

To: Honorable Mayor and Members of the City Council
From: Paul A. Hofmann, City Manager
Date: May 13, 2022
Subject: Weekly Memo, May 9 – May 13, 2022



=====

Upcoming Training

Below are future training opportunities. If you are interested in attending any of the trainings, please notify the City Secretary and she will take care of the registration for you.

TML – Build Effective City Council Relationships

Date: June 9, 2022
Time: 10:00-11:00 a.m.
Location: Webinar

TML Budget and Tax Rate Workshops

Date: June 30, 2022
Time: 8:30 a.m. – 2:30 p.m.
Location: Bastrop

TML-TAMCC Newly Elected City Officials' Orientation

Date: August 11, 2022 - August 12, 2022
Time: All Day
Location: San Antonio

Second Quarter Report Questions

Responses to questions about the second quarter report asked by Council Member Kirkland are attached

Kudos for Public Works employees

Chuck Sparks from 108 Higgins called on May 9, 2022, to make sure the City knew how happy he was with the service he was provided by Jeramy Bell and Mike Hoffman last week. He wanted to let us know that while they were at his residence taking care of a water leak, they were so helpful, knowledgeable, and super friendly. He wanted to take the time to call in to relay how happy he has always been with our technicians' response time, friendly attitude, and quality of work, and he was especially pleased during his interaction with Mike and Jeramy.

Also on May 9, 2022, Kristi Koch called to let staff know that she "can't say enough good things about our crew and how nice, thoughtful, and professional they were when they came out to fix a leak". David Sides responded to an afterhours call out to 1408 Water Street to assess the situation; David and Leo Lopez then returned to the site the following morning to complete the work. Ms. Koch stated that David and Leo were incredibly friendly and so helpful, never made her feel like a bother, and let her know that she was a priority. Ms. Koch went on to say she absolutely loves the interactions she has with our department and will write a letter if she needs to.

Movies in the Park

Last Saturday, the Spring Movies in the Park series at Bob Brant Park concluded with the screening of Moana. Over 150 people turned out for the event. The CSET special event team handed out lays to all attendees and encouraged the community to sign up for the community engagement newsletter. The Library and Recreation staffs set up interactive activities for attendees as well. Approximately ten vendors, consisting of community groups and BISD organizations were set up along the multipurpose field to either sell baked goods, snacks, and drinks or provide an interactive activity.

The Fall Movies in the Park series will begin on September 3 in Fisherman's Park. The CSET Special Event team created a community poll via Facebook to select the Fall Movies. The poll is expected to be posted by the end of the month.



Youth Advisory Council

The Youth Advisory Council met on Monday for its regular meeting. The group received presentations from Nicole DeGuzman, Executive Director of the Bastrop Museum and Visitor Center as well as from Christy Hunn, Marketing Coordinator with Visit Bastrop. The Youth discussed and reviewed its Art Call document as well as discussed, its presentation to the Main Street Board the following Wednesday, where the YAC requested the Main Street Board fund its mural project for 1112 Main Street in the amount of \$10,000.

Main Street Advisory Board

The Main Street Advisory Board met on Wednesday for its regular meeting. The group heard a presentation from the Youth Advisory Council regarding the youth's mural project that will be placed downtown at 1112 Main Street. The YAC requested that the project be funded out of the Main Street Program's Designated Fund for Downtown Beautification. The Main Street Board will vote on the mural project at its next meeting in June. The board also discussed the last vacancy on the board. There are two downtown business owners who have expressed interest in joining the board. The board decided to invite them to participate as committee members, so they can get an idea of how the board operates. The board will decide and make a recommendation to fill the vacancy later. Lastly, the board reviewed its committee structure and made revisions. The board kept its design, Table on Main, and sponsorship committees. It decided to rename and reorganize the business retention and expansion committee to be now called the Downtown Engagement Committee. This committee will be broken down into two subcommittees: local activation and business support. The Lost Pines Christmas activities, which previously fell under the Lost Pines Christmas Committee, were reorganized to the Local Activation subcommittee.

Future Agenda Items

- Public hearing and first reading to approve Ordinance 2022-14 to annex 12.9 acres of the Nancy Blakey Survey for Burleson Crossing East.
- Public hearing and first reading on Ordinance 2022-15 for a Zoning Concept Scheme and place type zoning district change, with warrants, for 19 +/- acres of the Nancy Blakey Survey.

Attachments

Response to quarterly report questions
TML Legislative Update # 19

Page Number	Question	Answer
3	For Ad Valorem Tax Revenue in the General Fund, it says 90% of the budget is “used”? First, I’m assuming “used” means collected in this context, and why is this number so high at 98%? Is it because ad valorem taxes are paid once per year and we’ve already passed that date, or are we expecting this value so much higher than 100% for the year?	The reason why the Ad Valorem Tax Revenue shows 90% is that most collections are received December-February.
4	How are ad valorem taxes split between debt service and general funds? I see ad valorem taxes on revenue for both general and debt service funds. I’m assuming this is not double counting, so I’m wondering how we decide what percent of ad valorem taxes go to each bucket.	The split between debt service and general fund is based on the rates. We have a tax rate, but it has two parts consisting of the M&O (General Fund) and the I&S (Debt fund) that is how the amounts are directed. The debt rate is legally required to cover debt service.
4	Is the y-axis on the debt chart equal to the payments on the debt?	Yes, it is the total of the annual payments.
6	What is included in the wastewater revenue for penalties? It’s running higher than forecasted, is there a reason for that?	Penalties are for instances of non-payment and include include a 10% penalty of the total bill. There is also a \$100 reconnect fee and if the reconnect occurs after 3:30 pm, there is an additional fee of \$25 since we must call in an employee to turn the service back on. The reason it is running higher is because it does appear that the revenue was forecasted too low.
11	For investments, there are \$72M in portfolio investments. Is that the aggregate of our reserves that we invest or where did this money come from?	The amount of \$72M is a combined total that includes all funds.
97	Hunters Crossing Section 9A, Lot1, where is this lot in relation to Hunters Crossing and how large is the portion of the lot that is requested for this change?	<p>This lot is a 1.13-acre tract that is currently part of 1006 Home Depot way, which is Hunters Crossing Apartments Property.</p>  <p>The image is an aerial photograph of a residential development. A large, irregularly shaped lot is outlined in red. This lot is situated between Home Depot Way to the north and Steel Shot Ct to the south. The lot contains several apartment buildings and a large, rectangular, reddish-brown structure, possibly a parking garage or a large utility building. The surrounding area shows other apartment buildings, parking lots, and green spaces. The lot number '1006' is visible in red text near the top right of the outlined area.</p>

108	<p>Status of Outstanding Permits and Plats in the chart at the bottom (Permit Activity), there are 2 large blips for FY22Q2 and F21Q4 for commercial construction permit activity. For what projects were those permits and are they completed or in-progress or abandoned?</p>	<p>A. FY22Q2 Commercial Construction Permits</p> <ol style="list-style-type: none"> I. 442 Old Austin Hwy, Riverwood Commons \$3,700,000 – Completed II. 711 Old Austin Hwy, Tenant Finish-out space \$44,000 – Completed III. 921 Main St (shell), Art Institute, \$1,632,000 – Completed IV. 921 Main (interior and exterior), Art Institute, \$1,632,000 – Completed V. 305 Jackson, QuikTrip, \$1,046,033 – Completed <p>B. F21Q4 Commercial Construction Permits –</p> <ol style="list-style-type: none"> I. 712 Spring, 1st National Bank, \$1,502,320 – Completed II. 303 Martin Luther King Jr Dr, Ste 101, Unit 1, 2, 3 Lobby - SAB Fitness, \$ 1,000,000 – In progress III. 303 Martin Luther King Jr Dr, Ste 102, Unit Kid Gym - SAB Fitness, \$1,000,000 – In progress IV. 303 Martin Luther King Jr Dr, Ste 103, Unit 5 Strive Health - SAB Fitness, \$ 1,000,000 – In progress V. 303 Martin Luther King Jr Dr, Ste 101, Unit 6 and 7 Yoga - SAB Fitness, \$999,999 – In progress VI. 303 Martin Luther King Jr Dr, Ste 101, Unit 8 Coffee - SAB Fitness, \$999,998 – In progress VII. 303 Martin Luther King Jr Dr, Ste 104, Unit 9 Gym - SAB Fitness, \$999,997 – In progress
109-110	<p>Regarding all development agreements, I would value an estimate of homes (if known) for each development. (I was told a good way to always estimate is 4 homes per acre)</p>	<ul style="list-style-type: none"> - Val Verde – 399.9 1600 Living Unit Equivalents (L UEs). Residential density of 3.5 to 4 units per acre of the total site. - Bastrop Colorado Bend – 546.36 acres of mixed-use studio – primarily a non-residential development. 325 LUEs. - The Colony MUD – 1,491 acres. 4,300 LUEs. Residential density between 2-3 units per acre. - Pecan Park Commercial – 410 Multifamily units. Rest is commercial.

		<ul style="list-style-type: none"> - West Bastrop Village (Adelton) – 424.9 acres. 1,500 LUEs. 2.3 to 3.5 units per acre. - BCMUD #3 & #4 – not known at this time.
115	If we extend distance to ½ mile for required connection of water and wastewater, what is the current distances and what is an estimated cost for ½ mile of these?	Customers are required to connect to wastewater if they are building within 300' of the wastewater system. The cost varies based on the following: depth, distance, line size and pipe cost. The line size will be determined by performing an engineering calculation based on the needs of the builder, or the (ERC)equivalent residential connections that are being requested.
48-49	Do the counts (374 total) represent all requests open in MyGov, are these filtered by those that are opened with Q2. If filtered, how many of each are opened prior to Q2 that are still pending?	<p>Details of this question were covered during the presentation and will be included in the report going forward. Thank you for the suggestion.</p> <p>Numbers recapped below:</p> <p>Waiting on Applicant- Items Requested: 4</p> <p>Waiting on Applicant- Response to Comments: 2</p> <p>Per Applicant- On Hold: 2</p> <p>In City Review: 2</p>
124	Do the counts (374 total) represent all requests open in MyGov or are these filtered by those that are opened within Q2. If filtered, how many of each are opened prior to Q2 that are still pending.	<p>This data will be included in the presentation going forward.</p> <p>General Questions- 1 (In Process)</p> <p>Open Records Request- 6 (In Process)</p>

TML LEGISLATIVE UPDATE



May 13, 2022
Number 19

Study Shows Impact of Senate Bill 2; 2022 Property Tax Picture Coming into Focus

Over the past few weeks, property owners across the state have been receiving notices of appraised value, and the [dramatic increases to property values](#) in most parts of the state are putting the property tax system back under the legislative microscope. As concerns mount over increased values, one recent report on the impact of property tax reform legislation in 2019 may have gotten lost in the shuffle.

Last month, the Texas Taxpayers and Research Association (TTARA) [released a report](#) concluding that major property tax reform legislation in 2019, both S.B. 2 and H.B. 3 (the school property tax reform bill) has slowed the growth of property taxes in Texas. According to the report, Texas property tax bills would have been eight percent higher (\$6 billion more) in 2021 had it not been for both bills passing in 2019. Since 2019, property taxes as a percent of Texans' personal income has declined from 4.4 percent to 4.2 percent, and TTARA expects that number to continue to decline due to the reform legislation.

Complicating matters in the short term is the aforementioned property valuation increases across the state. When it comes to tax rates, however, the property tax rate setting system is designed to decrease the no-new-revenue and voter-approval tax rates when appraised values increase, thus also decreasing the tax rate that local governments adopt unless the city chooses to submit certain planned increases to a citizen election. Further, taxable values for residential homesteads can only increase ten percent each year under state law, even if the appraised values increase more significantly, thus limiting the burden that some residential taxpayers shoulder. Other taxpayer protections like city-adopted homestead exemptions and tax freezes help ease the property tax burden on local homeowners.

As city budgets start to come into focus over the summer, city leaders may be looking for ways to further ease the property tax burden on city taxpayers. Elected city officials should keep in mind that they are the final say in adopting city property tax rates. Many cities have seen increases in sales tax receipts this year with city sales taxes generally [being up nearly 21 percent statewide](#) over last year. Additionally, some cities have received federal dollars from the Coronavirus State and Local Fiscal Recovery Fund that can be used to replace lost revenue from the pandemic by being spent on governmental services. These are just some of the factors that local leaders can take into account when looking at their budgets and balancing property tax relief with the need to maintain infrastructure and pay for critical public safety and city services.

Cities are encouraged to begin (or continue) public outreach efforts in their communities to fully gauge public sentiment leading into budget and tax rate adoption season. As a reminder, the 2022 TML budget and tax rate memos are available on the TML website. Because the tax rate adoption procedure varies depending on the size of the city, two memos are available: [one for cities under 30,000 population](#), and [the other for cities with populations of 30,000 or more](#).

Federal Infrastructure Bill Update

In November 2021, the federal Infrastructure Investment and Jobs Act (IIJA) was signed into law. The IIJA is altogether a \$1.2 trillion bill that will invest in the nation's core infrastructure priorities including roads, bridges, rail, transit, airports, ports, energy transmission, water systems, and broadband.

The League will monitor state and federal agencies and work with the National League of Cities (NLC) to access the latest information relating to the IIJA. We will be providing periodic updates in the Legislative Update on resources for Texas cities on how to access IIJA funding for local infrastructure projects.

National League of Cities (NLC)

NLC published a two detailed articles highlighting a couple of funding opportunities for cities under the IIJA: The [Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Grant Program](#), and the [Safe Streets and Roads for All Program](#).

U.S. Department of Energy (DOE)

On May 3, DOE published [a request for information](#) regarding IJJA-funded formula grants to states to help improve the resilience of their electric grids. This includes total funding of over \$30 million to Texas. More information about the grid resilience grant program can be found [here](#).

U.S. Department of Housing and Urban Development (HUD)

On May 3, HUD [provided notice](#) of a proposed six-month waiver of the “Buy America” requirements in the IJJA to allow HUD “sufficient time to solicit information from the public relating to the agency's potential information collection needs and the associated burdens that would be placed on recipients.” Comments on the proposed waiver are due by May 14, 2022.

The White House

Earlier this week, the White House [announced the creation](#) of the Affordable Connectivity Program to allow certain households to reduce internet service costs by up to \$30 per month. In connection with this program, the White House secured commitments from 20 internet service providers to cut prices to consumers and increase speeds.

House and Senate Committee Interim Hearings

The Texas House and Senate Committees are underway studying interim charges outlined by Speaker Phelan and Lt. Governor Dan Patrick.

Below is a full list of committee hearings set to hear certain city-related charges. All hearings will be held at the Texas Capitol unless otherwise indicated. If a committee has newly posted notice and was not included in last week’s edition of the *Legislative Update*, it is indicated as such.

Senate Finance Committee

The committee will meet on May 17 at 10:00 a.m. to hear invited and public testimony on the following interim charges:

Property Tax Relief: Examine and recommend ways to reduce Texans’ property tax burden. Review and report on proposals to use or dedicate state revenues in excess of the state spending limit to eliminate the school district maintenance and operations property tax.

Tax Exemptions: Examine Texans’ current tax exemptions and report on whether adjustments are merited because of inflation or any other factors.

Information on the hearing including, how to register and testify at the committee hearing, can be found [here](#).

Senate Business and Commerce Committee

The committee will meet on May 18 at 9:00 a.m. to hear invited and public testimony on the following interim charges:

Cybersecurity: Review current state and federal laws regarding cybersecurity protections and requirements for local governments, state agencies, and critical industries of our state. Make recommendations for legislation to improve resilience and protection against cybersecurity attacks and ensure the privacy protection of the citizens of Texas.

Information on the hearing, including how to register and testify at the committee hearing, can be found [here](#).

***NEW* Senate Criminal Justice Committee**

The committee will meet on May 26 at 10:00 a.m. at the Texas Department of Transportation (TxDOT) Houston District Headquarters to hear invited and public testimony on the following charge:

Automobile Parts Theft (Including Catalytic Converters): Review the effect of [House Bill 4110](#) (87th Legislature), relating to the registration of metal recycling, and related catalytic converter theft legislation passed by the 87th Legislature. Determine what actions are needed to aid law enforcement and stop catalytic converter theft and its related violence.

Information on the hearing, including how to register and testify at the committee hearing, can be found [here](#).

TML member cities may use the material herein for any purpose. No other person or entity may reproduce, duplicate, or distribute any part of this document without the written authorization of the Texas Municipal League.