Editorial: Direction of the Rollingwood Community Development Corporation (RCDC)

Introduction

The City of Rollingwood faces a critical decision regarding the future direction of the Rollingwood Community Development Corporation (RCDC). Established in 2002 as a “Type B” Community Development Corporation under state law, RCDC plays a pivotal role in capturing a portion of the sales tax for city development projects.

Understanding RCDC's Purpose

- **Funding Mechanism**: A Type B CDC allows the city to capture a 1/8th cent portion of the sales tax collected within city limits, which would otherwise go to the state.
- **Usage of Funds**:
  - Economic development projects
  - Municipal improvements (parks, sidewalks, city buildings, public safety)

Texas Comptroller's Office Explainer

Historical Context

- **Focus on Bee Caves Corridor**: Historically, RCDC aimed to stimulate development along the Bee Caves commercial corridor, believing that new businesses would enhance local amenities and increase sales tax revenue to maintain low property taxes.
- **Previous Controversies**: Five years ago, proposals for mid-rise residential developments led to the "Save Rollingwood" movement, opposing plans to vastly increase the population through high-density developments.

Key Points from the "Save Rollingwood" Movement:

- Concerns over increasing population with condominiums.
- Ongoing debates regarding zoning and development impacts on community character.

Current Developments

- **Zoning Changes**: After community pushback, the city enacted zoning restrictions limiting development on the north side of Bee Caves Road to two stories, preventing mid-rise condo projects.

- **RCDC’s Recent Actions**: Despite zoning limitations, RCDC has engaged with developers, indicating a willingness to explore mixed-use redevelopment options.

Critique of RCDC's Focus

- **Flaws in Current Strategy**:
    - **Developer Reliance**: The reliance on multi-story condos as an economic necessity for redevelopment is questionable. These developments do not generate significant sales tax revenue for the city.
    - **Limited Financial Resources**: RCDC has approximately $1 million in funds, generating around $200,000 annually. This is insufficient for large-scale projects like the Chinatown redevelopment (estimated at $200 million).

Recommendations for RCDC

- **Prioritize Municipal Projects**:
    - Invest in parks, streets, sidewalks, and public safety infrastructure.
    - Utilize RCDC funds to minimize the need for bonds or general revenue expenditures, ultimately benefiting residents by reducing property tax burdens.

Recent Positive Developments

- RCDC has begun approving funding for park projects, including:
    - A retaining wall
    - A budget of $60,000 per year for park improvements
    - Support for the Park Commission’s initiatives

Conclusion

It is essential for RCDC to focus its efforts on projects that directly benefit the Rollingwood community rather than advocating for commercial developments inconsistent with existing codes. The future of our city should prioritize sustainable, community-driven projects over uncertain commercial ventures.