

Victory Development FAQ's

Reminder there will be a Town Hall Meeting on April 27th at 6PM at the Saginaw Recreation Center

1. What is zoning?

Zoning is a power given to cities to regulate the use of property within the city, including regulating the height and size of buildings, the percentage of lots to be occupied, the size of yards or other open spaces, the location and use of buildings and land, and the use of groundwater. At a high level, this authority allows a city to designate whether a property would be used for business, industrial, residential, or other purposes. In addition, cities are given the authority to divide property in the city into districts, and within each district, the city can regulate the construction, reconstruction, alteration, repair, or use of buildings, other structures, and land within the district.

When zoning regulations are adopted by a city, each piece of property in the city is designated for a particular zoning district. The adoption of zoning for a property legally entitles the owner of that property to develop it in accordance with the regulations for the zoning district that is assigned.

Amendment of the zoning regulations for a particular property may be adopted, but it must be done in accordance with a comprehensive plan for development within the city. An amendment also must be supported by a change of circumstances that justifies or warrants the change. Zoning regulations cannot be changed based on a council's dislike or disapproval of a particular land use.

2. What is a Public Improvement District (PID)?

A PID is a district that a city may create for the purpose of financing certain improvement projects that confer a special benefit to the district. The list of possible projects includes landscaping, construction of fountains, lighting or signs; acquiring, constructing, improving, widening, narrowing, closing, or rerouting sidewalks or streets; acquisition and installation of art; acquisition, construction, or improvement of libraries; acquisition, construction or improvement of off-street parking facilities; acquisition, construction, or improvement of water, wastewater, or drainage facilities for improvements; establishment or improvement parks; projects similar to these described; acquisition of real property for the listed projects; special supplemental services for improvement and promotion of the district; and payment of expenses for establishment, administration, and operation of the district.

The financing of projects is accomplished by the adoption of a service and assessment plan by the city, which provides for assessments to be made to properties within the district for a set term to pay for the cost of projects. The financing of projects through a PID allows for the property owners within the district to pay for the costs of the projects that benefit the district. This means that these development costs will not impact taxpayers outside of the district.

3. What is a Tax Increment Reinvestment Zone (TIRZ)?

A TIRZ is a financing mechanism that sets aside a portion of property taxes in a specific area to make infrastructure improvements within the boundaries of that area. Saginaw has one TIRZ, which Tarrant County and Tarrant County College participate in.

In Saginaw's TIRZ, 50% of property taxes in the TIRZ boundaries from the City of Saginaw, Tarrant County, and Tarrant County College can be used to improve infrastructure. As properties

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grow in value in the TIRZ boundaries, more money is available for infrastructure improvements and more money goes to the city's General Fund.

The benefit of a TIRZ for Saginaw is that Tarrant County and Tarrant County College help pay for future infrastructure improvements, which helps to lessen the tax burden on all Saginaw taxpayers. The city gets 50% of Tarrant County and Tarrant County College property taxes within the TIRZ boundaries.

The TIRZ is governed by a board of directors which includes the City Council and a representative from Tarrant County and Tarrant County College.

4. What is the zoning of the land south of Saginaw High School?

The property has been zoned for commercial, multi-family, and light industrial uses since 1996. Some boundaries of parcels have changed since that time. There was a zoning amendment in 2020 initiated by the previous owner to adjust some parcels. The property was sold to the current owners in 2021.

There are currently approximately 24 acres of property zoned community commercial fronting Blue Mound Rd., approximately 45 acres of multi-family immediately west of the commercial tract, and approximately 7.5 acres of light industrial at the corner of E. McLeroy and Lavonne.

5. How will this impact our schools?

EMS ISD purchased land adjacent to the proposed development approximately 15 years ago to build a future elementary and middle school.

EMS ISD factors in current zoning for future facility needs. Future growth is planned for.

6. Will the residential units be income-based or subsidized housing?

The residential units, which will likely be apartments and/or townhomes, will be fully market-rate.

7. Has a traffic study been completed to determine the effect of increased cars in that area?

The study determined that Western Center Blvd. will be extended from Blue Mound Rd. to Lavonne Lane. This extension will be renamed McLeroy instead of Western Center. The developer is responsible for the cost of this improvement and not the city.

8. Why are there so many apartments?

The development is mixed-use, which means there are multiple land uses in the same general area including residential, retail, and commercial.

Retailers and restaurants want to be located near where people live. Alliance Town Center is an example of this. There are several restaurant and retail opportunities, along with several market-rate apartments.

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9. Can the city stop the construction of the apartments but keep the restaurants and retail?

No. The property owner can develop within the current zoning. The city cannot legally deprive a property owner from development.

10. How can we ensure restaurants and entertainment venues?

The City Council intends to negotiate a development agreement that would outline requirements such as architectural and building standards, public park space, restaurants, and potential entertainment options.

The developer would be incentivized to participate in an agreement with reimbursements for infrastructure costs such as drainage. The developer is 100% responsible for the construction of the future extension of Western Center, which will meet Lavonne Lane.

11. Will the city have to issue debt or bonds for the project?

The city will not issue debt or bonds for the project. The developer is responsible for the construction of the new roadway required by the city's thoroughfare plan. The city may participate in drainage improvements in the area on a reimbursement basis, which would be defined in a development agreement.

12. What about the Globe Aviation/Bell Helicopter site?

The developer has purchased the Globe Aviation site, which is approximately 6 acres. It is zoned for commercial use. They intend to repaint the existing water tower on the property.

There has been discussion of having the city participate in beautification and site redevelopment costs. Without redevelopment, it is likely the site will remain in its existing state of blight. There is a substantial amount of concrete on the site that would need to be demolished before any redevelopment could take place.

13. What considerations have been made for high school students to safely walk to the proposed shopping area?

Once building plans are submitted, the Fire Marshal, Building Official, and Public Works Director, along with the City Engineer, will review them to ensure that pedestrian safety and circulation are appropriate. Health and safety are our highest priority. The city will work closely with the school district as part of the plan review process.

14. How would the proposed 980 residential units affect public services such as police and fire?

With more residents and shoppers come more demands for public services.

The city has made it clear to the developers that the city expects a contribution from the developer's Public Improvement District to fund the equivalent of hiring one new police officer and one new firefighter. This is a negotiation that would be a part of a future development agreement.

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15. Is it legal to use PID or TIRZ revenue to hire firemen and/or police officers? What cities have done this? If the PID or TIRZ money is used, do the firemen or police officers have to spend the majority of their time in that TIRZ/PID zone? How would the Fire Department and Police Department achieve this?

Section 372.003 of the Texas Local Government Code allows “special supplemental services for the improvement and promotion of the district” as an authorized improvement for funding by a PID, which includes public safety as one of those services. These services would need to be for the improvement of the district. It is likely that the funding contributed for these services would need to be somehow tied to the amount or level of service that is received by the district. These terms would be outlined in an economic development agreement, which would be negotiated as this development moves forward toward the permit process. The specifics of how this will work have not yet been determined.

16. The apartments at the southwest corner of Bailey Boswell and FM156 were supposed to have commercial as presented to the City Council. That has not happened. What guarantee does the City have that the developer at the Victory project will indeed develop commercial or will the City fund the development similar to the Fire Station Number 1 Project?

Generally, a developer has the right to develop their property in whatever order that they choose. The property at the corner of southwest Bailey Boswell and FM156 is not subject to a development agreement to influence when commercial development is completed. We anticipate commercial development to begin after FM156 reconstruction is complete, however, future development of the property will be determined by the property owner in accordance with its existing commercial zoning.

The assurance for the completion of commercial development in the Victory Saginaw development could be accomplished through an economic development agreement with the developer, which could make the completion of commercial development a condition under the agreement.