI: Zoning District Category by Lot Size

ZONING District	Acreage	Undeveloped Acreage	Net/Acre (Current Budget)	ROI (Current Budget)	Net/Acre (Budget + Unfunded Streets)	ROI (Budget + Unfunded Streets)
Single Family 6.0	290.27	11.64	\$ 977	\$ 0.30	\$ (1,000)	\$ (0.19)
Single Family 7.2	214.30	129.90	\$ (25)	\$ (0.01)	\$ (2,132)	\$ (0.39)
Single Family 8.4	217.45	22.29	\$ 1,104	\$ 0.33	\$ (1,496)	\$ (0.25)
Single Family 9.6	25.51	0.33	\$ (1,527)	\$ (0.46)	\$ (3,660)	\$ (0.67)
Single Family 20	136.30	37.79	\$ (2,092)	\$ (0.63)	\$ (4,327)	\$ (0.78)
Two Family	18.41	27.61	\$ 385	\$ 0.12	\$ (2,009)	\$ (0.35)
Multi Family	44.03	40.22	\$ 2,297	\$ 0.69	\$ (73)	\$ (0.01)
Mobile Homes	40.33	-	\$ (1,881)	\$ (0.57)	\$ (3,834)	\$ (0.73)
Restricted Commercial	4.48	10.77	\$ 4,558	\$ 1.38	\$ 2,044	\$ 0.35
General Commercial	119.65	123.86	\$ 3,220	\$ 0.97	\$ 1,184	\$ 0.22
Planned Development	155.79	260.92	\$ 3,915	\$ 1.18	\$ 1,614	\$ 0.29
Industrial	68.40	100.55	\$ 1,463	\$ 0.44	\$ (688)	\$ (0.13)

Recall from discussion on previous pages that Scenario A represents analysis of revenue per acre based solely on the appraised value of property. Scenario B includes the cost to maintain all city streets, which is currently not included in the annual budget. Then consider Table 1.1 on the previous page, as it shows the revenue generated for different types of residential development by general lot sizes. The residential types are provided in accordance to the current zoning district categories in the Crowley

MULTIFAMILY (MF) Residential: (Also depicted with orange color on Future Land Use Plan and tables within this section of Chapter 3.)

Multifamily properties had the best overall performance, but lot size seems to heavily influence the fiscal productivity.

- Overall, multifamily properties generated approximately \$5,800 dollars per acre in revenue and produced a positive ROI for both scenarios A & B, \$0.78 and \$0.04 respectively.
- < 1 acre (Row 1): Multi-family lots smaller than one acre generated approximately \$6,800 dollars per acre with ROIs for Scenarios A and B at \$1.07 and \$0.21 respectively.
- > 1 acre (Row 3): On lots larger than one-acre, multi-family properties generated approximately \$4,000 dollars per acre in revenue, with ROIs for Scenarios A and B registering at \$0.23 and (\$0.27) respectively.

COMMERCIAL: (Also depicted with red color on Future Land Use Plan and tables within this section of Chapter 3.)

Commercial properties in Crowley exhibit a fiscal pattern similar to the single-family homes. Overall, commercial properties generate an average revenue per acre of approximately \$5,200, and a Scenario A ROI of \$0.57 and Scenario B of (\$0.03). However, the commercial lots smaller than one acre (43,560 sq/ft) generate an average of approximately \$7,400 per acre. That creates a Scenario A ROI of \$1.25 and Scenario B ROI of \$0.35. The average revenue per acre for lots larger than one acre drops to \$5,000 per acre and creates Scenario A and B ROI's of \$0.52 and (\$0.06) respectively.

SINGLE FAMILY (SF) RESIDENTIAL: (Also depicted with yellow color on Future Land Use Plan and tables within this section of Chapter 3.)

The residential inventory in Crowley is predominantly detached single-family homes on medium sized lots. Half of the single family neighborhoods perform poorly from a purely financial perspective. These neighborhoods tend to have long curvilinear streets with few intersections, a higher number of cul-de-sacs, larger lots, and older housing stock. The other half of the neighborhoods perform decently from a financial perspective. These neighborhoods typically have a more traditional street pattern with fewer cul-de-sacs, smaller average lots sizes, and newer construction.

- \$6,000 per acre represents a general break-even line for most cities in Texas. Crowley appears to fit that trend. The average of all SF categories is approximately \$4,200 of revenue per acre with a positive Scenario A ROI at \$0.28, but a negative Scenario B ROI of (\$0.07).
- 0.02 to 0.2 acre lots (Row 2) The only SF category where revenue per acre value that generated a positive ROI in *both* scenarios - \$6,104 dollars in revenue per acre.
- On average, Crowley's smaller single-family lots under 8,500 sq/ft generate approximately \$6,100 per acre with Scenario A's ROI at \$0.84 and a Scenario B ROI of \$0.12. The revenue per acre quickly drops below that threshold as the lot sizes increase, with none of the other lot size categories generating a positive Scenario B ROI.

Consider Table 1.2 below, as it shows the revenue generated for different types of residential development by general lot sizes. The residential types are provided in accordance to the state land use code and sorted from highest ROI to lowest ROI. The outcomes of the residential analysis are sorted from highest ROI (Row 1) to lowest (Row 7).

Table 1.2: ROI for Different Types of Residential Land Use

Land Use	Lot Size Range	Rev / Acre	Average Imp Value	Scenario A: Net / Acre	Scenario A: ROI	Scenario B: Net / Acre	Scenario B: ROI	Count	Acreage
Multi Family	<= 1.0	\$ 6,842	\$ 137,812	\$ 3,533	\$ 1.07	\$ 1,178	\$ 0.21	192	32.31
Single Family	0.02 - 0.2	\$ 6,104	\$ 111,572	\$ 759	\$ 0.84	\$ 632	\$ 0.12	2,651	433.45
Multi Family	> 1.0	\$ 4,068	\$ 1,204,958	\$ 1,892	\$ 0.23	\$ (1,531)	\$ (0.27)	7	17.09
Single Family	0.2 - 0.4	\$ 3,702	\$ 107,033	\$ 4,127	\$ 0.12	\$ (1,885)	\$ (0.34)	1,629	407.49
Single Family	0.4 - 0.75	\$ 2,428	\$ 140,260	\$ 1,705	\$ (0.27)	\$ (3,262)	\$ (0.57)	150	73.47
Single Family	0.75 - 1.0	\$ 1,437	\$ 176,415	\$ 1,490	\$ (0.57)	\$ (4,141)	\$ (0.74)	24	22.36
Single Family	> 1.0	\$ 1,062	\$ 228,716	\$ (1,084)	\$ (0.68)	\$ (4,480)	\$ (0.81)	73	129.07



KEY takeaway:

There is a significant correlation between lot size and return on investment.

Larger single family residential lots cost the city more in terms of fiscal performance. Larger lots mean longer lengths of public infrastructure, such as road, water and sewer, serve fewer residences. Smaller lots or narrow lots are a more efficient use of public infrastructure.

Crowley's poorest fiscal performer, in terms of return on investment (ROI), is from the vacant and undeveloped properties. Even with a proportionally much smaller cost burden allocation, vacant and undeveloped properties present fiscal problems for cities. Such properties create large burdens when they reside adjacent to or are surrounded by developed properties. In that scenario the city effectively provides its full suite of public services to a property that's not generating much revenue, if any at all. In Crowley, undeveloped properties generated approximately \$200 in revenue per acre. That produces an ROI for scenarios A and B of (\$0.84) and (\$0.91) respectively. That's a significant negative ROI with the largest possible negative ROI at (\$1.00), representing a total loss of the dollar spent by the city serving the property.

Potential Revenue of Undeveloped Land		
Net Annual Revenue		
	Acres	Revenue
Gain	411.79	\$ 558,638
Loss	354.93	\$ (567,781)

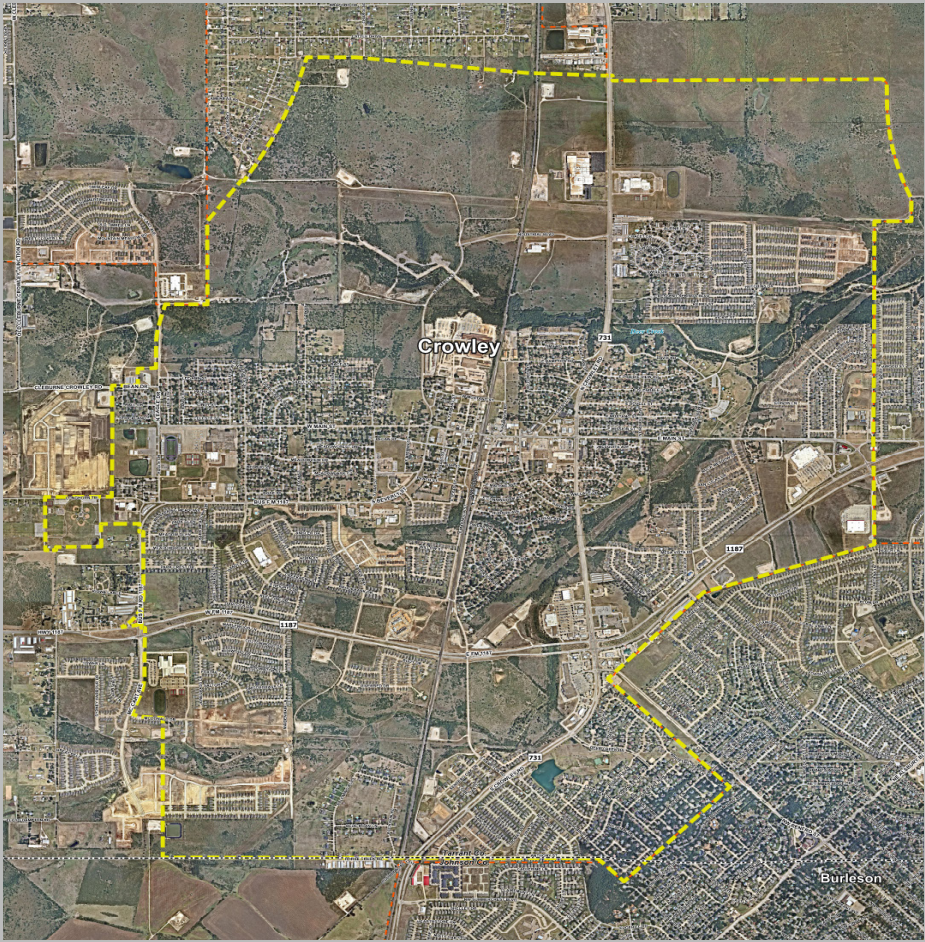


Figure 3-3-11: Chart, Map 1.3 - Scenario B and Aerial Map of Crowley

Common Characteristics of High Performing Development Patterns

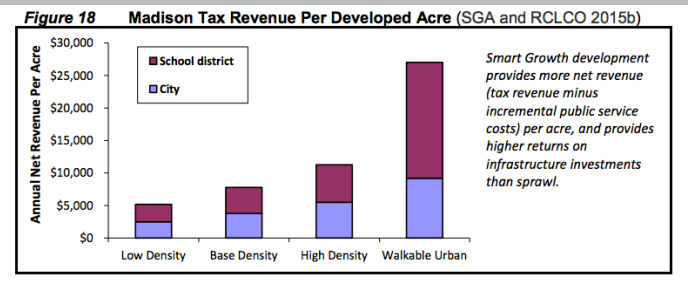
The analysis of Crowley and other communities across Texas has shown that high ROI parcels and development tend to have the following characteristics:

- High ratio of building footprint to lot size
- Multi-story structures
- Narrow lot frontage
- Smaller lots (higher density)

These characteristics are commonly found in the historic downtown areas and older neighborhoods in cities. If a city wants to improve fiscal productivity of development and maximize return on taxpayer’s dollars, focusing on enhancing these areas and building more like them should be a priority.

WALKABILITY PAYS

Communities across the country find that dense, walkable development provides more net revenue (tax minus incremental public service costs) per acre, and provides higher returns on infrastructure investments than does low-density sprawl. The image above comes from a case study of neighborhoods with differing densities in Madison, WI. (Image: Smart Growth America)



Madison (WI) Tax Revenue Per Developed Acre, 2015

Outcome of Fiscal Analysis of Crowley Development Patterns:

The land use fiscal analysis shows that Crowley has a resource gap when future infrastructure and service costs are considered. Additionally, many parcels in the city are not generating enough property tax revenue to cover future costs for basic services and street replacement under current conditions. The information in this report can be used to help city leaders frame discussions and inform decisions on fiscal policy, land use and zoning, infrastructure, and economic development around the shared goal of fiscal transparency and resilience. It is common to have a portion of residents who oppose ideas like increased density, less parking, and/or narrower streets. However, when the conversation is centered around the ability to provide services in the future at a realistic cost, and how development patterns directly contribute to city finances and tax rates, a good portion of residents will reconsider their position. Additionally, when a city has a more productive development pattern in terms of property tax revenue per acre, it frees up sales tax revenue to be used to preserve and enhance quality of life and economic growth.

Potential Remedies:

In looking at ways to close the city's resource gap, there are three main options to consider:

1. Higher Taxes
2. Cut City Services
3. Different Land Use Pattern

Option 1: Higher Taxes

Keep development patterns and service levels where they are but charge more (via higher taxes and fees) to cover future costs.

This is not ideal or typical in young communities, but when you look at older communities, you'll find a combination of both higher tax rates and additional fees that have been put in place. For some

Figure 3-3-12: Walkability Pays prepared by Verdunity



communities or neighborhoods within a city, there are citizens who are willing and able to pay more to preserve the neighborhood and lifestyle they currently have, but for many others, this is not an option.

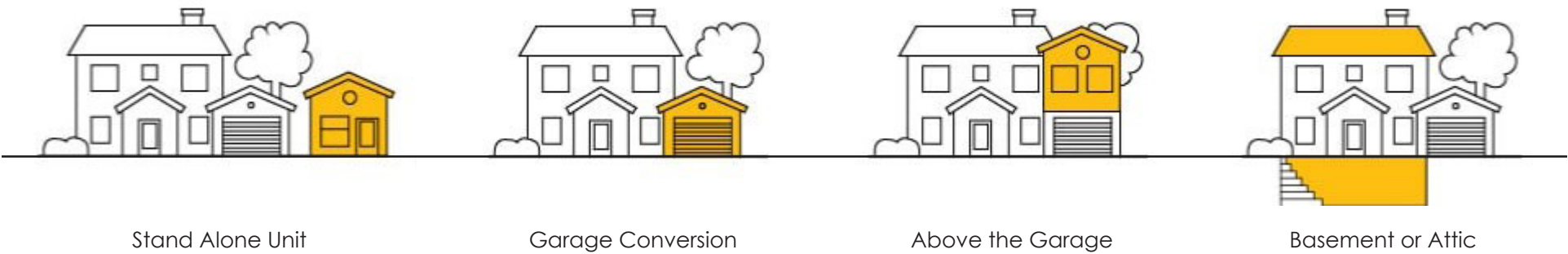
Option 2: Cut City Services

Keep the tax rate where it is but cut services to align with revenues. Most residents don't like this option either. However, this is essentially what most cities are doing today when they defer maintenance and only fund a portion of service and infrastructure needs due to revenue constraints. In extreme examples such as Memphis, TN, city leaders eventually adopted policies to shrink the size of their city to align with what they had the capacity to serve effectively. Memphis's new comprehensive plan, Memphis 3.0, is an excellent reference point for the types of policy decisions cities could be

If Crowley wants to close its fiscal gap, it makes sense to steer development toward the types with a higher ROI to offset types which operate at a loss.

Specific recommendations that were used to guide the development of the Future Land Use Plan and implementation priorities include:

- 1. Encourage infill and additional density along Main Street and the adjacent neighborhoods (i.e., Crowley's Downtown District). Additional modeling was done to evaluate the fiscal impact of different development scenarios in the Downtown. This modeling is outlined further in the next section.
- 2. Increase property values and revenue per acre, and increase return on infrastructure investment in select existing neighborhoods through the addition of Accessory



faced with if they wait too long to address their resource gaps.

Option 3: Different Land Use Pattern

Adjust the approach to development and infrastructure design to enable an affordable balance of services and taxes.

Most people won't or can't pay more in taxes, and few people want to accept a reduction in services and amenities, so Option 3 is where Crowley can and should focus. The ultimate goal is to align the city's development and fiscal approach with what residents are willing and able to pay for now and in the future.

- 3. Encourage remaining greenfield development to be done in a form that is fiscally productive and generates at least enough tax revenue to cover future service and maintenance costs. This is also reflected in the Future Land Use Plan and implementation recommendations.

Figure 3-3-13: Types of Accessory Dwelling Units

Future Development Considerations

Focus on Policy:

Policy statements and documents, such as this plan, are the primary tool for guiding growth and development. Specifically, the tax strategies and development policies largely determine the ability of how a city can adjust its fiscal health in response to national trends or crises. Crowley's comprehensive plan, zoning ordinance, and subdivision ordinance all need to work together to encourage more fiscally productive and sustainable development.

Focus on the Built Form: Some of the policies which affect the built form and which may need to be evaluated might include:

- Structural footprint: Many cities require a maximum structural footprint, but Crowley should also consider a minimum structural footprint.
- Parking: Consider an approach to parking that focuses on a maximum footprint rather than a minimum number of spaces.
- Structural Height: While most cities regulate a maximum height, they do not consider the benefits of a minimum height. Requiring a multi-story structure (even for only a percentage of the structure) requires a denser development pattern. The additional space could consist of more commercial, office, or even residential space. Such a scenario would also dramatically increase the concentration of the property by either providing the same value on a smaller footprint or doubling the value on the same footprint.
- Lot shape and Size: Lot shape and size have a big impact on cost footprint. A five thousand square foot (5,000 sq ft) lot will have a larger and larger cost burden the wider it gets simply due to the increased amount of pavement dedicated to serving a single lot. Wider lots also spread development out further along the road network, which increases a service vehicle (solid waste, police, fire, EMS) response time, increasing the need for more service facilities and operators.

Keep in mind that the traits found in development patterns that reflect the best fiscal performance also have a strong correlation with design characteristics that contribute to a higher quality of life such as:

- Walkability
- The ability to age in place
- Freedom for children to roam
- Less time stuck in vehicular traffic
- Housing options for different stages of life
- Local economic opportunity.

People are willing to pay more for high quality of life. It's the driving factor for most housing decisions. We want to live where we get the most bang for our buck. Most of our greatest cities share the ability to attract people to live there first and then find a job to support them staying there second. These places also attract commercial and industrial development without any economic incentives at all. Employers and business owners want to locate there to provide a better living environment for their employees and customers. These places have greater financial resiliency due to local citizens' desire to stay there and their willingness to pay more to maintain it.

Projecting Downtown Development

Creating a larger downtown district in central Crowley along Main Street represents a significant component of the comprehensive plan update. This portion of the study illustrates the potential fiscal impact a downtown district could have on the city by modeling a variety of development patterns across the proposed downtown district.

The model considers four different land use designations (examples are provided on the next page):

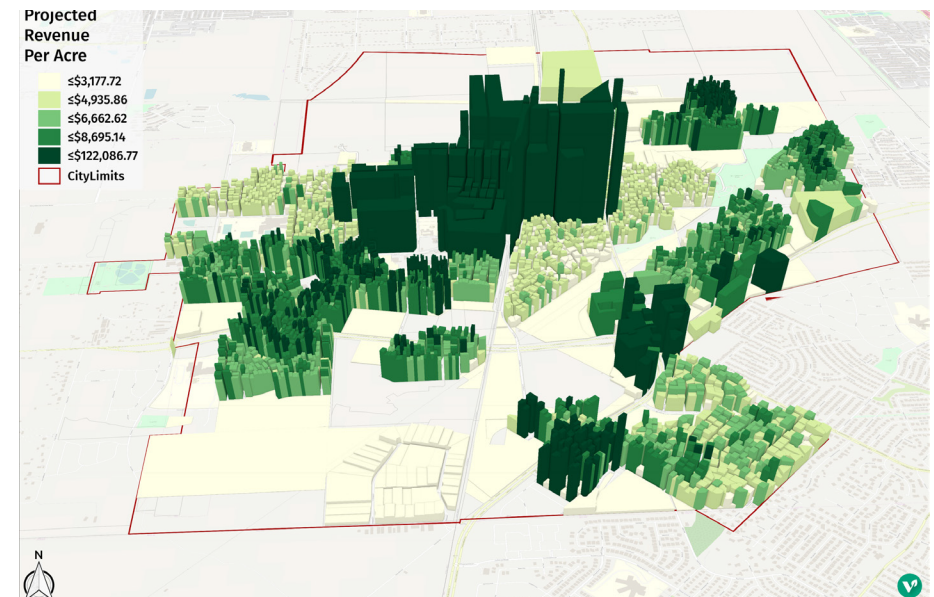
1. East Main Street: (Higher density, "vertical" mixed use with emphasis on mid to large-scale office, commercial, and civic anchor tenants and townhome style residential (example: Village in Colleyville)
2. West Main Street: Lower density, "horizontal" mixed use focused on local/small businesses and live/work buildings that provide a transition from surrounding residential to the more intense East Main Street area (example: Magnolia Avenue in Fort Worth)
3. High Density Single Family: Residential lots with accessory dwelling units and some duplex/fourplex buildings integrated with existing single-family homes (example: Highland Park South in Pflugerville, Texas)
4. Multi-Family: Urban living units designed to serve seniors, young professionals, and other segments of Crowley's demographics seeking affordable housing options in a walkable, mixed use environment (example: Century Stone Hill apartments in Pflugerville, Texas)

The two maps to the right illustrate the revenue per acre and return on investment (ROI) impact of a fully redeveloped downtown district as described in the plan. (Further discussion and larger maps are provided on the following pages.)

Maps 1.5 - Downtown District: Projected Revenue per Acre

Maps 1.6 - Downtown District: ROI with Unfunded Street Maintenance

Maps 1.5 - Projected Revenue per Acre



Maps 1.6 - ROI with Unfunded Street Maintenance and Downtown Development

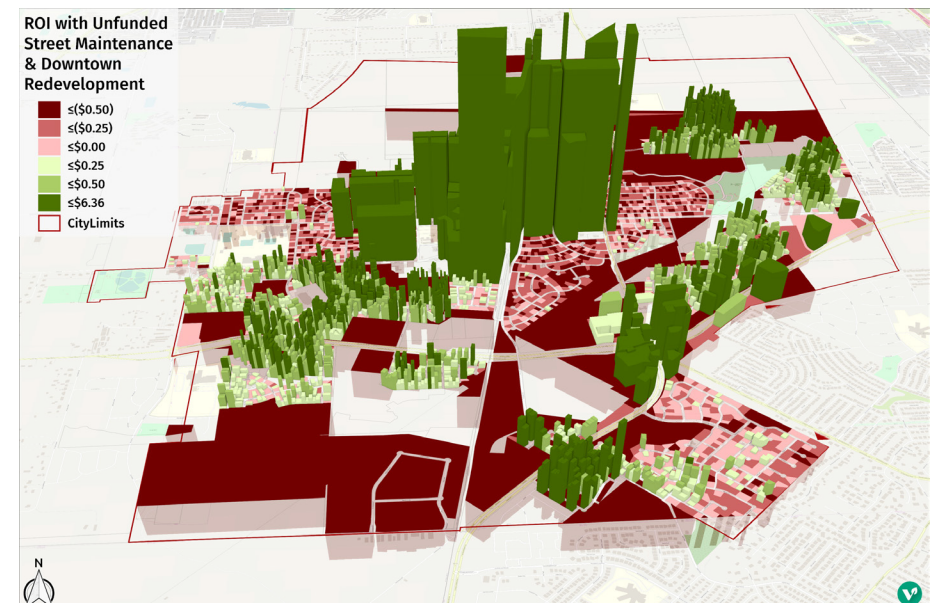
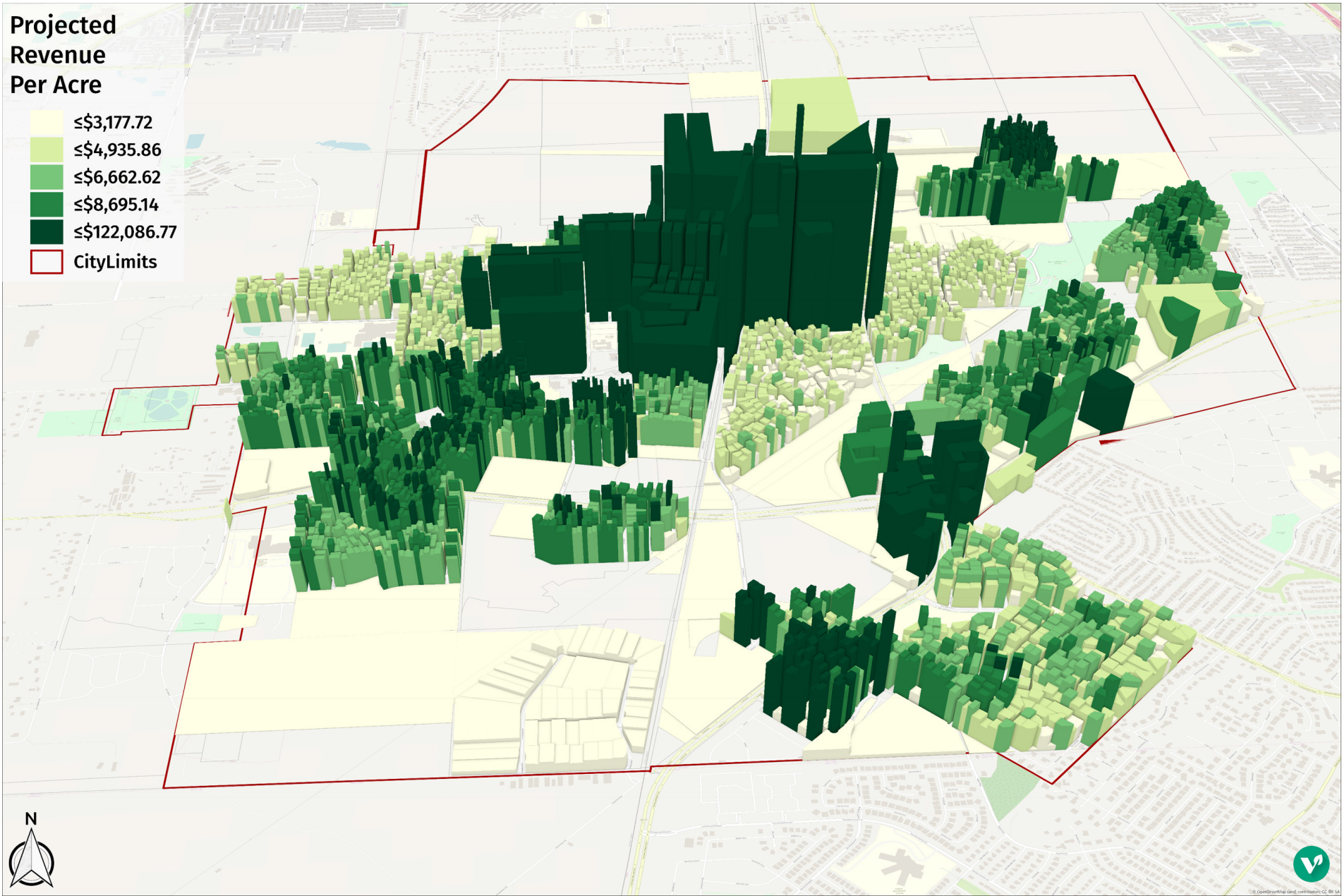
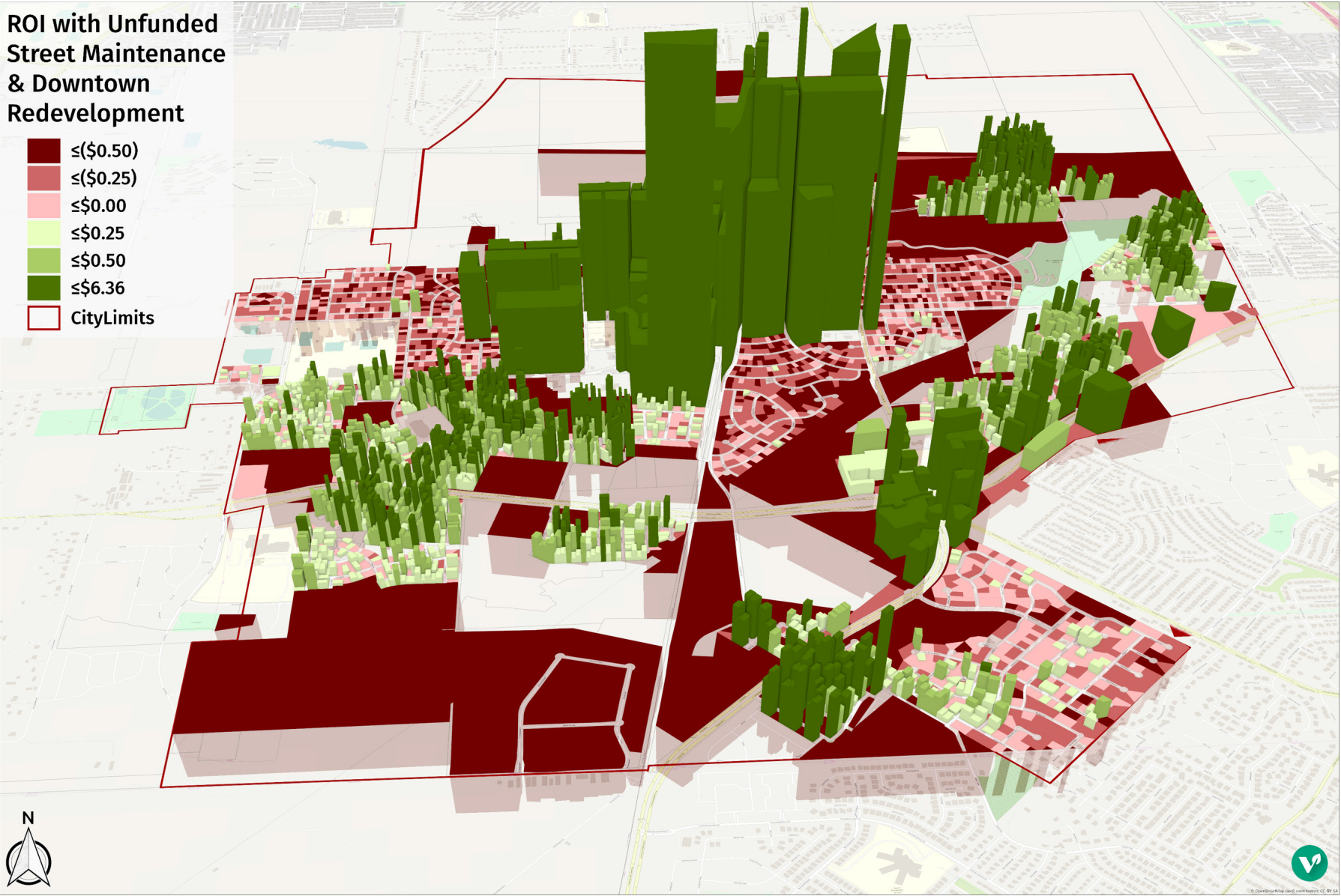


Figure 3-3-14: Map 1.5 and Figure 3-3-15: Map 1.6



ROI with Unfunded
Street Maintenance
& Downtown
Redevelopment

- ≤(\$0.50)
- ≤(\$0.25)
- ≤\$0.00
- ≤\$0.25
- ≤\$0.50
- ≤\$6.36
- CityLimits



Many people will recognize the impact of sense of place from experiences in all kinds of locations from Main Street Fredericksburg to Sundance Square in Downtown Fort Worth. It's what makes kids who grow up in a place want to return to that place when they're older. If you can name a location where people move to first because they want to live there, then find a job and a home once they get there, you've identified a location with a strong sense of place. A strong sense of place can keep housing units occupied and establish a steady demand for commercial services, both strong advantages for any city.

(Map of future land uses in the Downtown District and expanded district boundary provided on next page.)

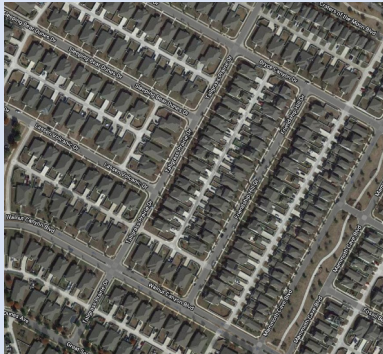
East Main Mixed Use



West Main Mixed Use



High Density SF



Multifamily



Figure 3-3-16: Photos to show Type and Density of Proposed Development

Imagine a Vibrant Downtown District

The potential of Downtown Crowley is shown through:

- Map 1.6 on the previous page, which shows the ROI of a fully developed downtown, developed as per
- The future land uses, shown on the plan on the following page.

To model each land use shown on the plan, this study identified existing locations in Texas with similar development patterns that matched the land use category descriptions on the Downtown District Future Land Use Plan. Then, the revenue performance was calibrated to reflect conditions in Crowley.

These patterns reflect an urban development pattern appropriate in scale for the size and character of Crowley. The two Main Street subdistricts would likely have maximum height limits of:

- West Main: 1-3 stories ,and
- East Main: 4-5 stories.

The surrounding residential areas (shown as Central Crowley Residential on the Downtown Figure Ground map on a following page) are proposed to remain as 1- or 2-story single family houses. However, the Figure Ground map (current development on the proposed expanded district boundary) shows that there is land and space available for new and infill development. It is estimated that approximately 1/3 of the single family lots could accommodate an accessory dwelling unit. In addition, new residential development within the district is focused on providing different housing options to provide more variety. Townhomes and urban apartments are considered appropriate because their location increases the walkability of downtown. It is not hard to imagine how the increased density and, therefore, the increased rooftops will support Main Street businesses and the future commuter rail station.

The potential fiscal impact is significant. The designated Downtown District currently generates close to \$1.2 million in annual property tax revenue. With total redevelopment that revenue

could potentially increase to as much as \$9 million annually. Crowley's maintenance and operations costs for the area should not increase much because the area is served by existing public infrastructure. That amount of revenue could likely cover the costs of any needed public investments to facilitate the development, any increase in service costs if they occur, and still have enough remaining to cover a portion or all of the remaining annual deficit revealed in the Scenario B analysis. The Downtown District also offers a host of other advantages inherent with a denser urban form.

- Redeveloping an existing area with a denser development pattern will increase demand for commercial services in the immediate vicinity.
- Businesses need people to support their services. If this district can successfully redevelop with a higher residential density along with an appropriate amount of small-scale commercial spaces, then Crowley will benefit from a significant economic impact.

The residential component is key to cultivating a vibrant downtown and resilient local economy. The rooftops not only provide the customers, but also local employees and residents who care about the upkeep and safety of the area. Without the residential density these types of areas sometimes end up operating more like a traditional central business district which typically are occupied during business hours but are vacant after hours. A traditional central business district typically does provide some economic boost to city revenues, but without nearly as much stability. Local businesses depend on lunch crowds and services people need on their way to work or back home. The type of setting limits variety of viable business types and also lacks the care that local residents provide. The contrast between downtown Fort Worth and the Magnolia Street area just south of downtown provides a great example of the differences.

The Crowley Downtown District can also create a strong sense of place. Sense of place creates the attraction local residents, businesses, and visitors often feel for a particular area.

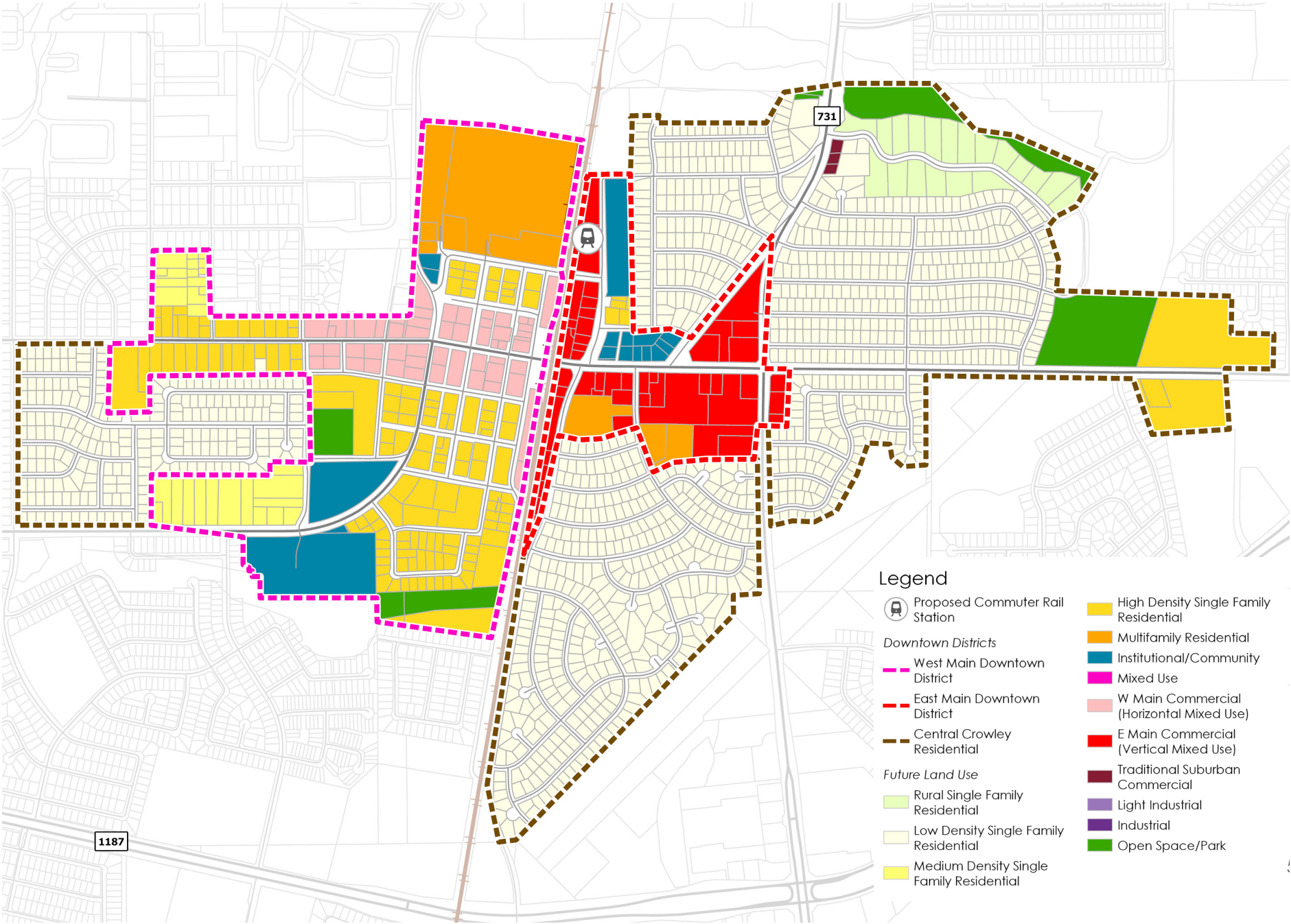
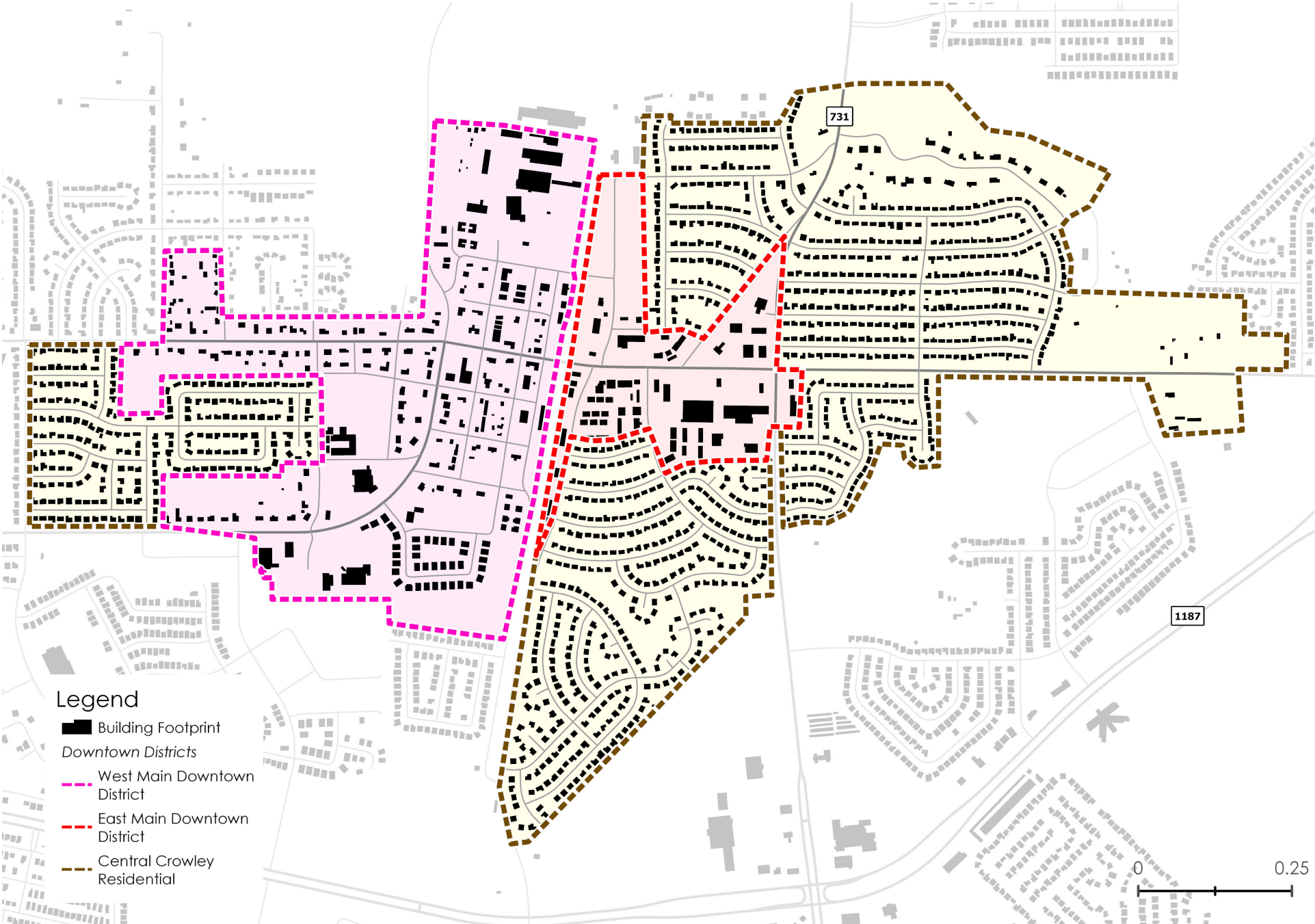


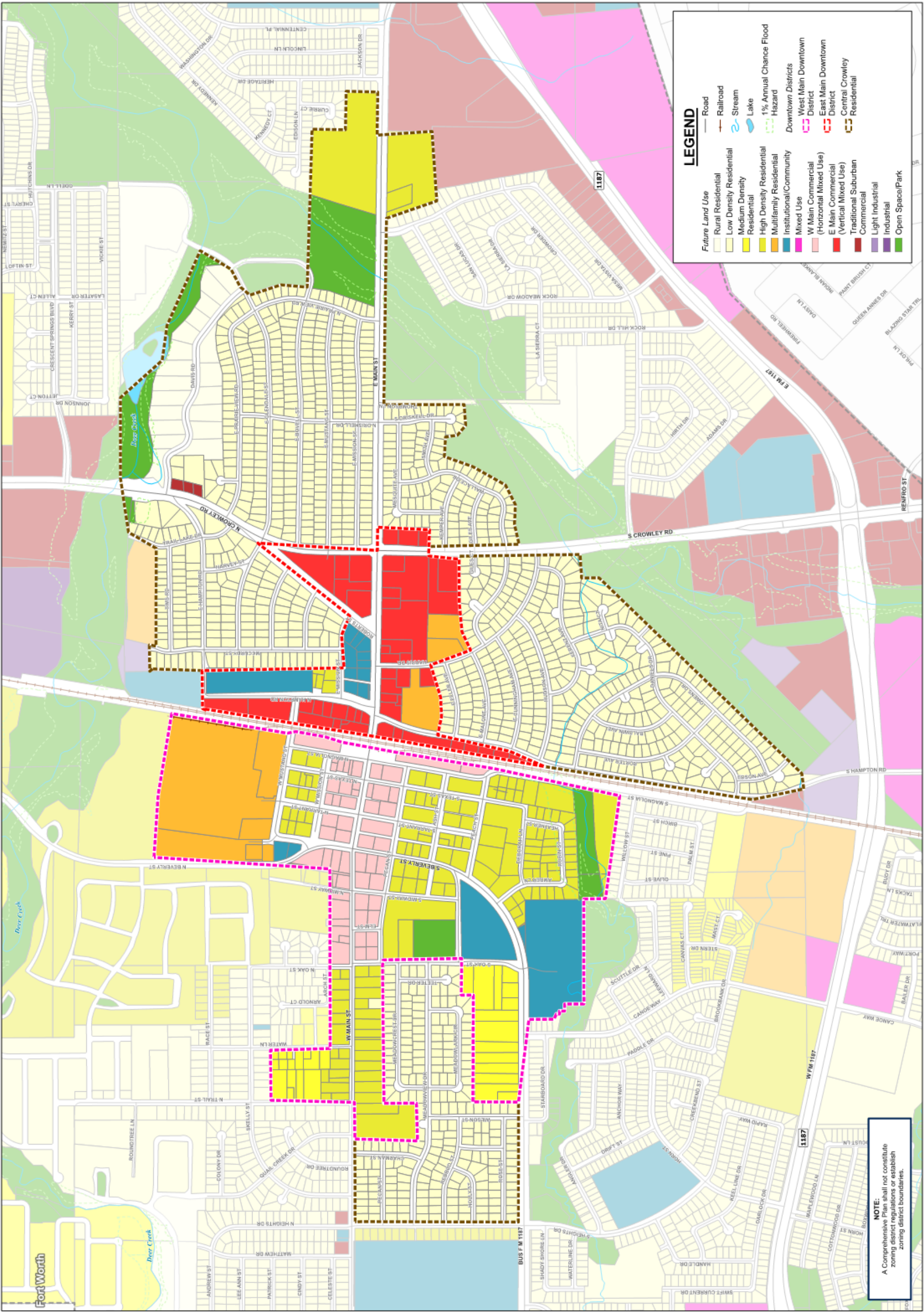
Figure 3-3-17: Downtown District Future Land Use Plan



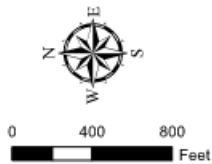
Legend

- Building Footprint
- Downtown Districts*
 - West Main Downtown District
 - East Main Downtown District
 - Central Crowley Residential

Figure 3-3-18: Downtown District Figure-Ground Map
City of Crowley 2045 Comprehensive Plan



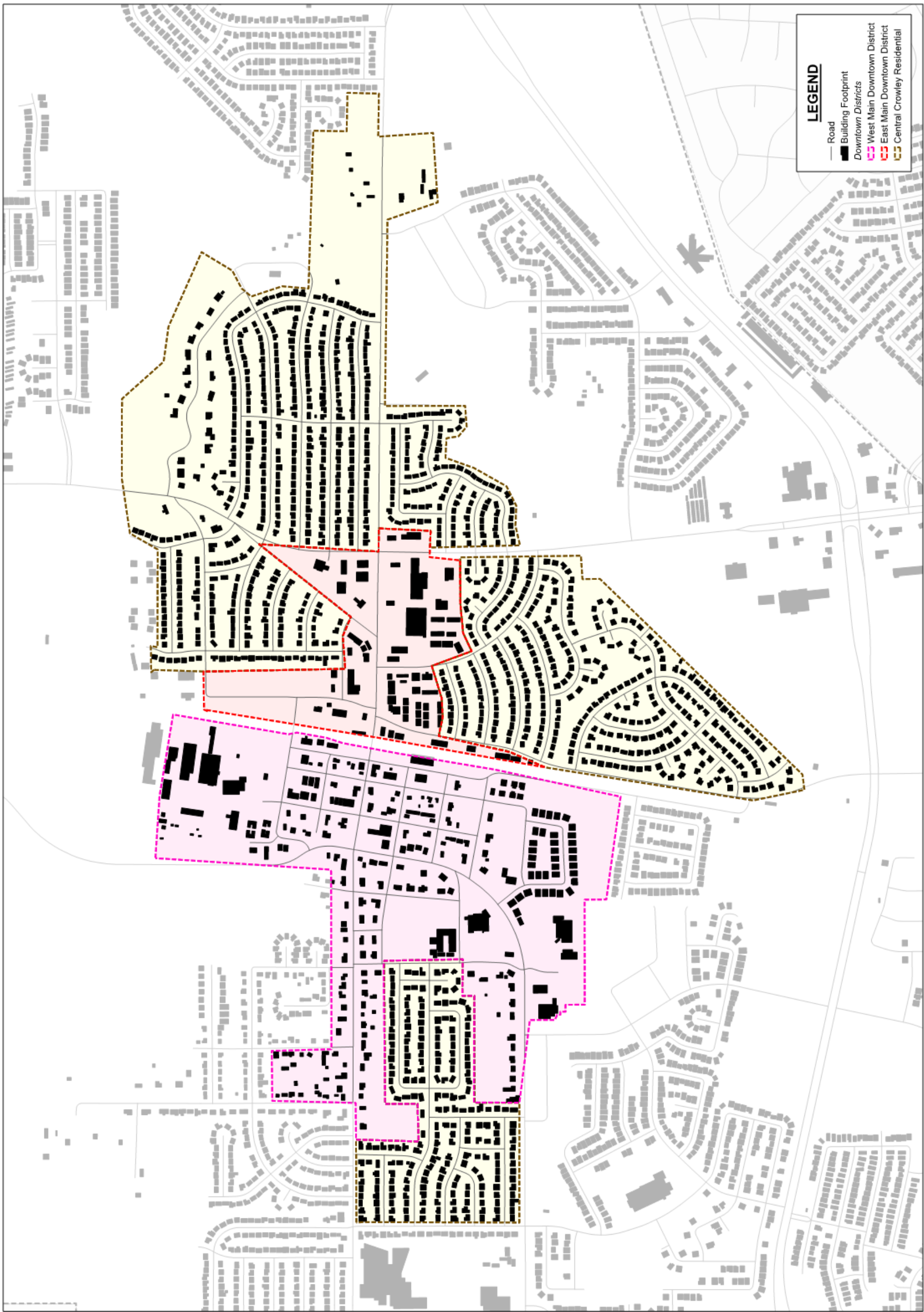
Downtown Future Land Use



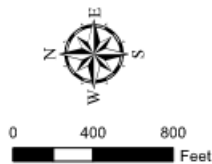
Created by
DUNAWAY
April 23, 2020

Figure 3-3-17: Downtown District Future Land Use Plan





Downtown Figure Ground



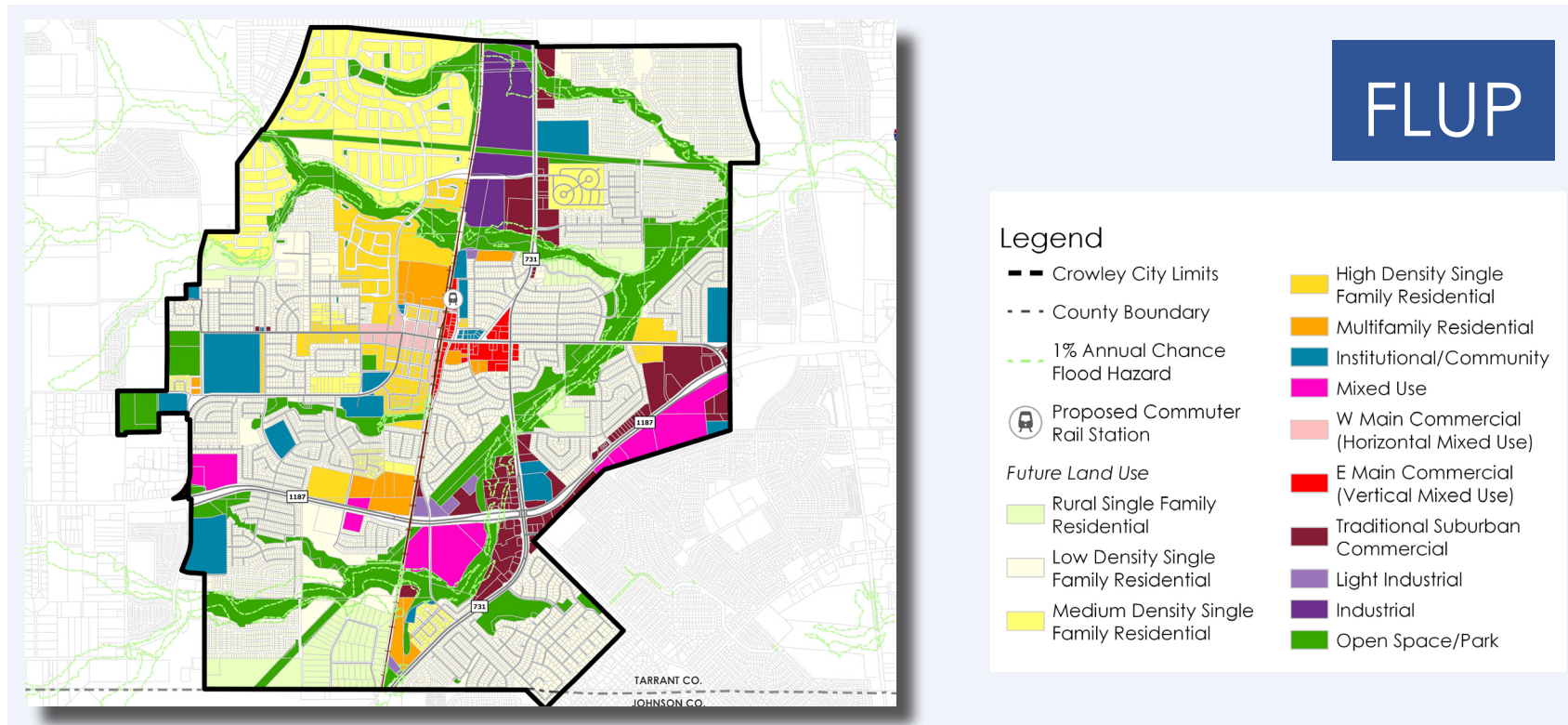
Created by
DUNAWAY
April 24, 2020

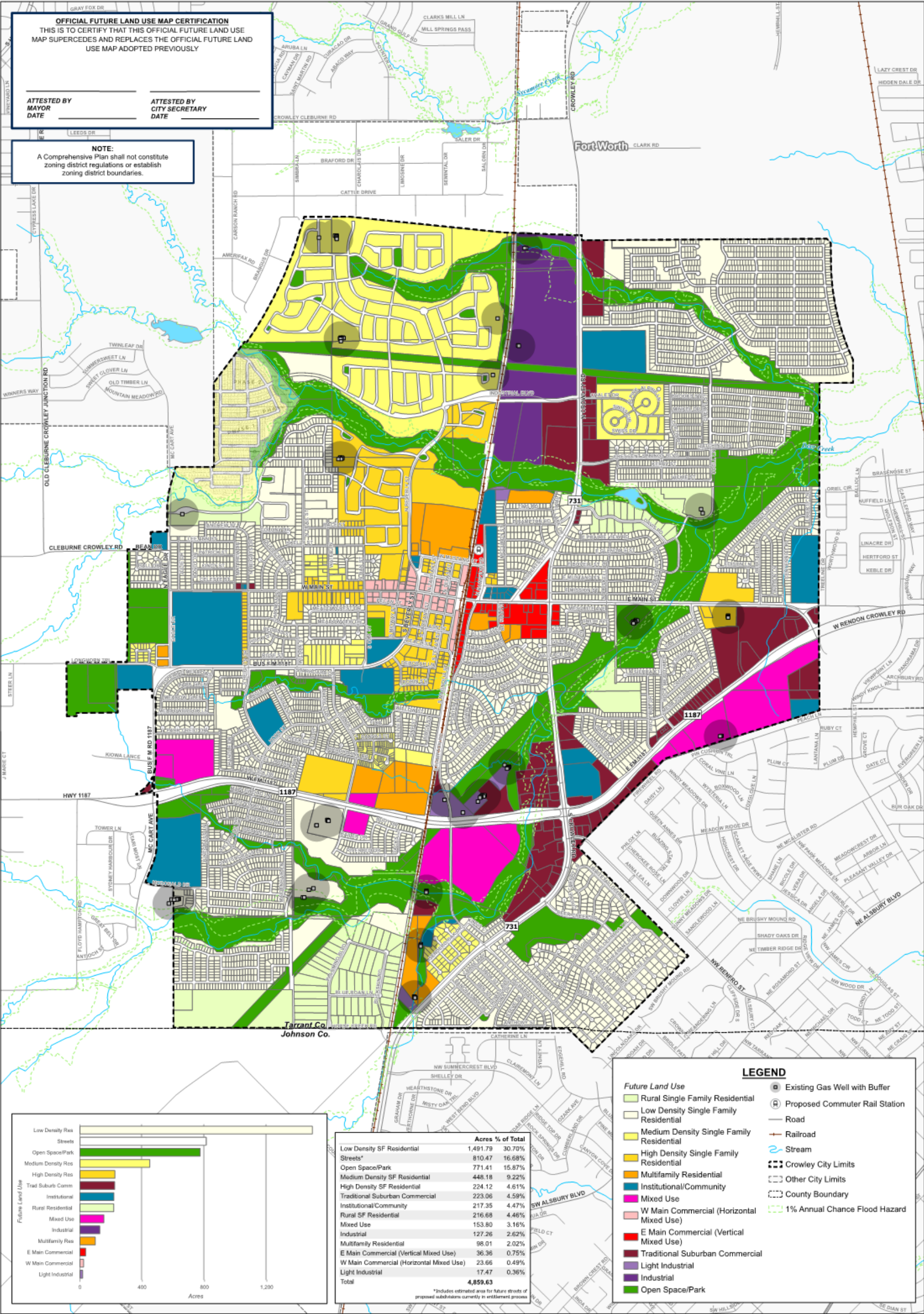
Figure 3-3-18: Downtown District Figure-Ground Map

3.3.3 Organic Crowley

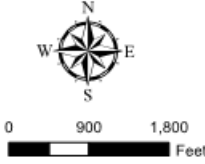
This plan is intended to help create a Crowley that is true to itself, growing and adapting in an organic way. Residents repeatedly expressed through all the engagement methods their desire to maintain the small-town feel of Crowley. Many stated that Crowley felt “country” to them. Others prioritized that they want to build on this character in a natural, not contrived, way but organically. What the future Crowley will look like is focused on organic growth, meaning from within. The term “organic” has several meanings and applications for Crowley:

- Hometown: revitalize Main Street with a mixture of uses and local businesses
- Home-grown: promote new and existing local businesses (aka cultivate local community capital and resources)
- Natural: provide more recreational venues and facilities; preserve Crowley's natural resources
- Incremental: growth that makes sense for the community
- Resilient: create different types and scales of development that diversify the local economy
- Sustainable: approve development based on fiscal sustainability of the project for the city
- Attainable: provide different housing options to attract young adults and families, keep existing families, and allow older residents to continue to reside in the community they love





Future Land Use



Created by
DUNAWAY
April 24, 2020

Figure 3-3-19: Future Land Use Plan
City of Crowley 2045 Comprehensive Plan

LAND USE TABLES

The next section of Chapter 3.3 provides information about each of the new land use categories.

GUIDE TO USING LAND USE TABLES:

Each page provides the following information:

1. Title of Land Use category
 - Context, if applicable
 - Rural
 - Suburban
 - Urban
2. Abbreviation for Land Use category
3. Color for Land Use category
4. Description with density, if applicable
5. Purpose of the Land Use category
6. Application: Where and how the category can be used within the city
7. Future Land Use Map
 - Example location(s) of Land Use category on map
 - Focus area for the future application of the land use for new or redevelopment
8. Photo of typical development within the Land Use category

Title of Land Use Category - Context

Description:

1-2 Dwelling Units/Acre

General description of land use category within the city.

Purpose:

Bucolic / Historic

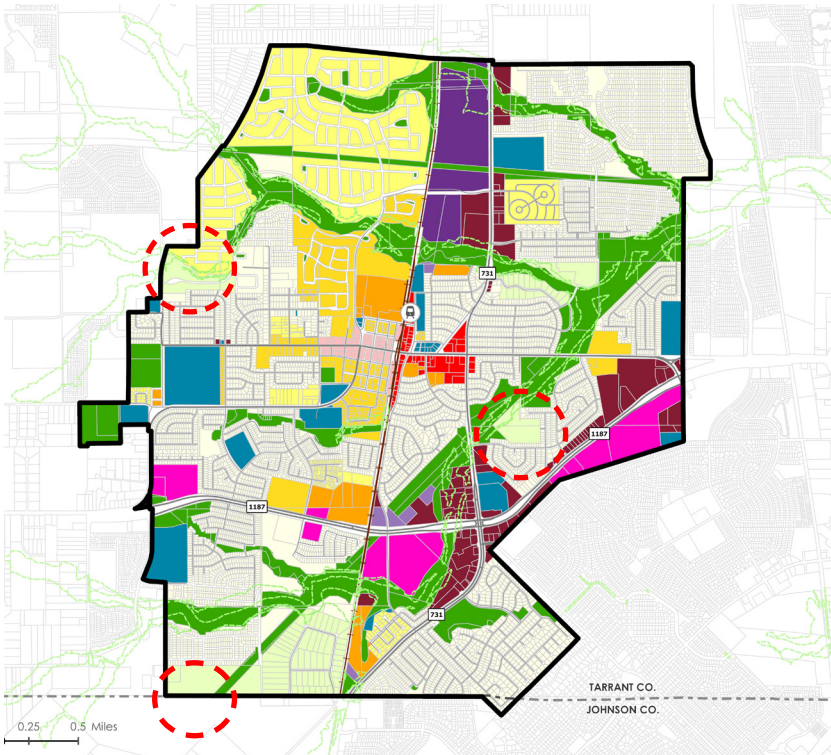
What role the land use category will serve for new and redevelopment of land within the city.

Application:

Adjacent to city limits, creek

How and where to expect development for the land use category.

Abbreviation
and Color



Future Application:
Existing Example: s

Photo example of typical development

Land Use Cagetry