

BAY CITY

NORTH DOWNTOWN PLAN

May 2013



MATAGORDA COUNTY'S NEXT HOUSING DESTINATION

Redevelopment Opportunities in North Downtown

LOCATION

40-acre, 12-block site to the north of Downtown Bay City, Texas

PRIVATE INVESTMENTS

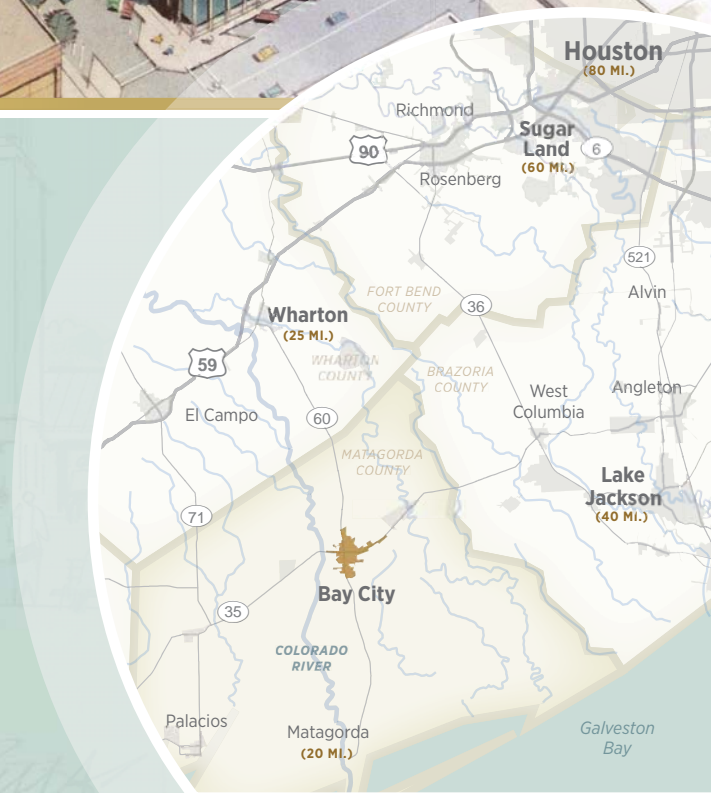
Housing (e.g., apartments, townhomes, patio homes, traditional single-family), vertical mixed-use, commercial, and flex-space

PUBLIC INVESTMENTS

Building demolition, site clearing, land assembly and relocation, updated infrastructure, streetscape, creek enhancements, parks, plazas, sidewalks, and trails

FUNDING MECHANISMS

General obligation debt, TIRZ, grants, corporate sponsorships, public-private partnerships, and private investment



Community Vision

At the onset of this project, the community set forth a specific vision for North Downtown - a high-quality, mixed-use housing district that complements the commercial and civic activity of Downtown. Public input from focus groups, stakeholder interviews, and open house workshops reinforced this theme, leading a team of planners, urban designers, and real estate advisors to explore multiple design scenarios. Over a six-month process, the master plan evolved from a highly conceptual “bubble diagram” to specific development strategies that were substantiated by market research.

Study Area

The 40-acre, 12-block study area is located immediately north of Downtown Bay City. Its central location adjacent to Highway 60 and one block north of Highway 35 places it within close proximity to retail, restaurants, and entertainment. The site is served by water, sewer, and transportation infrastructure. Furthermore, most of the land is flat and readily buildable. With the possible exception of small salvage operations and a municipal recycling facility, little or no serious site contamination is thought to exist. However, a full environmental assessment is recommended. Cottonwood Creek diagonally bisects the site and serves as a unique natural amenity warranting public access and enhancement.

Housing Market

In context of Bay City’s historic growth catalysts, North Downtown’s market potential was more heavily influenced by employment projections rather than existing baseline indicators (e.g., population change, unemployment rate, education). The following trends were used to identify development opportunities for the study area.

ECONOMIC TRENDS

- The community anticipates a projected increase of **800 to 900 permanent jobs by 2017**.
- Proposed construction projects will support **4,700 temporary jobs in 2014** and 3,600 in 2015. Projections taper off in subsequent years.
- The 2013 announcement of a new **Tenaris** steel pipe manufacturing facility in Bay City will generate **600 new jobs** and up to **\$1.5 billion in capital investments** starting in 2016.
- Employment is led by the utility (South Texas Project), education (Bay City Independent School District), and medical (Matagorda County General Hospital) sectors.

HOUSING TRENDS

- The City loses prospective residents to Lake Jackson and Fort Bend County due to their availability of newer housing stock, retail amenities, and more diversified job base for employed spouses. According to the Bay City Community Development Corporation (BCCDC), approximately 50 percent of South Texas Project’s (STP) workforce lives outside of Matagorda County and commutes 45 miles or more to work.

Redevelopment Opportunities

Approximately half of the study area’s parcels are vacant (teal-colored) or City-owned (orange-colored), as seen in the illustration below. Private development interests will be contingent on the City assembling individual parcels into a larger and more consolidated infill package - effectively reducing the timing and cost of redevelopment.



- No new multi-family development has occurred since 2004, and most units were built before the 1980s and are currently subsidized.
- Housing is approximately 60 percent owner-occupied and 40 percent renter-occupied.

LOCAL DEMAND

Market research indicates a modest demand for:

- Upscale single-family housing (\$200k+);
- Small increments of small-lot, single-family homes (e.g., patio homes, townhomes);
- Furnished, upscale apartment units in or near Downtown; and
- A moderate-sized, market-rate apartment complex (e.g., Class B+ under 100 units).

Future housing needs will be inextricably tied to employment trends (e.g., Tenaris construction, STP retirements). Therefore, housing demand will increase in proportion to job opportunity.

Public Investments

The Bay City community will need to coalesce multiple revenue streams in order to fund major, up-front infrastructure investments. These core improvements will be necessary to attract the proposed type and quality of private investors. Rather than building everything at once, the City will need to be strategic by not overextending itself financially. New public infrastructure and amenities should be timed to coincide, as much as possible, with tax revenue increases.

These images are used as illustrative examples. All photographs and renderings are credited to Kendig Keast Collaborative except the following: Public Art (Deanna Champagne) and Creekside Trails (Boulder Creek Snovozil).



Streetscape Enhancements



Townhomes



Avenue G



Creek Enhancement



Public Art



Apartments



Plaza



Mixed-Use



Creekside Trails

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The Houston-Galveston Area Council (H-GAC), representing a consortium of 24 local government and nonprofit partners, received a \$3.75 million Sustainable Communities Regional Planning Grant from the U.S. Department of Housing and Urban Development to develop a Regional Plan for Sustainable Development. The Bay City Community Development Corporation and other local sponsors were selected to receive funding for planning and design assistance under this grant. The local sponsors, consultant team, and H-GAC are solely responsible for the accuracy of the findings and recommendations contained in this report and do not necessarily reflect the view of the U.S. Government.

Project Team

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