



Texas Economic Development Council 2020 Community Economic Development Awards Application

The City of Fate is a fast-growing community located on the northeastern fringe of the Dallas-Fort Worth Metroplex. The population went from approximately 600 residents in 2000 to more than 18,000 residents and counting in 2020! With this explosion of growth, the community recognized a need for a blueprint to help decisionmakers plan the future of the City. After a year-long engagement process which involved residents, elected and appointed officials, business owners and developers, the 2015 Comprehensive Plan was born! Several priorities emerged as a result of this journey, including the desire to revitalize the City of Fate’s historic downtown. Since the time of its founding, Downtown Fate has been the heart of this community. Through this revitalization effort, the community pays homage to those who came before while creating a unique destination for the thousands of new residents who call Fate home.

A Project with Purpose: The Villages at Fate

Since the early 1890’s Fate’s downtown has been the hub of the social and economic activity. Even after two major fires, a tornado and several economic downturns, the downtown remained the heart of our community. Until the new City Hall was built in 2017, all City departments were located downtown and occupied many of the leasable spaces in the buildings available along Fate Main.

Furthermore, the Public Works and the Public Safety departments occupied an old metal building at the corner of Fate Main and Brown Avenue. In an effort to catalyze the revitalization efforts, this building was removed, and the land was leveraged as an incentive for a skilled developer to bring a high-quality, three-story mixed-use project. Now known as *The Villages at Fate*, this new development offers 18 apartments and approximately 7,000 square feet of retail, restaurant, and entertainment space – the first of its kind in Fate!

The Villages at Fate directly impacts the community as the new anchor for the revitalized downtown. With the increase in property value and new sales tax revenues, plus the jobs created by the new businesses leasing spaces, this project is the most fiscally productive development in the City!

Innovativeness

The prospect of creating a unique destination in Downtown Fate quickly captured the hearts and imagination of Fate residents. What was initially a road reconstruction project along one block of Fate Main, quickly became a meaningful project for the whole community.

It has been said that “A dream without a plan is just a wish.” And, a local government professional might add, “A plan without funding is just a plan.” As is the case with most municipal projects, the primary obstacle to realizing this project was funding. However, creativity loves constraints!

Here's how Downtown Fate went from concept to completion which made *the Villages at Fate* possible:

- The City negotiated a development agreement to build *The Villages at Fate* on city-owned property and in exchange for a waiver of permit fees and the land.
- The City leveraged its road maintenance program to focus funding in the downtown revitalization project.
- The City utilized its water/wastewater capital replacement funds to assist with portions of the reconstruction and replacement of utilities.
- The City cultivated relationships with local entrepreneurs and assisted in the business plan process resulting in Fate locals leasing a space in *The Villages at Fate* for an ice-cream shop.
- Current downtown business owners donated property so that the City could create an alley for utilities and parking.

From the economic development corporations, to the parks and recreation advisory board, to the business owners and the elected officials, and all the way to the individual community member - each added a brushstroke of ingenuity in the beautiful mosaic that began with *The Villages at Fate* and is blossoming into so much more.

Transferability

The Villages at Fate project applied the tools and resources that are commonly available to all communities in Texas, such as: leveraging City-owned property, accessing utility capital expenditures, initiating planning efforts, offering economic development incentives, seeking creative financing, and more! The key was to first unite around a collective vision, and the rest was just to allow everyone at the table to bring forward their very best.

Community Commitment and Leverage

Those who participated in this effort include: Fate Development Corporation (Type 4B), Fate Municipal Development District (MDD), City Council, City Parks & Recreation Advisory Board, City Planning & Zoning Commission, Developers, Downtown business owners, residents, consultants, and City staff.

As detailed in the *Innovativeness* and *Secondary Benefits* sections, the types of commitment and leverage were: Sales Tax Revenue Bonds, Utility Capital Replacement Funds, General Fund Street Maintenance, Chapter 380 Economic Development Agreements, Sales Tax Revenues from MDD & FDC, business owners land contributions, and Park Development Fees.

Measured Objectives

Fate officials have followed the *Strong Towns* movement for several years, observing how the development pattern of a community correlates to its fiscal health. As a result, important policy questions related to new growth have emerged. Does the City continue to develop in an auto-centric / sprawled format which creates large infrastructure liabilities? Or, does the City try to find a balance with a mix of uses that are more fiscally productive to offset the years of sprawl? The evidence was clear, building in a more compact and mixed-use development way yields higher fiscal productivity and could be the key to Fate's long-term success.

The Villages at Fate was the perfect-sized project in the perfect place to demonstrate the viability of this approach. Because the property was owned by the City, it did not produce any revenue. Furthermore, the old metal building's presence in downtown stymied private investment, further damaging the potential for economic development in Downtown.

Here are a few of the measurable results of the *Villages at Fate* project:

- Large increase in property and sales tax revenue. Other properties increasing in value too.
- Dozens of jobs created within the ground floor retail spaces.
- Home to the City's FIRST sit-down full-service restaurant (*Pablo's Restaurant & Cantina*).
- *It's Fate Creamery* is owned by a Fate family and has leased a space.
- Diversified housing option for Fate citizens.

Secondary Benefits & Conclusion

The Villages at Fate became the spark that ignited additional development within the Downtown area. Here are a few examples of what happened next:

- The City proactively zoned properties within the downtown area to foster further development.
- The Municipal Development District issued sales tax revenue bonds to purchase additional properties in Downtown for redevelopment.
- The City partnered with the DIY Network TV Series "Texas Flip N' Move" to remove an unusable home at no cost to the city and the episode was broadcast on national television.
- The Municipal Development District purchased underutilized property from the railroad to expand the downtown park.
- The Municipal Development District adopted a budget which allocated funding to help pay for construction costs of the infrastructure for downtown and park improvements.
- The Fate Development Corporation adopted a budget which allocated funding to help pay for construction costs of the infrastructure and park improvements.
- The Fate Development Corporation initiated a Façade and Mural Grant Program.
- The City negotiated a development agreement to build additional 3-story mixed-use buildings on private property in exchange for waiver of permit fees.
- The Municipal Development District negotiated a development agreement with a local restaurateur to bring "Sauce & Vine" a full-service Italian restaurant to Downtown.
- The Municipal Development District is actively negotiating a site for a brewpub.
- The Parks and Recreation Advisory Board approved a plan for the revitalization of the downtown park and applied for grants with Texas Parks and Wildlife.
- The City is working to build a pedestrian promenade with chalets to foster entry-level entrepreneurship.

In conclusion, the 2015 Comprehensive Plan was like the planting of a seed. After much nurturing and cultivating, the first fruit has appeared in Downtown with *The Villages at Fate*. This is a momentous occasion for the City of Fate because it reveals the tremendous potential a community has when unified around a common vision. And this is only the beginning.

Do you believe in Fate?