

# CAPITAL IMPROVEMENT PLAN

## NOLANVILLE'S ROADMAP



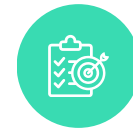
**Identify**



**Plan**



**Budget/Execute**



**Maintain**

# CAPITAL IMPROVEMENT PLAN



## WHAT IS A CAPITAL IMPROVEMENT PROJECT?

- Construction, major maintenance, and improvement projects.
- Infrastructure upgrades and replacement
- Capital Improvement Plan: A 5 to 10-Year Plan
  - It is updated annually – Not “One and Done.”
  - Council approves it
  - Future Capital Improvement Projects

The Capital Improvements Plan (CIP) addresses Nolanville’s long-term needs in street repairs, drainage improvements, parks, and other public utilities and facilities. These projects are typically scheduled over several years to address the City’s ability to pay for the improvements. Capital Improvement Projects are relatively expensive and non-recurring; periodically, these improvements are financed with Bonds or Certificates of Obligation.

## Capital Infrastructure

Major infrastructure improvements are accomplished using different sources of funding. The Street Maintenance Fund, funded by a 1/4% sales tax, the vote to approve this tax for an additional four years was successful in 2021. Grants from the Killeen Temple Metropolitan Planning Organization (KTMPO) and the Texas Department of Transportation (TxDOT) are another funding source. A call for projects occurs every 2-3 years. Community Development Block Grants and other Federal/State grants are sometimes available for these projects. Ideally, future budgets will provide a provision to save for matching fund requirements, engineering, and other professional services involving project call submissions. This will ensure the City is postured to receive grant awards by preparing projects to be “shovel ready” and to request adequate funding through the detailed opinion of probable cost (OPC).



# CAPITAL IMPROVEMENT PLAN - COUNCIL PRIORITIES/PROJECT LIST

## FY 23-24 Project List

ITEM	Department	Strategy/Provision	Cost
Public Safety Facility	Fire Department	Public Safety on South Side of Interstate. Prepositioned at City Hall during build up phase.	\$100,000 Professional Services Bond for Construction in Summer 2024 Synchronize timing of Bond Retirement
Facility Expansion SMART Museum BGCA / Park Gymnasium	Parks & Recreation	Focus on Design in FY 23-24, construct at the conclusion of the Public Safety Annex to determine funds available from bond and operating budget.	\$160,000 Professional Services
Railroad Siding Relocation Reduce blocking of intersections	Public Works	Focus on application submission to KTPMO for TxDOT Funding.	20% Match and 100% Engineering if awarded. Project cost is at least \$5,000,000
Combined Large Park Project	Parks & Recreation	Apply for TPW grant funding Oct 2023 and implement with normal park outlay operational budget, increase this line item incrementally in subsequent years.	\$1,500,000
Warriors Path	Public Works	Focus on application submission to KTPMO for TxDOT Funding.	Consider preliminary engineering to ensure project is ready in the event that funding becomes available.



# Tax Increment Reinvestment Zone

## TIRZ

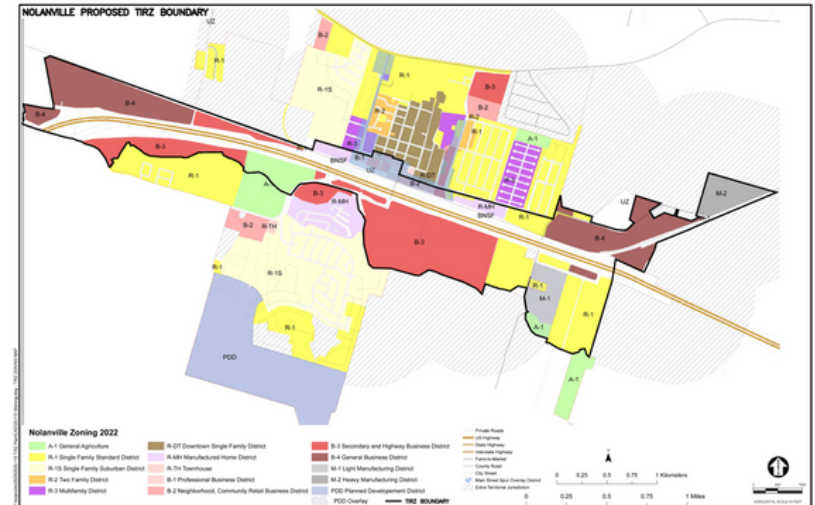
Tax Increment Reinvestment Zones (TIRZs) are special zones created by City Council to attract new investment in an area. These zones help finance costs of redevelopment and promote growth in areas that would otherwise not attract sufficient market development in a timely manner. Taxes attributable to new improvements (tax increments) are set-aside in a fund to finance public improvements within the boundaries of the zone.

- Capture tax increments that would otherwise be returned to other taxing jurisdictions

## Requirements

- Boundaries
  - Less than 10% Current Residential & no more than 30% zoned residential
  - Less 15% Total Appraised Value
- Benefits
  - Proposed improvements must increase the value of all taxable real property in the zone
  - Must be a general benefit to the city and county
  - Cities in Central Texas with TIRZ Districts include: Temple, Belton, Killeen
- Duration
  - Term is typically 20-25 years
  - Zone may be terminated at an earlier date designated by ordinance of the City Council due to insufficient private investment, accelerated private investment, or other good cause, or at such a time as all project costs and tax increment bonds, if any, and any interest have been paid in full.

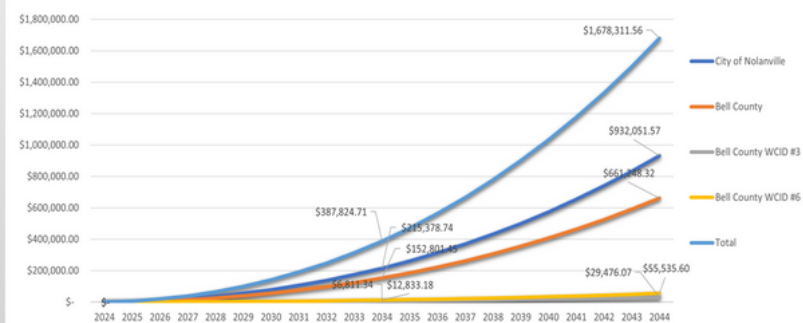
## Proposed Nolanville TIRZ Boundary



## Eligible Uses

- Construction of public works
- Public improvements, new buildings, structures, fixtures, land acquisition, clearing and grading of land.
- Financing costs
- Affordable Housing
- Real property assembly costs
- Professional services for architecture, planning, engineering, legal
- Relocation costs
- Environmental, Geotechnical or other studies
- Administration expenses of the city's implementation of the project plan

Nolanville TIRZ  
20-Year Revenue Analysis  
Tax Revenue Accumulation Over Time (3.5% Growth)



# CAPITAL IMPROVEMENT PLAN

## AFFORDABLE HOUSING

### Stable Housing Advisory Committee and Neighborhood Empowerment Zones

The City Council stood up the Stable Housing Advisory Committee to seek out objectives set by the region to eliminate homelessness. Nolanville's strategy is to prevent it from occurring in the first place.

This goal ties into the Capital Improvement Plan through the use of a tool known as the Neighborhood Empowerment Zone. The designation of a zone allows for incentives tied into increasing the inventory of safe, affordable housing, especially in areas with substantial infill. Currently, there are two designated zones: the area known as the Woodlands and a portion of the Residential Downtown District.

Currently, the Woodlands has received substantial infrastructure improvement through the implementation of multiple grants and bonds to improve Monarch Park, streets, sidewalks, signage, and new mailboxes. The last phase of Wastewater Line replacement utilizing a Community Development Block Grant is underway.

Similar strategies will take place in the Downtown District as amenities and streets become a tactic to make infill more desirable.

**THE CITY OF NOLANVILLE**  
Neighborhood Empowerment Zone Program (NEZ)

*Promoting housing, economic development and quality services in the City of Nolanville*

The City of Nolanville is exploring new programs to encourage neighborhood level improvements and more affordable housing!

**Neighborhood Empowerment Reinvestment Zone:**  
Chapter 378 of the Texas Local Government Code allows a municipality to create a Neighborhood Empowerment Zone (NEZ) when a "...municipality determines that the creation of the zone would promote:

- an increase in economic development in the zone;
- an increase in the quality of social services, education, or public safety provided to residents of the zone; or
- the rehabilitation of affordable housing in the zone."

**What area is covered?**  
Multiple areas may be designated a NEZ. The area known as the Woodlands (formally known as the Plaza) is the first area designated as a NEZ: Neighborhood Empowerment Reinvestment Zone No. 1.

**What incentives are available?**

- Municipal Property Tax Abatement: up to 100% abatement for 5 years on increase in appraised value resulting from improvements
- Fee Waivers: building permits, plat applications, demolition permit, board of adjustment application, zoning application, and other development fees
- Release of City Liens: weed liens, demolition liens, and board-up/open structure liens.

**What projects are ineligible?**

- Sexually Oriented Businesses
- Non-residential mobile structures
- Stand-alone bars
- Package stores or liquor stores
- Projects to be constructed on property purchased or to be purchased under a contract for deed

**What if I don't want to apply?**  
If you do not wish to apply for NEZ incentives owners/developers may fill out and sign an Opt-Out form.

**Review Process for Applications.**  
All requests for tax abatement and NEZ incentives must go before the City Council for a vote. House Bill 3143 took effect on September 1, 2019, which requires at least 30 days advance notice be given of the tax abatement. Applicants requesting tax abatement may not submit for a building permit until the abatement has been approved by the City Council and the applicant has signed a contract. In order for a property owner/developer to be eligible to apply for any NEZ incentives for a Project:

- Must submit a complete application
- Must not be delinquent in paying property taxes for any property owned by the owner
- Must not be responsible for City liens on the project property
- Must not have any City liens filed against any property owned by the applicant or property owner/developer
- Must not have been subject to a Building and Standards Commission's Order of Demolition

**What is the application fee?**

- The **non-refundable** application fee for residential tax abatements is \$100.00 for each residential unit.
- The **non-refundable** application fee for tax abatements for multi-family, commercial, industrial, and mixed-use development projects is one-half of one percent (0.5%) of the proposed Project's Capital Investment, with a \$200 minimum not to exceed \$2,000

**What happens if my application is denied?**

- NEZ applications will be denied 30 days after

The Nolanville City Council retains sole authority to... abatement agreement and is under no obligation to...



# CAPITAL IMPROVEMENT PLAN- TRANSPORTATION

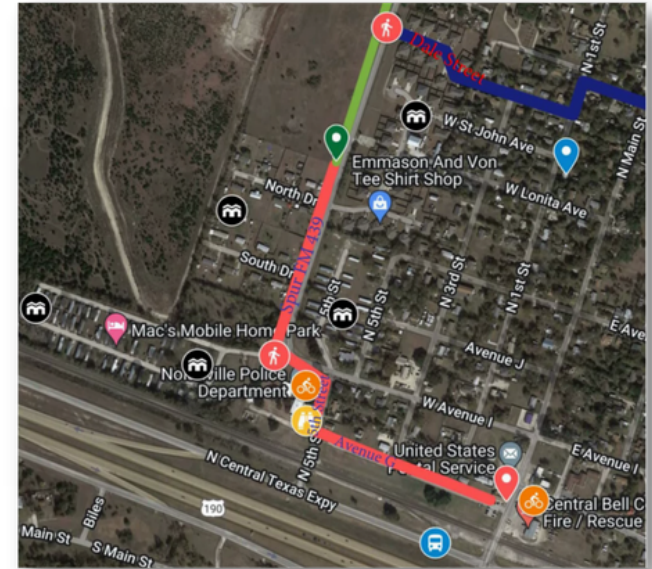
## Future Transportation Projects

### Objectives:

- Remove heavy freight traffic from the Spur (Comprehensive Plan: Monitor impact on 439 Spur regarding heavy freight (2.1.1). Once projects 1 and 2 are completed below, TXDOT will rehabilitate the Spur and hand over ownership to the City. The City will then be responsible for future maintenance. In return, the City will be able to determine the appropriate speed and prohibit heavy freight traffic from using it as a truck route. The anticipated completion for this objective is 2024.
- Ensure timely and safe access for public safety access. All the projects on the list support better mobility and access to all parts of the City Limits.

### Priorities for future project calls within the next five years include:

1. Roadway Connection between Warrior's Path and Access Road Interstate 14
2. Railroad Safety and Siding Relocation
3. Safe Route to School along Dale to 10th Street
4. Nolan Creek Trail
5. Class II Bicycle Lanes (shoulders for emergencies) on Pleasant Hill
6. Private Road at Jackrabbit for Truck Traffic Route to FM 439 and Highway 93.
7. Veterans Memorial Complete Street



**Sidewalk connections for three phases along Spur 439**

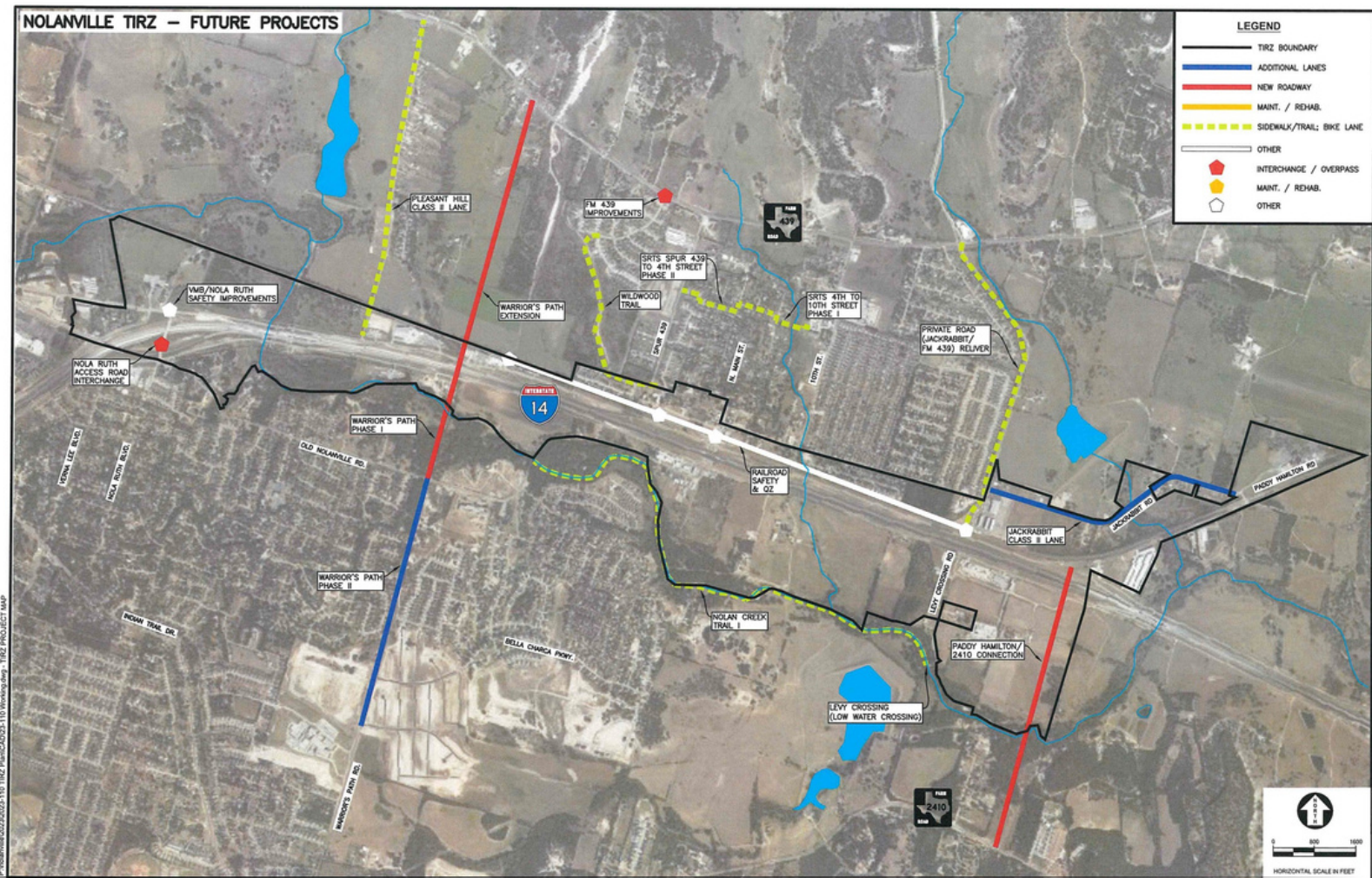


# CAPITAL IMPROVEMENT PLAN- TRANSPORTATION

## Future Transportation Projects Continued:

Transportation Capital projects that may be considered for future bond issues included in a combined infrastructure improvement package with facility needs are:

1. Match requirements for funded transportation projects.
2. Railroad Safety Improvements (Comprehensive Plan: Quiet Zone incorporated into future RR siding improvements (2.1.2))- Quiet zone requirements for railroad crossings at Jackrabbit and Pleasant Hill. These priorities would improve safety by leveling tracks and widening roads as needed. If grant funding from an alternative source becomes available, it will be allocated towards moving train siding to the East to prevent prolonged blocking from trains passing and an automated switch to prevent potential train collisions.
3. Drainage improvements as recommended by the Regional Flood Plain Study.
4. Trail construction.



# CAPITAL IMPROVEMENT PLAN- TRANSPORTATION

Project Description - Transportation	Professional Service		TOTAL	Provision	Estimated Construction Year
	Professional Service	Construction			
Railroad Safety & QZ N40-06	78,000	429,000	\$540,000	TIRZ & FHWA Category 9	2024
SRTS 4th to 10th Street Phase I	77,000	427,000	\$530,000	Unfunded Category 9	2025
Nolan Creek Trail I N40-11	547,000	2,452,000	\$3,250,000	TIRZ / Unfunded Category 9	Multi-year
Wildwood Trail N40-13	286,000	1,584,000	\$1,880,000	TIRZ / Unfunded Category 9	2026
Pleasant Hill Class II Lane N40-09	311,100	2,013,400	\$2,324,500	TIRZ / Unfunded Category 7	2026
SRTS Spur 439 to 4th Street Phase II	104,000	577,000	\$700,000	Unfunded Category 9	2027
Warrior's Path Phase I N40-07	956,000	5,308,000	\$6,289,000	TIRZ / Unfunded Category 7	2027
FM 439 Improvements			\$3,000,000	TIRZ Future MPO Project	2028
Levy Crossing (Low Water Crossing)			\$7,000,000	TIRZ Future MPO Project	2030
Nola Ruth Access Road Interchange			\$10,000,000	TIRZ Future MPO Project	2032
VMB/Nola Ruth Safety Improvements	286,000	1,584,000	\$1,950,000	TIRZ Future MPO Project	2035
Private Road (Jackrabbit/FM 439) Reliever			\$5,000,000	TIRZ Future MPO Project	2033
Warrior's Path Phase II	1,543,000	8,572,000	\$10,140,000	TIRZ / Unfunded Category 2?	2034
Jackrabbit Class II Lane N 40-12	836,000	4,037,940	\$5,510,000	TIRZ	2035
Paddy Hamilton/2410 Connection			\$20,000,000	TIRZ Future MPO Project	2040
<b>Project Total</b>			<b>\$58,113,500</b>		



# CAPITAL IMPROVEMENT PLAN- FACILITY & ECONOMIC DEVELOPMENT

Project Description - Facility	Professional Service	Construction	TOTAL	Provision	Estimated Year
SMART Museum Expansion	170,000	1,500,000	\$1,670,000	TIRZ / Bond	2024
Large Community Park Master Plan	150,000	1,000,000	\$1,150,000	TIRZ / Bond / TPW	2024
BGCA Facility Expansions	170,000	1,500,000	\$1,670,000	TIRZ / Bond / Partnership	2024/2025
Public Safety Annex (South Side)	100,000	1,400,000	\$1,500,000	TIRZ / Bond	2024/2025
Multi Plex Recreational Facility	300,000	10,000,000	\$10,300,000	TIRZ / Bond / TPW	2030
<b>Project Total</b>			<b>\$16,290,000</b>		
<b>Funded</b>			<b>\$</b>		
Project Description - Economic Development	Professional Service	Construction	TOTAL	Provision	Estimated Year
Nolan Creek - Recreational Tourism	0	0	\$2,000,000	TIRZ / EDC	Multi-year
Main Street Façade Improvements	0	0	\$350,000	EDC / TIRZ	Multi-year
Main Spur District Improvements	0	0	\$400,000	EDC / TIRZ	Multi-year
Main Street Programming	0	0	\$50,000	EDC / TIRZ	Multi-year
SMART Museum Programming	0	0	\$2,250,000	EDC / M&O / TIRZ	Multi-year
Jackrabbit Mult-Modal Site	0	0	\$2,000,000	TIRZ / EDC	2035
Water & Wastewater Improvements I 14	0	0	\$2,100,000	EDC / TIRZ / WCID 3	TBD
Waste Water Plant Expansion	0	0	\$13,000,000	WCID 3/ TIRZ	2030
Unidentified Programming & Projects	0	0	\$200,000		TBD
Drainage Improvements - Floodplain	0	0	\$3,500,000		Multi-year
<b>Project Total</b>			<b>\$25,850,000</b>		

# CAPITAL IMPROVEMENT PLAN- FACILITIES



## Facilities

The City maintains a repurposed school building as the location for municipal operations. Since 2015, incremental improvements have been made, such as AC replacement, room-by-room renovations, and roof repairs. Engineering was completed to expand the Police Parking Lot for capacity and security. Elements completed last fiscal year with unforecasted revenue included window replacement, wood siding replacement, mortar repair, and exterior painting for \$75,000. Funds originally earmarked for City Hall improvements were reallocated to the Economic Development Corporations Project for Underpass Lighting at Main Street due to inflation increases experienced since the original opinion of probable cost.



JW Sims Community Center will receive a much-needed renovation with help from the American Rescue Act Funding. This will provide additional space for future social distancing requirements, a resource library, and other community enrichment components. The expansion will also keep emergency shelter needs in mind and demonstrate sustainable building practices. The Municipal Court was relocated to Municipal Building to provide more programming space for community outreach. Approximately \$1 million from American Rescue Program is allocated towards the renovation; the contract is let for August 2022. The expansion for a larger events center will also be a candidate for future bond issues.



Mary Marie Multi-use Facility is the next priority for expansion to allow for indoor sports and recreational activities. Adding to the facility would allow the Boys & Girls Club of America to add programs for teenage children. Additionally, Senior programming for indoor fitness or Senior centers could be programmed into community outreach. A provision for funding is not yet identified, but a special focus on grant opportunities will continue.

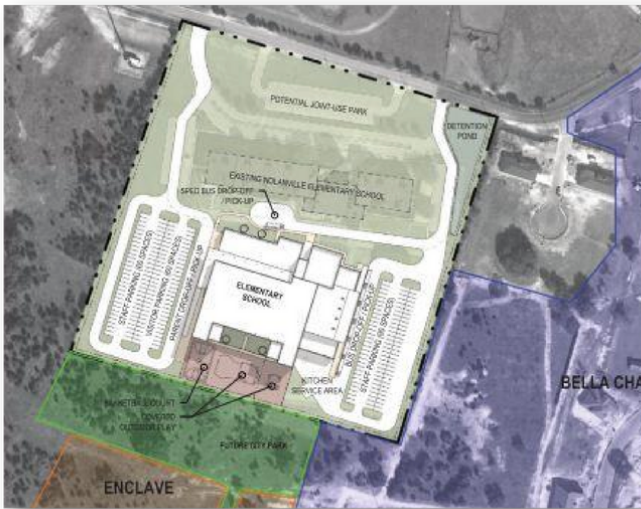
# CAPITAL IMPROVEMENT PLAN- FACILITIES

## Public Safety

There are 850 additional rooftops expected on our southern side of Interstate 14, and the rate of building is like none we have ever seen. Nolanville Elementary School is scheduled to expand its footprint with a new facility at the end of 2024.

Given the Railroad blocking access for extended amounts of time (sometimes up to 50 minutes), it is in the best interest of the community for the City to have a Public Safety Annex on the Southside. Land acquisition will be coordinated with the school district or developers in that area with a goal of implementation in 2025.

In the meantime, funding sources will be identified through State/Federal grants, and plans will include this asset in the next bond issue. Meanwhile, Capital Equipment was acquired with ARPA funding to prepare City-owned assets for fire response versus relying solely on a contracted volunteer force.



# CAPITAL IMPROVEMENT PLAN

## PUBLIC SAFETY FACILITIES

Fire, Rescue and Emergency Medical Services as well as how to respond best to all areas of the City Limits are impacted by the selection of facility location. There are also opportunities

City Hall Garage that is capable of housing 2 response vehicles and converts to Public Works storage for future.

**PROJECT 1**



South Side Safety Annex - small garage bay that will house a brush truck and pumper to aid in responsiveness in the event of train activity.

**PROJECT 2**



Economic Development Project that will leverage the need for a facility while enhancing a key location on the North Side.

**PROJECT 3**



# CAPITAL IMPROVEMENT PLAN- GREENWAYS

The City obtained a Community Park Grant from Texas Parks and Wildlife (TPW) to add bathrooms and a pavilion for Monarch Park, Monarch Park Grant III. The Parks capital equipment budget was raised to provide for the 50% match; the total project amount is \$300,000. The priorities for this grant include public restrooms and a pavilion.

An application for park amenities for Fox Park on 10th Street was submitted in August 2022. If successful, the park will host a state-of-the-art skate park with all-inclusive areas that suit all skill levels, an obstacle course, and additional playground equipment. Other Park improvements on the horizon will be a shared sports field park at Old Nolanville Road in cooperation with the school district and a neighborhood park at Wildwood Estates. These two areas may be candidates for inclusion in the next bond issue.

The City's pursuit of a recreational grant application for trail improvements along Wildwood Estates and Nolan Creek was put on hold temporarily due to needed land acquisition and progress on awarded KTMO projects that complement the connections that will be made when completed. Applications for this are due in February each year; preliminary engineering and application administration will be necessary to compete for engineering for these elements and land acquisition.

## Wildwood Trail



## Pecan Park



# CAPITAL IMPROVEMENT PLAN- PROVISION



Future provisions will consider an additional Tax Note, COO, or Bond between 2024-2027. This is when previous debts will retire, and the likelihood of grant assistance will be known for the next improvement opportunity. In preparation for already funded transportation projects, preliminary engineering is prioritized using a portion of the Sales Tax Street Maintenance Fund and Public Works, the street operational budget, for the match. Due to inflation, since funding was awarded, financing the match for the TxDOT State Infrastructure Bank may be necessary, which offers short-term, low-interest loans for small municipalities to complete projects.

Provisions for the park, recreation facilities, and trail capital improvements are budgeted annually in the Maintenance & Operations line for the park and prioritized by the City's Comprehensive Plan. This year Building Facilities will have its budgeting department to track maintenance activity and utility costs.

Master Park Planning is the focus for this budget year in preparation for submission to Texas Parks & Wildlife for a Local Non-Urban Outdoor Recreation grant next year that can be divided amongst noncontiguous park areas. Trails grant for Nolan Creek Trail will be pursued in February 2024. The indoor facility for non-urban recreation is new, and the City is standing by to learn the criteria for this program.

In conclusion, there is a shortfall in future planning for capital projects and equipment largely due to State-imposed caps on the tax rates and State mandated (unfunded) exemptions. This makes allocating a portion of the general fund towards the capital improvement plan impossible, compromising our ability to respond to disaster and critical equipment failures. The rising cost related to preparing these plans from land acquisition, geotechnical and land surveys, and engineering is outpacing the confines of the tax rate restriction. Given the growth rate and approximate 1/3 of new properties that are added each year that are exempt from taxes, it may be necessary to plan for an election to raise the rate past the State's defined "Voter Approval Rate" to provide adequate Public Safety response or at the very least opt for the Di Minimis rate which allows small Cities to raise the rate enough for \$500,000 added revenue.