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County Administrator

OVERVIEW OF TRANSPORTATION REINVESTMENT ZONES

Transportation Reinvestment Zones (“TRZs”) are an innovative means of generating local funding for transportation projects by capturing and leveraging the economic growth that results from a project. The legislature initially authorized the creation of TRZs in 2007. Since that time, TRZs have proven to be a valuable tool for Texas communities.

TRZs Generate Transportation Funding for Local Communities

A TRZ may be formed by a city or a county for the purpose of furthering the development of a transportation project.

- Typically a new roadway (or expansion of an existing roadway) will spur growth in the number of homes and businesses in the area surrounding the project.
- That growth will result in increased property values and property tax revenues from the area impacted by the project.
- A TRZ is a means to capture that increase in property tax revenues and use those revenues to help pay for the project that was the catalyst for the growth *without raising taxes*.
- A TRZ requires designating an area around the project from which the increased property values will be captured.

TRZs Do Not Result in New Taxes

A TRZ does not involve the imposition of new taxes or an increase in existing tax rates; it simply allows a city or county to dedicate the incremental increase in tax revenues generated within the boundaries of the TRZ to the transportation project for which the TRZ was created.

No Impact to Taxpayers

The inclusion of property within a TRZ will not have any impact on property owners. They will continue to make property tax payments as they always have. It is up to the City or County forming the TRZ to account for the portion of the taxes that are an increase from the taxes paid in the year in which the TRZ was established.

Cameron County TRZs

Cameron County has already successfully implemented one TRZ to help fund the development of several important projects, and soon will form another to help pay for a second causeway to South Padre Island. These projects increase safety, mobility, and quality of life while providing jobs and economic development for the residents of the County.

For further information about TRZs in Cameron County, contact Pete Sepulveda, Jr., County Administrator, Cameron County, Cameron County Dancy Courthouse, 2nd Floor, Suite 256, 1100 E. Monroe Street, Brownsville, TX 78520 or by calling (956)982-5414.