CITY OF WEST LAKE HILLS, TEXAS
NOTICE OF CITY COUNCIL REGULAR MEETING
Wednesday, January 8, 2025 at 7:00 PM

Notice is hereby given that the City Council of the City of West Lake Hills, Texas, will hold a Regular Meeting on the 8th day of January 2025 at 7:00 p.m., in the Council Chambers, Municipal Building, 911 Westlake Drive, West Lake Hills, Texas, at which time the following items will be discussed, to-wit:

REMOTE ACCESS - Join Zoom Meeting at https://us02web.zoom.us/j/3499549035
Or via telephone: Dial (346) 248-7799 – Meeting ID: 349 954 9035

If you wish to speak during the meeting or provide written comments, please email your name, phone number, comments, and the item number you wish to speak/comment on to citysec@westlakehills.gov by 1:00 P.M. on January 8, 2025.

1. Call to Order

2. Citizen Communications The City Council welcomes public comments at this point on any issue. If the issue is listed on the agenda, the speaker may choose to comment during the Public Comment period or when the specific agenda item is taken up by the Council later in the meeting. The Council cannot respond to or discuss matters not listed on the agenda. The Council may provide factual information, refer the item to a staff member, or request the item be added to a future meeting agenda. Speakers shall limit their comments to five (5) minutes each.

3. Administration Discuss and consider approval of the December 11, 2024 Regular Meeting Minutes.

4. Resolution Discuss and consider action on a resolution authorizing the Westlake Chamber of Commerce to place signs in the public right-of-way for special events.

5. Administration Discuss and consider action to authorize the purchase of a police vehicle.

6. Administration Discussion and update on the Open House at Westlake High School's small auditorium on Thursday, January 9, 2025 from 6-8 PM.

7. Administration Discuss and consider opportunities to pursue in the 2025 Community Forestry Grant Program.

8. Administration Discuss and consider action on sales tax election options.

9. Executive Session In accordance with Texas Government Code, Section 551.001, et seq, the City Council will recess into Executive Session (closed meeting) to discuss the following:

   a. Section 551.071 – Consultation with the attorney regarding pending or contemplated litigation, or settlement offer; or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, re: City of West Lake Hills v. Jaffe – 1405 Wildcat Hollow; and
   b. Section 551.071 – Consultation with attorney regarding potential settlement agreement relating to alleged code violations at 4301 Bee Cave Road.

10. Executive Session Reconvene into Open Session and take action if and as deemed appropriate in the City Councils' discretion regarding consultation with attorney.

11. Adjournment

Approved by: James Vaughan, Mayor

Certificate

I certify that the above Notice of the January 8, 2025 City Council Regular Meeting was posted on the bulletin board at the Municipal Building, 911 Westlake Drive, West Lake Hills, Texas on Friday, January 3, 2025 by 5:00 pm. and will remain posted continuously until said meeting is convened.

Signed by: Terry Blanchard, City Secretary

The City of West Lake Hills is committed to compliance with the Americans with Disabilities Act. Reasonable accommodation and equal access to communications will be provided upon request.

All items on the agenda are for discussion and/or action. City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development).

CITY OF WEST LAKE HILLS, TEXAS
MINUTES OF A CITY COUNCIL REGULAR MEETING
Wednesday, December 11, 2024 at 7:00 PM

1. Call to Order

   With a quorum present, Mayor Vaughan called the meeting to order at 7:05 p.m.

CITY COUNCIL PRESENT:	**CITY STAFF PRESENT:**
Mayor James Vaughan	City Administrator Trey Fletcher
Dana Harmon	City Secretary Terry Blanchard
Brian Plunkett	Director of BDS Jennifer Bills
Beth South	Chief of Police Scott Gerdes
	City Attorney Josh Brockman-Weber

   The meeting was suspended at 7:06 p.m.

   The meeting was reconvened at 7:45 p.m.

2. <u>Citizen Communications</u> The City Council welcomes public comments at this point on any issue. If the issue is listed on the agenda, the speaker may choose to comment during the Public Comment period or when the specific agenda item is taken up by the Council later in the meeting. The Council cannot respond to or discuss matters not listed on the agenda. The Council may provide factual information, refer the item to a staff member, or request the item be added to a future meeting agenda. Speakers shall limit their comments to five (5) minutes each.

   Mayor Vaughan opened the meeting for public comments. Hearing none, the public comment section was closed.

3. <u>Consent Agenda</u> All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one (1) motion. No separate discussion or action on any of the items is necessary unless requested by a Council Member.

   a. Approval of the November 13, 2024 Regular Meeting Minutes.
   b. Approval of the December 4, 2024 Workshop Minutes.
   c. Approval of the 2025 ZAPCO meeting schedule and adoption of submission calendars for Special Use, Zoning, Variance, and Subdivision applications for calendar year 2025.
   d. **804 Canyon Creek** - Approval of Lot 18R, Stonehedge Estates Block "P", a Replat of Lot 18, Stonehedge Estates, Block "P" and 0.104-acre tract of land situated in the A.D.L. Benham Survey No. 503, Abstract No. 75 (Section 36.01.018 of the West Lake Hills Code). Applicant: Motoki Hiromatsu, Point B Design Group.

MOTION: Upon a motion made by Councilmember South and a second by Councilmember Harmon, the Council voted three (3) for and none (0) opposed to approve the Consent Agenda as presented. Motion carried.

4. Public Hearing **402 Camp Craft Road** - Discuss and consider action on a variance to allow for the removal of a 27-inch crepe myrtle (tree #76), when trees 14-inches and greater require a variance for removal (Section 22.03.304(a)(4) of the West Lake Hills Code of Ordinances). Applicant: Eric Rauser, Rauser Construction.

   Director Bills gave a brief summary. Eric Rauser stated the variance request was the best option to preserve the live oak trees on-site and allow for drainage.

   MOTION: Upon a motion made by Councilmember Harmon and a second by Councilmember Plunkett, the Council voted three (3) for and none (0) opposed to approve the variance request as presented. Motion carried.

5. Public Hearing **3300 Bee Cave Road** - Discuss and consider action to approve Ordinance 2024-019 for a Uniform Signage Agreement for Westbank Market (Section 32.02.003 of the West Lake Hills Code of Ordinances). Applicant: Robbie Keithley, Barshop and Oles Company.

   Director Bills gave a summary. Wade McGinnis gave a brief history of the property and answered questions from the City Council.

   MOTION: Upon a motion made by Councilmember South and a second by Councilmember Harmon, the Council voted three (3) for and none (0) opposed to approve the ordinance as presented. Motion carried.

6. Administration Discussion and update on bond items regarding Proposition A (new municipal complex) and Proposition B (street and drainage projects).

   Stephen Karp gave a presentation on Proposition A. Jay Kennedy gave a presentation on Proposition B.

8. Administration Discussion and consider action to approve Change Order Number 4 for $192,754.25 with M.A. Smith Contracting Company, Inc. and authorize the City Administrator to execute the same.
   Jay Kennedy gave a brief summary.

   MOTION: Upon a motion made by Councilmember Harmon and a second by Councilmember Plunkett, the Council voted three (3) for and none (0) opposed to approve Change Order Number 4 and authorize the City Administrator to execute the same. Motion carried.

7. Administration Discuss and consider action to approve a letter of funding commitment in support of a Transportation Alternative Set-Aside (TASA) grant application for the City of West Lake Hills Trail Corridor Project along the Eanes Creek corridor and authorize the City

Administrator to execute the same.

City Administrator Fletcher gave a presentation on the proposed project.

MOTION: Upon a motion made by Councilmember Plunkett and a second by Councilmember Harmon, the Council voted two (2) for and one (1) opposed to approve a letter of funding commitment with a maximum of $100,000 to be paid by the City. Motion carried.

9. <u>Administration</u> Discuss and consider action on a position regarding the MoPac South Expressway Plans in response to the Mobility Authority and TxDOT (Texas Department of Transportation) request for public comments.

   City Administrator Fletcher gave a brief summary. Mayor Vaughan provided detailed information regarding the proposed MoPac South Corridor. The plan lacks consideration for East/West traffic.

   MOTION: Upon a motion made by Councilmember Plunnkett and a second by Councilmember Harmon, the Council voted three (3) for and none (0) opposed to authorize the Mayor to carry concerns forward to CTRMA and promote them revisiting support for East/West traffic flow. Motion carried.

10. <u>Administration</u> Discuss and consider action on the adoption of policy and process for the approval of traffic calming measures (speed humps, radar speed signs, etc).

    Director Bills gave a summary. Reviewed the proposed process with the Council. Staff would like to have a standardized process with checklist and application procedures.

    No action was taken.

11. <u>Administration</u> Discuss and consider action on policy regarding street edge treatment standards and applications.

    Director Bills gave a summary and reviewed types of street edge treatments.

    No action was taken.

12. <u>Administration</u> Discuss and consider action approving participation in the new Opioid Settlement with Kroger and authorizing the Mayor to execute the Subdivision Participation Form.

    City Administrator Fletcher gave a brief summary.

    MOTION: Upon a motion made by Councilmember Plunkett and a second by Councilmember South, the Council voted three (3) for and none (0) opposed to authorize the Mayor to execute the Subdivision Participation Form. Motion carried.

13. Executive Session In accordance with Texas Government Code, Section 551.001, et seq, the City Council will recess into Executive Session (closed meeting) to discuss the following:

    a. Section 551.071 - Consultation with the attorney regarding pending or contemplated litigation, or settlement offer; or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, re: City of West Lake Hills v. the following:
        i. Jaffe - 1405 Wildcat Hollow; and
        ii. Alvarez - 1505 Wildcat Hollow.

    Council convened into Executive Session at 10:13 p.m.

14. Executive Session Reconvene into Open Session and take action if and as deemed appropriate in the City Councils' discretion regarding consultation with attorney.

    Council reconvened in Open Session at 10:16 p.m.

    No action was taken.

15. Adjournment

    MOTION: Upon a motion made by Councilmember Harmon and a second by Councilmember South, the Council voted three (3) for and none (0) opposed to adjourn the meeting at 10:16 p.m. Motion carried.

Respectfully submitted,

____
JAMES VAUGHAN, MAYOR

ATTEST:

____
Terry Blanchard, TRMC
City Secretary

These minutes were approved on January 8, 2025.

City *of* West Lake Hills
City Council
AGENDA REPORT

Meeting Date:	January 8, 2025	**Item Number:**	4
Department:	Administration		
Prepared By:	Trey Fletcher	**Cost / Budget:**	None
Exhibits:	Resolution Chamber email request for signs in ROW	**Source of Funds:**	n/a

Subject

Discuss and consider action on a resolution authorizing the Westlake Chamber to place signs in the public right-of-way for special events.

Recommendation

Approval.

Discussion

Approving this resolution authorizes the Westlake Chamber of Commerce to place temporary signs within the City's public rights-of-way for special events. These special events promote community espirit de corps associated with the annual July 4th parade and Westlake Wonderfest.

No city resources are used to place or remove the proposed signs.

RESOLUTION NO. 2025-01-01

A RESOLUTION AUTHORIZING THE WESTLAKE CHAMBER OF COMMERCE TO PLACE SIGNS IN THE PUBLIC RIGHT-OF-WAY FOR SPECIAL EVENTS.

WHEREAS, the City of West Lake Hills recognizes the importance of community events in promoting local businesses and enhancing community engagement; and

WHEREAS, the Westlake Chamber of Commerce plays a vital role in organizing special events that benefit the citizens of West Lake Hills; and

WHEREAS, Texas Transportation Code Section 393.002 prohibits the placement of signs in the public right-of-way unless authorized by state law; and

WHEREAS, Section 393.0025 of the Texas Transportation Code grants municipalities the authority to regulate the placement of signs within their own public rights-of-way; and

WHEREAS, the City Council of West Lake Hills deems it appropriate to authorize the Westlake Chamber of Commerce to place signs within the public right-of-way for special events, adhering to the conditions of this resolution and applicable municipal regulations.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEST LAKE HILLS, STATE OF TEXAS:

1. **Authorization**: The Westlake Chamber of Commerce is hereby authorized to place signs in the City's public right-of-way for designated special events, City of West Lake Hills 4th of July Parade and Westlake Wonderfest, subject to the terms outlined in this resolution.

2. **Duration of Sign Placement**: Signs may only be displayed June 20, 2025 – July 4, 2025 and December 3, 2025 – December 7, 2025.

3. **Notification**: The Westlake Chamber of Commerce must promptly remove all signs at the end of the sign placement period and notify the City Administrator by December 31 each year of their request for the following year.

PASSED & APPROVED this, the 8th day of January 2025.

CITY OF WEST LAKE HILLS:

ATTEST:

____
James Vaughan, Mayor

____
Terry Blanchard, TRMC
City Secretary

From: Trey Fletcher
To: Terry Blanchard
Subject: FW: Bandit signs
Date: Tuesday, December 31, 2024 12:32:51 PM

-----Original Message-----
From: Cathy E. Hoover <choover@westlakechamber.com>
Sent: Monday, December 30, 2024 2:54 PM
To: Trey Fletcher <tfletcher@westlakehills.gov>
Subject: Bandit signs

We request that the chamber is allowed to install signs for the City of West Lake Hills parade June 20, 2025 - July 4, 2025. Additionally, decorate the frontage of Independent Financial along Bee Caves Rd between Reveille Rd and Westlake Drive as early as June 13.

For Westlake Wonderfest, we request the installation of signs between Dec 3, 2025 - Dec 7, 2025.

Thank you!

Cathy Hoover
Westlake Chamber of Commerce
101 Westlake Drive, Suite 148
West Lake Hills, Tx 78746
512-327-3088

City *of* West Lake Hills
City Council

AGENDA REPORT

Meeting Date:	January 8, 2025	**Item Number:**	5
Department:	Administration		
Prepared By:	Trey Fletcher	**Cost / Budget:**	$55,940.75
Exhibits:	Pending Purchase Order	**Source of Funds:**	Insurance Settlement

Subject

Discuss and consider action to authorize the purchase of a police vehicle.

Recommendation

Approval.

Discussion

Police vehicle number 2324 (2024 model) was involved in a minor accident on November 8, 2024, and due to the damage incurred has been totaled out by TMLIRP. The incident occurred while responding to a call for service but was determined to be no fault of our police officer. The Police Department seeks to replace this vehicle with a 2024 2WD Chevrolet Tahoe as noted on the attached purchase order. While the former vehicle was an all-wheel drive, previous experience and circumstances are that a vehicle of the same specification is a lengthy delivery timetable. Due to the unforeseen nature of this replacement need, staff have identified this replacement vehicle that is readily available and can be outfitted with the salvageable after-market equipment from the damaged vehicle.

The settlement of the damaged vehicle has been completed as follows:
Settlement = $52,675.00 market value - $250.00 deductible = $52,425.00

PRODUCT PRICING SUMMARY

TIPS 240901 Transportation Vehicles

VENDOR- 5426 LAKE COUNTRY CHEVROLET, 2152 N. WHEELER STREET JASPER, TX 75951

End User: WEST LAKE HILLS PD
Contact:
Email:
Product Description: CHEVY TAHOE PPV

Prepared by: SETH GAMBLIN
Phone: 512.436.1313
Email: SGAMBLIN.SILSBEEFLEET@GMAIL.COM
Date: December 9, 2024

A. **Bid Item:** ______ **A. Base Price:** $ 50,557.00

B. Factory Options

Code	Description	Bid Price	Code	Description	Bid Price
CC10706	91C 2024 TAHOE PPV 2WD				
L84	5.3L V8 W/AUTOMATIC	$ -			
MQC	10 SPEED TRANS	$ -			
6J7	FLASHER SYSTEM, HEAD &TAIL LAMP	INC		REAR PARK ASSIST / REAR CAMERA	
AMF	KEY FOBS	$ 75.00		WHEELS 20"X9" STEEL	
				ASSIST STEPS	

Total of B. Published Options: $ 75.00

Published Option Discount (5%) $ (3.75)

C. $= 9.1 %

Description	Bid Price	Options	Bid Price
LEFT HAND LED SPOT LIGHT	$ 800.00	EXTERIOR - WHITE	
		INTERIOR - JET BLACK CLOTH H1T	
		UNIT ON THE GROUND NOW	
ESP 5 YEAR 100K MILE $0 DEDUCTIBLE	$ 3,795.00	1GNSCLED8RR241849	

Total of C. Unpublished Options: $ 4,595.00

D.	**Floor Plan Interest (for in-stock and/or equipped vehicles):**		$ -
E.	**Lot Insurance (for in-stock and/or equipped vehicles):**		$ 350.00
F.	**Contract Price Adjustment:**		
G.	**Additional Delivery Charge:**	210 **miles**	$ 367.50
H.	**Subtotal:**		$ 55,940.75
I.	**Quantity Ordered**	1 **x H =**	$ 55,940.75
J.	**Trade in:**		$ -
K.			
L.	**Total Purchase Price**		$ 55,940.75

City *of* West Lake Hills
City Council

AGENDA REPORT

Meeting Date:	January 8, 2025	**Item Number:**	6
Department:	Administration		
Prepared By:	Trey Fletcher	**Cost / Budget:**	None
Exhibits:	Map	**Source of Funds:**	n/a

Subject

Discussion and update on the Open House at Westlake High School's small auditorium on Thursday, January 9, 2025 from 6-8 PM.

Recommendation

Receive the report. No action is being taken.

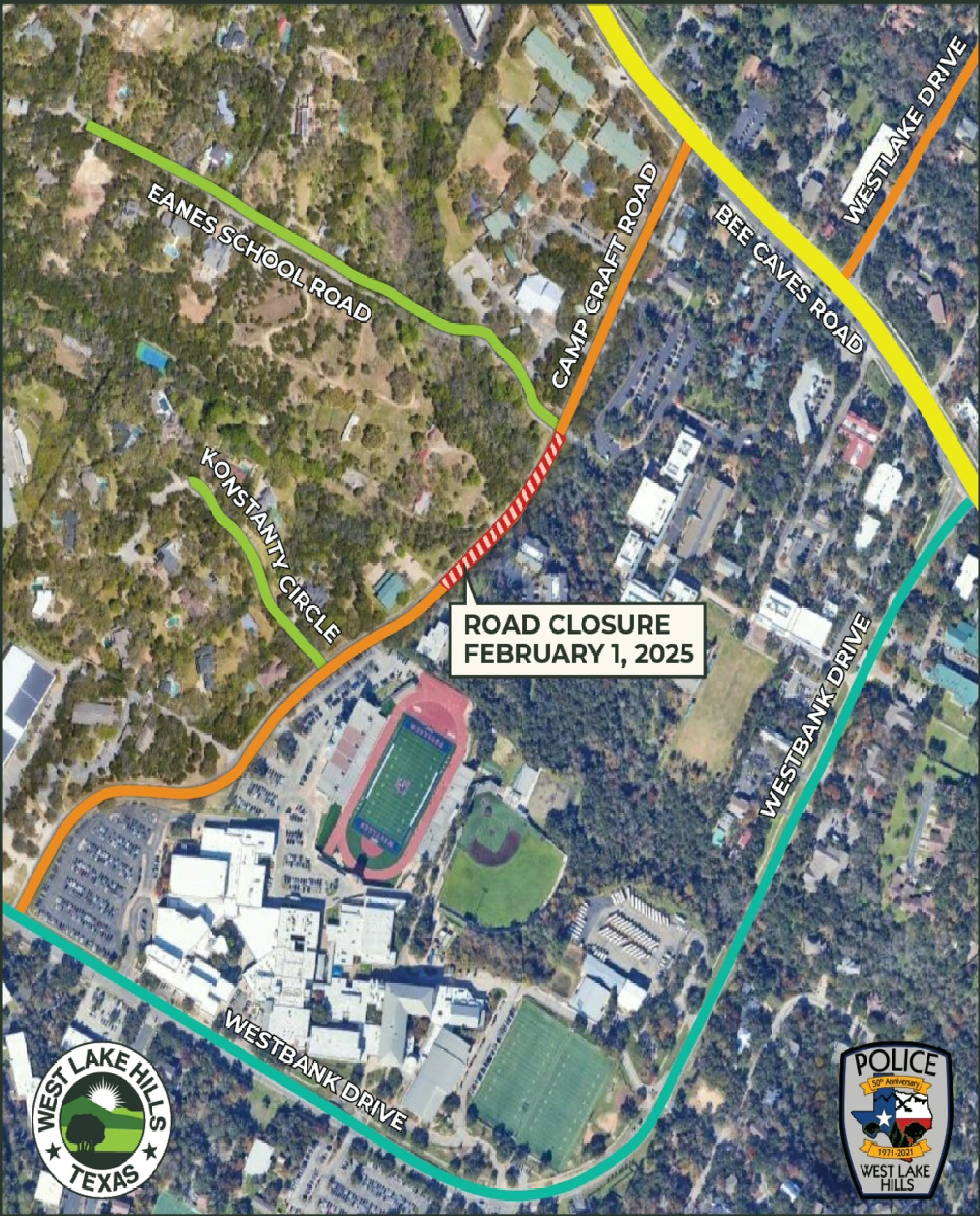
Discussion

A segment of Camp Craft Road will be closed starting February 1, 2025 through July 31, 2025.

The City of West Lake Hills will be hosting an Open House on Thursday, January 9 from 6-8pm at Westlake High School in the small auditorium to share information related to the road closure, the projects associated with the street and drainage (Proposition B) bond program as well as street maintenance projects.

Camp Craft Road will be closed in order to facilitate removal of the low water crossing at Eanes Creek. Due to the nature of the compact work zone and the project scope of work, the road closure is necessary to assure safety of the public as well as construction crews.

Eanes School Road will have access from the northern section of Camp Craft Road. Westlake High School should be accessed via Westbank Drive. Staff is working with TxDOT to evaluate if adjustments to traffic signals at Westbank and Bee Cave Road and Westbank at Loop 360 become warranted.



Road Closure

Detour

Bee Caves Road

Secondary Road

Residential Street

City *of* West Lake Hills
City Council

AGENDA REPORT

Meeting Date:	January 8, 2025	**Item Number:**	7
Department:	Administration		
Prepared By:	Trey Fletcher	**Cost / Budget:**	50% match required
Exhibits:	RFP Community Forestry Grant	**Source of Funds:**	n/a

Subject

Discuss and consider opportunities to pursue in the 2025 Community Forestry Grant Program.

Recommendation

Receive the report and take appropriate action.

Discussion

Applications are due on February 14, 2025 in response to a request for proposals (RFP) for FY2025 Match Grants available through the Texas Forest Service's Urban and Community Forestry Program in cooperation with the United States Department of Agriculture (USDA) Forest Service. Together, they help communities develop sustainable programs that provide Texans with healthy trees and forests.

As a unit of local government, the City of West Lake Hills is an eligible entity. The grant program objectives are identified on pages 1 and 2 of the attached RFP. Match requirements are on a 1:1 ratio, i.e., 50 percent federal, 50 percent non-federal (local) match from eligible groups. There six (6) matching grant categories for this year, including:

- Category 1 – Climate Resiliency (1 award for $50,000)
- Category 2 – Human Health Equity and Accessibility (1 award for $50,000)
- Category 3 – Municipal Forester (1 award for $100,000 with phased funding over three years)
- Category 4 – Workforce Development (Up to 2 awards, for up to $50,000 each)
- Category 5 – Tree Planting (Up to 10 awards, for up to $20,000 each)
- Category 6 – Community Greening Transformations (WLH is not eligible)

In order to build on staff and community capacity to support ongoing initiatives related to tree regulations, wildfire risk reduction and overall community resiliency, pursuing a grant under category 3 for a municipal forester should be considered.

REQUEST FOR PROPOSALS
Community Forestry Grant Program

Texas A&M Forest Service
200 Technology Way, Suite 1281
College Station, TX 77845
communityforestrygrants@tfs.tamu.edu

https://tfsweb.tamu.edu/communityforestrygrants/

All applications must be submitted online by **4 PM CDT on February 14th, 2025**.

Introduction

Texas A&M Forest Service's Urban and Community Forestry (U&CF) Program helps communities develop sustainable programs that provide Texans with healthy trees and forests. In cooperation with the **United States Department of Agriculture (USDA) Forest Service (USFS)**, Texas A&M Forest Service is now accepting proposals for the 2024 Community Forestry Grant Program (CFG). These competitive grants are designed to establish sound urban and community forestry principles that promote the protection and enhancement of urban and community forest ecosystems throughout the state of Texas. By applying for a Community Forestry Grant, applicants can not only make a positive environmental impact but also contribute to the well-being, resilience, and sustainability of the communities they serve.

Objectives and Eligibility

Grant Program Objectives

1) Integrate Urban and Community Forestry into all scales of planning.
2) Promote the role of Urban and Community Forestry in human health and wellness.

3) Cultivate diversity, equity, and leadership within the Urban Forestry community.
4) Strengthen community forest health and biodiversity for long-term resilience.
5) Improve Urban and Community Forest management, maintenance, and stewardship.
6) Diversify, leverage, and increase funding for Urban and Community Forestry.
7) Increase public awareness and environmental education to promote stewardship.
8) Prioritize projects focusing work on extreme heat mitigation, urban wood utilization, urban food forests and workforce development.

Eligible Entities

- Units of local governments (city, town, county)
- Non-profit organizations (501c3) in good standing
- Tribal entities
- State government agencies
- Educational institutions (ISDs, Colleges and Universities)
- Public utility districts (PUD, MUD, etc.)
- Other organizations, such as volunteer groups, neighborhood associations or civic groups which are not 501(c)3 are eligible but must apply in partnership with a non-profit organization or with their local government.

All applicants applying for a federally funded award must have BOTH a Federal Employer Identification Number (FEIN) and a Unique Entity Identifier (UEI). Information on UEI provided here: https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update.

General Grant Requirements

Eligible Projects must meet one or more Program Objectives. This competitive Community Forestry Grant Program is intended to support new initiatives, programs, projects, or activities not currently being funded through other sources. This grant program is not intended for the purpose of beautification.

Projects will benefit from having clearly stated goals, well-thought-out budgets, and thoughtfully planned schedules that leverage volunteer support, foster local partnerships, promote development of local community forestry programs, incorporate an educational or technology transfer elements and a long-term focus on goals and benefits. Engagement efforts should ensure that community voices are heard and integrated into project decision-making. The program is designed to support new and innovative initiatives or expand existing programs that would not occur without grant funds. It is not intended to substitute for current funding levels. Applicants may apply for more than one category, however projects must be clearly distinct or only one will be considered. An organization can be a lead applicant for one project and serve as a collaborator for other proposals without penalty. Multiple applications from a single organization, while allowed, is not preferred.

Proposals are required to include a project overview, a project summary detailing goals and objectives, proposed activities, deliverables and outcomes, collaboration with other organizations, innovation, project timeline, and community need, as well as a proposed budget and matching funds (if required), including cash, volunteers and in-kind.

Funding Sources

There are multiple sources of funding for these grants, including Texas' Inflation Reduction Act (IRA) allocation, however, all are federal sources. Each category has specific requirements so please read the details below. Both matching and non-matching opportunities are available.

Matching grants:

- Match requirements are on a 1:1 ratio, i.e., 50 percent federal, 50 percent non-federal (local) match from eligible groups.
- These non-federal funds cannot be used as a match for any other federal cost-share project. The match may include in-kind contributions, volunteer assistance, and private and public (non-federal) monetary contributions.
- In-kind contributions include: on-hand supplies, third-party donations of supplies or equipment, and the value of time (including fringe benefits) spent by the awardee's staff or volunteers on eligible project activities.
- These are reimbursement-type grants. Awardees will send invoices to Texas A&M Forest Service of eligible expenses as laid out in the grant agreement and be reimbursed by grant funds.
- Reimbursable expenses are direct, out-of-pocket expenditures for eligible project activities that are supported by paid invoices, signed receipts, or official payroll records. The use of in-kind (non-cash) match is valid and encouraged. In-kind match can take the form of volunteer hours, donated materials, donated services, donated office space, or donated equipment associated with the project. Volunteer hours may be applied to the project at rates appropriate to the skill level of the volunteer and/or the nature of the work being performed.
- The base value for adult volunteer time on a project is **$33.49** per hour**.** This is the updated rate by the *Independent Sector,* under the research tab. Staff time applied as either grant share or match must be valued at the employee's regular rate of pay.
- Fringe benefits are also allowable.
- Projects that require match must be completed in 12 months from when the award letter is signed, unless otherwise noted in category description.
- All matching funds must be specifically related to the proposed project. Documentation of all matching funds must be provided before reimbursement of the grant award will be issued.

Assistance provided by federal employees, or the Texas A&M Forest Service may not be claimed as part of the match.

Match waiver grants:

- Only the Community Greening Grant Category (6) is eligible for match waiver. This grant is funded through the Inflation Reduction Act (IRA) and **MUST be used in Federally listed DISADVANTAGED COMMUNITIES** identified by the Climate and Economic Justice Screening Tool (CEJST). CEJST is a geospatial mapping tool to identify census tracts that are overburdened by climate, pollution or other environmental and socioeconomic factors.
- 100% of the work on the ground must take place within CJEST defined disadvantaged communities in order to receive these funds and the match waiver.
- Texas A&M Forest Service, through extensive geospatial analysis that incorporates the CJEST screening, has defined 29 Texas communities as eligible for Category 6, Community Greening, projects. See the community list and explanation here.
- Up to 20% of the total project budget can be used as administrative costs. These are included in any indirect expenses required by an applying organization. Indirect costs are allowable but supporting documentation is required.
- Acknowledgement of Texas A&M Forest Service and the US Forest Service Inflation Reduction Act Urban and Community Forestry Program contribution is required for printed materials and signage.

Grant Timeframe

All applications must be submitted online by **4 PM CDT on February 14, 2025**.

Applicants will be notified of proposal status in May 2025. Approved projects can begin only after a grant agreement and Federal Assurances are signed by the awardee. All projects must be completed within the specified date of the finalized grant agreement. Some projects that qualify for match waiver may have deliverables over multiple years. Applications for multi-year funding must justify the need for an extended project term and define activities, timeline, and deliverables for each year of the project term. All funds must be encumbered by December 31, 2027. All funding of grants is contingent on federal appropriations.

FY2025 Matching Grant Categories

CATEGORY 1 – Climate Resiliency

1 Award for $50,000

Description: The Climate Resiliency grant category is designed to support projects that focus on enhancing the adaptability of urban ecosystems to create more climate-resilient and sustainable Texas communities. With changing environmental conditions, native trees and forests are becoming more vulnerable to pests and diseases and frequent extreme weather events. Grants in this category will address issues of species vulnerability and diversity, especially in historically disadvantaged communities, and develop tools and strategies that not only increase urban tree cover and the related benefits those communities will receive, but also lead to a more resilient community forest.

CATEGORY 2 – Human Health Equity and Accessibility

1 Award for $50,000

Description: The Human Health Equity and Accessibility grant category is dedicated to supporting projects that aim to improve the well-being of communities by strategically and equitably enhancing their access to greenspaces and promoting public health. Projects funded under this category should have a demonstrable impact on public health and well-being. This could include but is not limited to initiatives that reduce air pollution, mitigate heat island effects, promote physical activity, or improve mental health through nature-based experiences. Successful projects in this category address social determinants of health and work towards creating inclusive, healthy, and vibrant environments for all residents.

CATEGORY 3 – Municipal Forester

1 Award for $100,000
with phased funding over three years

Description: The Municipal Forester grant category is designed to fund a qualified city forester/arborist position, in a city that has not yet had one, to help support local capacity and advance urban and community forestry initiatives at the local level. The applicant should outline the specific roles and responsibilities of the Municipal Forester position within their organization. This may include duties like community forest management, tree planting, care and maintenance, policy development, community engagement, and coordination with relevant departments.

Education, Experience and Certification Requirements

Texas A&M Forest Service must approve the position description before any hiring with grant funds can take place. Minimum requirements for Municipal Forester position should include**:**

- A bachelor's degree in forestry, urban forestry, arboriculture, horticulture, or a natural resource related field approved by the Texas A&M Forest Service.
- Demonstrated at least two years of proficiency in community in forest management including tree planting, care, pruning and maintenance techniques to ensure the long-term health of community trees.
- Experience managing tree inventories, conducting tree risk assessments, and implementing tree care programs is preferred.
- A Certified Arborist recognized by International Society of Arboriculture (ISA) or able to obtain certification over the three-year grant cycle.

In addition to these qualifications and expertise areas, a successful Municipal Forester should also have a passion for trees and a commitment to enhancing the forest for the well-being of the community and the environment. They should be adaptable, able to work in a team, and capable of making informed decisions to manage and protect urban and community forests effectively.

Funding schedule:

Funding for this grant will be phased over three years. Grant funds will pay:

- $50,000 in year one
- $25,000 in year two
- $25,000 in year three

This phased approach helps ensure the long-term sustainability of the position.

CATEGORY 4 – Workforce Development

Up to 2 Awards, for up to $50,000 each

Description: The Workforce Development category is designed to train citizens and students in essential skills for community tree care and management. By empowering individuals with both technical skills and awareness for the value of community trees, the program aims to enhance community engagement in urban forestry efforts. Successful applicants will teach participants proper tree planting, maintenance, and management techniques through hands-on learning experiences such as workshops and projects. Collaboration with local industry professionals is encouraged to connect participants with job opportunities and enhance their readiness for careers in urban forestry. While career pathways are prioritized, the primary goal is to foster a well-informed community that actively contributes to the health and sustainability of urban forests.

CATEGORY 5 – Tree Planting

Up to 10 Awards, for up to $20,000 each

Description: The Tree Planting grant category is dedicated to supporting initiatives that increase urban and community tree canopy coverage, engage the community, and promote the many benefits of trees in built environments. This category plays a crucial role in enhancing the quality of life in cities and towns by improving environmental conditions, resilience, and public health. Funding will be given to communities that implement tree planting programs that address one or more urban sustainability issues identified in the Texas Forest Action Plan, specifically climate, energy consumption, and water quality. All tree planting with grant funds shall adhere to Appendix A (Appendix to be drafted to instruct awardees on specific planting specifications and how to select, plant, and care for young trees.) Failure to follow the

Standards in Appendix A will lead Texas A&M Forest Service to require replacement of the trees at the awardee's cost.

All grant funded tree planting programs must demonstrate the following in their proposals:

- **Tree Species Selection:** This grant will support the selection and planting of a diverse range of tree species that are well-suited to the local climate, soil conditions, and environment. Emphasis is placed on species that provide ecological benefits, such as improving air quality, supporting wildlife, and mitigating climate impacts. Texas A&M Forest Service must approve the final planting list.
- **Location and Target Areas**: Applicants must define the specific target areas or neighborhoods where tree planting efforts will take place. Priority will be given to proposals that best justify how trees planted in that area addresses one or more of the urban sustainability issues defined in the Texas Forest Action Plan
- **Tree Planting Methodology:** Applicant will describe the planting techniques and best practices for their planting plan, including proper tree planting depth, spacing, mulching, and post-planting care to ensure tree survival and growth.
- **Watering and Long-Term Maintenance:** Applicant must outline a forest management plan they will implement for the planting program's ongoing maintenance and care of newly planted trees. This should include a schedule for watering, maintenance, and protection from human interaction, pests and diseases. Grant funds are eligible to pay for watering and maintenance costs.

Priority will be given to projects that fall within:

- Any of the 65 Planting Priority Cities, as identified by Texas A&M Forest Service
- 100% CJEST defined areas of communities that are over 900,000 in population

FY2025 Match Waiver Grant Categories

CATEGORY 6 – Community Greening Transformations

5 Awards for $2,375,000

Description:
The purpose of this grant is to drive transformative placemaking projects in Texas' most vulnerable communities through the strategic expansion of tree canopies. Community forestry-based placemaking involves integrating trees and green spaces into planning to create vibrant, functional, and meaningful community spaces. This approach harnesses the benefits of community forestry to enhance public spaces, address local needs such as excessive heat, all while fostering a sense of community. However, this grant will not only increase tree canopy coverage on public spaces, but also provide trees to residents, contributing to the expansion of tree canopy coverage in both public and private spaces. Recipients will equip residents with the knowledge and tools necessary for successful tree care. By combining the provision of trees with comprehensive support and training, the program aims to create enduring, positive impacts on community spaces and strengthen local environmental resilience. Only communities

listed in the 29 Crucial Greening Communities are eligible for this category. A breakdown of these communities can be found here.

Project Eligibility and Requirements

These criteria must be met for a project to be eligible:

- Projects shall engage council districts and residents in placemaking planning for transformation projects.
- Projects will introduce 10,000 new trees over the grant period through a minimum of five giveaways and five planting events.
- Planting events will address community needs such as but not limited to, creating accessible greenspace, reducing excess heat, reducing flooding, and/or improving public health.
- Planted trees include at least three years of maintenance and watering as detailed in a management plan for long term care.
- Projects shall provide maintenance and care training sessions to the public designed to teach essential tree care practices. This training shall cover key aspects such as proper watering techniques and frequency, pruning best management practices, and general tree health maintenance. Tree care curriculum should be in
- Projects shall incorporate shade tree plantings and may incorporate the conversion of pavement to green spaces with a priority on making more accessible areas within the placemaking design.
- Texas A&M Forest Service staff shall be invited to participate in project planning meetings. Meeting sign-in sheets shall be submitted as part of progress reporting.

In addition, the following shall be required once project is awarded:

- The Awardee must work with the local government and decision makers to develop policies, best practices, and necessary staffing for tree/landscape maintenance, budget, and goals expressed and adopted in long-term plans.
- Awardees must comply in all respects with all applicable local and county ordinances, and all applicable state and federal laws and regulations.
- Awardees shall maintain and operate the project developed pursuant to the grant long term; evidence of adequate long-term care for the trees and other nature-based solution features must be shown.
- Tree planting within the project shall adhere to Appendix A (Appendix to be drafted to instruct awardees on specific planting specifications and how to select, plant, and care for young trees.) Failure to follow the Standards in Appendix A will lead Texas A&M Forest Service to require replacement of the trees at the awardee’s cost.
- All designs must be created or approved by a landscape architect or other qualified professional.
- Awardees must show proof of having an International Society of Arboriculture (ISA) certified arborist or other qualified, Agency approved, professional on staff or as consultant during project design, species selection, and project implementation including ensuring quality stock is being planted.

- Trees and plant materials selected shall be climate appropriate and well suited to the site and must be approved by Texas A&M Forest Service.

Eligible Project Costs

Grant funds may be used to support project costs including, but not limited to, planning, permitting, environmental assessment, design, pavement removal, soil testing, remediation of hazardous materials from pavement removal, water-efficient irrigation, and project maintenance.

- Trees, plants, and planting materials
  - Trees in the 15-gallon container size are eligible. Balled and burlapped and bare-root tree stock are also eligible if the size and quality are equivalent.
  - Smaller containerized stock, seedlings, and direct seeding may also be considered by Texas A&M Forest Service in situations where appropriate.
  - Larger sized trees may be considered by Texas A&M Forest Service if adequate justification is provided.
  - Other larger container sizes may be considered by Texas A&M Forest Service in situations where appropriate.
  - Focus shall be on shade trees. The largest stature species suitable for a site should be chosen.
  - Justification of any alternative tree size and species should be based on co-benefits and must be approved by Texas A&M Forest Service
  - Such co-benefits may include hands-on learning opportunities related to food production as part of a designated learning space.
  - Site appropriate accompanying plants in sizes justified for the project.
  - Planting materials may be: Stakes, ties, and root collar protectors proportional to number of trees being planted; grow tubes for small container, seedling and direct seeding; wood chip surface mulch, soil amendments in areas of hard clay soil or sandy soil; soil where needed to complete backfill; watering tools, cost effective water-efficient irrigation system supplies; and hand tools.
- Activity stations and hardscapes:
  - Removal of pavement/asphalt
  - Installation of activity stations, hardscape, fencing, and sitting areas to support outdoor learning spaces as relevant to the project. All hardscaping with project funds must be approved in advance by Texas A&M Forest Service.
  - USFS policy provides support for asphalt/concrete removal as needed to provide a reasonable rooting area for tree establishment and sustained health of the tree (mature canopy spread as an area guide), particularly if soil replacement was deemed necessary and part of the scope of work. Removal of an asphalt playground to plant a few trees and turf grass would not be considered eligible costs.
  - Creating of ADA-compliant path of travel.

- Labor directly related to the project:
  - Includes young tree establishment costs such as: structural pruning, stake adjustment and removal, and water-wise irrigation. May also include staff hiring or training.
- Contracts or services for inventory, monitoring, or planning
  - Costs for collection of current tree inventory data, monitoring/work order databases, or development of plans, procedures, best practices, or standards.
- Administrative costs:
  - Administrative costs directly related to the implementation of the project are eligible but must be justified and shall not exceed 20% of total award.
- Education and signage:
  - Purchase, development and distribution of education materials and curricula, or events may be funded pending relevance to the scope of the proposed project.
  - Funding source and program sign construction and materials.
  - Texas A&M Forest Service staff will approve signage plans on a case-by-case basis.
- Concrete removal and other special concerns:
  - In projects where impervious surfaces are being converted to green spaces or expansions of existing planting sites, the costs for removal of asphalt, concrete paving, and/or other hardscape is eligible. If hardscape cuts are to be made, they must create at least 36 square feet of open space for a single tree planting. Larger is preferred.
  - Soils testing to determine the needs for the site are eligible.
  - Remediation of hazardous materials exposed during pavement removal are eligible.
  - Water-efficient irrigation supplies or system components are eligible.

Ineligible Project Costs
The following practices will not be funded by this grant program:

- Planting trees that require excessive maintenance such as: excessive long-term watering, fertilizing, exterminating, or controlling plant pests and diseases to survive.
- Projects that plant trees that will eventually conflict with overhead or underground utilities or ground-located infrastructure.
- Planting invasive species as determined by Texas A&M Forest Service
- Projects that use synthetic fertilizer. Organic fertilizers (e.g., compost, manure) may be used.
- Projects that will supplant a locally funded budget item rather than supplement it.
- Property acquisitions.
- Project elements that are purely aesthetic.

Proposal Format and Funding Availability

Applications may be found at https://tfsweb.tamu.edu/communityforestrygrants/. There are five available categories (matching grants up to $100,000 and non-matching grants up to over $2 million per project). Applications are online forms with multiple sections. Applicants will provide short responses with limited character count for each of the following sections.

- Contact Info
- Partnering Organizations and Collaboration
- Overview of Project
- Goals and Objectives
- Proposed Activities
- Organizational Experience Completing Similar Projects
- Deliverables, Timeline, Outputs and Outcomes
- Innovation
- Project Budget
  - Personnel
  - Fringe
  - Travel
  - Supplies
  - Contractual
  - Other Expenses

Attached Documentation Required:

- Texas W9
- Maps
- Other documentation as required by category.

Texas A&M Forest Service reserves the right to reject and approve partial funding for any and all proposals. Records must be maintained for at least 5 years following final payment. Texas A&M Forest Service assumes no liability for any contractors, volunteers, or local government employees working on any projects.

Ineligible Expenses For All Grants

- Purchase of machinery, equipment, or real estate
- Construction
- Purchase of food, snacks, or beverages
- Gift cards
- Purchase of plant material classified as invasive species
- Costs that are not incurred during the grant award period
- Costs not approved by Texas A&M Forest Service during award or grant modification
- Overhead and/or indirect costs are not allowed, except for Categories 6 and 7.

Funding Criteria and Proposal Review

Community Forestry Grant Program funds will be awarded on a competitive basis by category. A multi-organizational committee will evaluate proposals. Proposals ranking will be based on the following criteria:

- ✓ Clearly defined purpose or objective of project
- ✓ Goals, purpose, or mission statement of the applicant is clear
- ✓ The degree to which the project meets a local need, provides community improvement, and supports the Texas Forest Action Plan
- ✓ Level of community engagement and volunteer involvement
- ✓ Local visibility or awareness of the project
- ✓ Sustainability of the project after the grant period
- ✓ Long-term benefit of the project
- ✓ Clarity of budget presentation
- ✓ Cost effectiveness
- ✓ Appropriate proposed time frame for completion of the project
- ✓ Demonstrated ability of the applicant to follow through on project completion

Payment Process

The funds awarded under the grant are available on a reimbursement basis after verification of match and in accordance with a payment schedule agreed to in advance. Awardees must file a *Request for Reimbursement* (included in award paperwork package) and send records of expenditures along with documentation of all costs to the Texas A&M Forest Service

Project Inspection, Reporting, & Payment

Periodic progress reports and a Final Report are required of the awardee. The schedule and content of final and periodic reports will be set in advance of initiating the project.

Review of Projects

Texas A&M Forest Service reserves the right to inspect projects at any time. All educational materials (written or video) developed as part of a grant project must be reviewed by Texas A&M Forest Service prior to final printing to ensure that appropriate standards are met, that proper credit is given to Texas A&M Forest Service and the U.S. Forest Service, and that an appropriate non-discrimination statement is included. Project work not in compliance must be corrected before the work is approved and grant payments will be made.

Records must be maintained according to federal regulations. The financial management system of the awardees shall meet the following standards:

1. Records shall comply with generally accepted accounting principles.
2. Records will document allowable costs.
3. Records will include source documentation such as canceled checks (front and back) or "paid" receipts, itemized invoices, purchase orders, payrolls, time and attendance records, contracts, etc. Invoices must be marked paid and reflect how payment was made.
4. Records will be maintained for 5 years following final payment.

Payments to Grant Recipients

No payments will be made until the proper paperwork has been submitted. This includes a signed grant application and technical proposal, appropriate authorization for the project, executed contracts and agreements, and a project completion report.

Payments will be made as reimbursement for approved project expenditures. Texas A&M Forest Service will review all reports for concurrence with the values placed on in-kind contributions by the Awardee or by third parties.

Reimbursement is defined as an after-the-fact grant payment representing the federal/state share (50%) of the project's actual costs, not to exceed the amount originally approved or the out-of-pocket expenditures.

Project Completion Report

Within 60 days after the close of the grant or completion of the project, the Awardee must submit to Texas A&M Forest Service an accounting of the project that will include:

- A final report detailing the accomplishments of the project and any publicity it generated. Three copies of any materials produced through the grant must be included as part of the report.
- A cost summary listing all eligible costs of the project, both federal and local contributions, including cash purchases, in-kind labor charges, and donated items.
- Supporting documentation. For cash purchases, this includes copies of all invoices and cancelled checks, or some other proof-of-purchase. For in-kind labor and equipment charges, this includes individual work records. For donated items or services, this includes signed donation letters stating the fair market value of the donated item.
- All progress and final reports shall be sent to CommunityForestryGrants@tfs.tamu.edu and must be signed and dated by the authorized representative of the organization to which the grant was awarded.

Execution of Agreements and Documents

Awardees will enter into a contract, called the Grant Agreement, with Texas A&M Forest Service. This document will stipulate what is to be accomplished with the grant, the payment terms for the grant, the methods used to determine compliance, any penalties or actions that Texas A&M Forest Service will take in the event of noncompliance and releases the agency from any liability associated with contractors, volunteers, or city employees working on this project. The state forester will execute all necessary agreements on behalf of the agency.

As part of the Grant Agreement, each Awardee must sign several documents grouped together as Assurances and Certifications, which describe the federal laws with which it must comply. It will be the responsibility of the applicant to ensure that all documents are fully executed within a period of 30 days after receiving the contract packet. Failure to comply with this schedule may result in the grant offer being withdrawn.

Federal and State Regulations

Awardee agrees to comply with the federal cost and administrative regulations found in the OMB Uniform Guidance published December 26, 2014. Administrative regulations can be located at: http://whitehouse.gov/omb/grants_default/ Cost principles can be located at: http://gpoaccess.gov/cfr/index.html.Forms can be found at http://www.ocio.usda.gov/forms/ocio_forms.html or http://search.usda.gov.

All applicants applying for a federally funded award must have BOTH a Federal Employer Identification Number (FEIN) and a Unique Entity Identifier (UEI). Information on UEI provided here: https://www.gsa.gov/about-us/organization/federal-acquisition-service/office-of-systems-management/integrated-award-environment-iae/iae-systems-information-kit/unique-entity-identifier-update

Inflation Reduction Act
Subtitle D, Sec. 23003 (a). State and Private Forestry Conservation Programs via the Inflation Reduction Act (IRA) appropriated $1,500,000,000 to provide multiyear, programmatic, competitive grants. Of this total allocation $21,750,000 was allocated to Texas to be distributed over a 5-year period. Urban and Community Forestry (U&CF) is also covered under the Agency's Justice40 Initiative established through Executive Order 13985. To advance the mission of Justice40, proposals that deliver the benefits of IRA investments through established partnerships with local organizations working to support disadvantaged communities will receive priority consideration. USDA is a partner on the Interagency Memorandum of Understanding (MOU) on Promoting Equitable Access to Nature in Nature-Deprived Communities, which seeks to reduce the number of people without access to parks and nature in their communities. The America the Beautiful Initiative supports the prioritization of locally led conservation and park projects in communities that disproportionately lack access to nature and its benefits.

Grant Preparation Assistance

Assistance in developing proposals is available to all potential applicants. We will also provide guidance as to a project's suitability under this program. Applicants are strongly encouraged to discuss potential projects before proposal submittal. Contact information below:

Mac Martin, Urban and Community Forestry Program Leader

Phone: 979-402-1339, Email: CommunityForestryGrants@tfs.tamu.edu

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Kate Faris, Urban and Community Forestry Grants Specialist

Phone 979-458-6660, Email: CommunityForestryGrants@tfs.tamu.edu

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City *of* West Lake Hills
City Council
AGENDA REPORT

Meeting Date:	January 8, 2025	**Item Number:**	8
Department:	Administration		
Prepared By:	Trey Fletcher	**Cost / Budget:**	None
Exhibits:	Muni Sales Tax Street Maintenance	**Source of Funds:**	n/a

Subject

Discuss and consider action on sales tax election options.

Recommendation

Receive the information and take appropriate action.

Discussion

In November 2021, West Lake Hills voters authorized an adjustment to the allocation of local sales and use taxes collected within the city. As a result, a portion of the city sales collection is dedicated to street maintenance. Previously, this portion was dedicated with property tax reduction.

Texas imposes a 6.25 percent state sales and use tax on all retail sales, leases and rentals of most goods, as well as taxable services. Local taxing jurisdictions (cities, counties, special purpose districts and transit authorities) can also impose up to 2 percent sales and use tax for a maximum combined rate of 8.25 percent.

Locally, the city collects 1.5 percent and the Westbank Library District collects 0.5 percent. Of the city portion, 1.0 percent goes to the city's general fund and 0.5 percent is dedicated to Street Maintenance.

The Street Maintenance allocation was effective for a four (4) year term and must be reauthorized by voters in 2025. This election may occur in either May or November of this year. While the May election does not have to be formally called until February, if the City intends to consider this matter in May, Travis County must receive notification by January 21 coinciding with the City Council election.

The deadline to order the May 3, 2025 election is February 14, 2025.

MUNICIPAL SALES AND USE TAX FOR STREET MAINTENANCE

JANUARY 2020

Glenn Hegar

Texas Comptroller of Public Accounts

Many Texas cities do not have the funds necessary to repair existing streets and sidewalks. **The Tax Code** authorizes cities to impose a special sales tax to fund maintenance of this important mobility infrastructure.

WHO IS ELIGIBLE?

Cities may impose the tax if the new combined local sales tax rate will not exceed 2 percent.

[Refer to **Tax Code, Sect. 327.003(b)**.]

ELECTION IS REQUIRED

A city's voters must approve the additional sales tax. The city's governing body must adopt an ordinance calling for an election to be held on one of the two uniform election dates:

- the first Saturday in May; or
- the first Tuesday after the first Monday in November.

For guidance on the timing of elections, please contact the Secretary of State at 512-463-5650 or toll free at 800-252-8683. Additional information is available on the **Secretary of State's website**.

BALLOT LANGUAGE

At the election to adopt the additional tax, a ballot must allow voters the choice of voting for or against the proposition. Following is the required ballot language:

> "The adoption of a local sales and use tax in (name of municipality) at the rate of (insert appropriate rate) to provide revenue for maintenance and repair of municipal streets."

[Refer to **Tax Code, Sect. 327.006(b)**.]

For sales tax elections called by the governing body, a municipality may combine measures to lower or repeal any dedicated or special purpose municipal sales tax into a single ballot proposition, and at the same time raise or adopt any other dedicated special purpose municipal sales tax. A combined sales tax proposition would have to contain substantially the same language as that required for lowering, repealing, raising or adopting each tax as appropriate. If a combined sales tax proposition were defeated, there would be no effect on existing sales taxes.

[Refer to **Tax Code, Sect. 321.109**.]

The tax may be used to **repair existing streets**, but **not build new streets**.

FOR MORE INFORMATION, VISIT OUR WEBSITE
Comptroller.Texas.Gov

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econ.dev@cpa.texas.gov

MUNICIPAL SALES AND USE TAX FOR STREET MAINTENANCE

Street maintenance tax funds may be spent on municipal streets including sidewalks.

ELECTION RESULTS

If the election is successful, within 10 days of the election the city must declare the results of the election by resolution or an ordinance entered in its minutes of proceedings. The resolution or ordinance must include statements showing:

- the date the election was held;
- the wording of the proposition;
- the total number of votes cast for and against the proposition; and
- the number of votes by which the proposition passed.

[Refer to **Tax Code, Sect. 321.405**.]

If the voters of a municipality adopt the street maintenance sales tax at an election held on the same date that another political subdivision adopts a sales and use tax or approves the increase in the rate of its sales and use tax, the combined rate of all sales and use taxes must not exceed 2 percent at any location in the municipality. If the combined rate exceeds 2 percent at any location in the municipality, the election to adopt a street maintenance sales tax will have no effect.

[Refer to **Tax Code, Sect. 327.003(c)**.]

EFFECTIVE DATE

The tax will become effective on the first day of the first calendar quarter after one complete calendar quarter passes from the date the Comptroller receives the city's notice that voters have approved the tax.

[Refer to **Tax Code, Sect. 327.005**.]

For example, if voters approve the tax in an election held in May and the city sends the election results to the Revenue Accounting, Tax Allocation Section of the Comptroller's office by the end of June, the tax would take effect on Oct. 1. The city would begin receiving revenue from the Comptroller beginning with the December sales tax allocation.

ADMINISTRATION OF THE TAX

The city should account for street maintenance sales tax funds separately from other revenues.

USE OF THE STREET MAINTENANCE SALES TAX

Funds may be used only to maintain and repair municipal streets and sidewalks that existed on the date of the election to adopt the tax. It may not be used to build new streets.

[Refer to **Tax Code, Sect. 327.008**.]

WHAT ARE "MUNICIPAL" STREETS?

A "municipal street" includes the entire width of a way (including sidewalks) held by a municipality in fee or by easement or dedication that has a part open for public use for vehicular travel. The term does not include a designated state or federal highway or road or a designated county road.

[Refer to **Tax Code, Sect. 327.001**.]

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EXPIRATION AND REAUTHORIZATION OF THE TAX

For most cities, the street maintenance sales tax expires four years after it takes effect unless the city's voters authorize it to continue in an election held for that purpose. The election to reauthorize the tax must be held on one of the two uniform election dates noted previously. The ballot proposition language should permit voting for or against the following proposition:

> "The reauthorization of the local sales and use tax in (name of municipality) at the rate of (insert appropriate rate) to continue providing revenue for maintenance and repair of municipal streets."

The municipality must notify the Comptroller of the scheduled expiration not later than the 10th day after the municipality determines that the tax will expire.

[Refer to **Tax Code, Sect. 327.007**.]

If an election to reauthorize the tax is not held before the tax expires or if votes cast in an election to reauthorize the tax do not favor reauthorization, the municipality may not call an election to authorize a new tax under this chapter before the first anniversary of the date on which the tax expired.

[Refer to **Tax Code, Sect. 327.007**.]

NEED MORE INFORMATION?

For more information about the street maintenance sales tax, call the Comptroller's Data Analysis and Transparency Division at 844-519-5672.

The **tax expires four years after it takes effect** unless voters authorize its extension.

FOR MORE INFORMATION, VISIT OUR WEBSITE Comptroller.Texas.Gov

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Glenn Hegar
Texas Comptroller of Public Accounts

This publication is intended as a general guide and not as a comprehensive resource on the subjects covered. It is not a substitute for legal advice.

WE'RE HERE TO HELP!

If you have questions or need information, contact us:

For more information, visit our website
Comptroller.Texas.Gov

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800-252-5555
911 Emergency Service/ Equalization Surcharge
Automotive Oil Fee
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Customs Broker
Mixed Beverage Taxes
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Sales and Use Taxes

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Cement Tax
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Oil Well Servicing Tax
Sulphur Tax

800-442-4353
WebFile Help

800-252-1381
Bank Franchise
Franchise Tax

800-252-7875
Spanish

800-531-1441
Fax on Demand (Most frequently requested Sales and Franchise tax forms)

800-252-1382
Clean Vehicle Incentive Program
Manufactured Housing Tax
Motor Vehicle Sales Surcharge, Rental and Seller Financed Sales Tax
Motor Vehicle Registration Surcharge

800-252-1383
Fuels Tax
IFTA
LG Decals
Petroleum Products Delivery Fee
School Fund Benefit Fee

800-252-1384
Coastal Protection
Crude Oil Production Tax
Natural Gas Production Tax

800-252-1387
Insurance Tax

800-252-1385
Coin-Operated Machines Tax
Hotel Occupancy Tax

800-252-1386
Account Status
Officer and Director Information

800-862-2260
Cigarette and Tobacco

888-4-FILING (888-434-5464)
TELEFILE: To File by Phone

800-252-1389
GETPUB: To Order Forms and Publications

800-654-FIND (800-654-3463)
Treasury Find

800-321-2274
Unclaimed Property Claimants
Unclaimed Property Holders
Unclaimed Property Name Searches 512-463-3120 in Austin

877-44RATE4 (877-447-2834)
Interest Rate

Publication 96-940 · Revised January 2020

LOCAL SALES TAX OPTIONS

JANUARY 2020

Glenn Hegar

Texas Comptroller of Public Accounts

A city, county or special purpose district may adopt a sales tax provided the combined rate of all local sales taxes would not exceed 2 percent at any location within its territorial limits. All local sales taxes require voter approval.

SALES TAX OPTIONS FOR CITIES

SALES AND USE TAX

(Increments of 0.125 percent) – Most cities in Texas have this type of sales tax. It may be imposed by any incorporated city. Revenues are deposited into the city's general revenue fund and may be used for any lawful purpose. (**Tax Code, Chap. 321**.)

SALES TAX FOR ECONOMIC DEVELOPMENT*

(Increments of 0.125 percent) – Two options are available for a city to adopt this tax:

- **Type A** – This tax may be imposed by most incorporated cities. (There are exceptions in certain counties with mass transit systems). Revenues must be turned over to a development corporation formed to act on behalf of the city to carry out programs related to industrial development, business infrastructure and the promotion of new and expanded business enterprises that create or retain primary jobs.
- **Type B** – This tax may be imposed by any incorporated city. Revenues must be turned over to a development corporation formed to act on behalf of the city to carry out programs related to a wide variety of projects including business development and public parks.

For more detailed information, see the Comptroller's **Economic Development Sales Tax** brochure (PDF). (**Loc. Govt. Code, Chap. 501-505**.)

STREET MAINTENANCE SALES TAX

(Increments of 0.125 percent) – All cities are authorized to hold an election to adopt a sales tax to repair and maintain existing city streets. For most cities, the tax expires after four years unless a new election is held to reauthorize the tax. The revenue from this tax may be used only to maintain and repair existing city streets and sidewalks. For more detailed information, see the Comptroller's **Street Maintenance Sales Tax** brochure (PDF). (**Tax Code, Chap. 327.**)

The Comptroller's **online sales tax rate tool locates** all sales tax rates in effect for any Texas address.

FOR MORE INFORMATION, VISIT OUR WEBSITE
Comptroller.Texas.Gov

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LOCAL SALES TAX OPTIONS

Local sales tax rates **may not exceed a combined 2 percent**.

MUNICIPAL DEVELOPMENT CORPORATION*

(0.125, 0.25, 0.375 or 0.5 percent) – A city may create a municipal development corporation to undertake projects that provide job training, early childhood education, after-school programs, scholarships, literacy promotion and other projects. Voters in the city may authorize adoption of a sales tax to fund activities of the corporation. (**Loc. Govt. Code, Chap. 379A.**)

MUNICIPAL DEVELOPMENT DISTRICT*

(0.125, 0.25, 0.375 or 0.5 percent) – Cities may hold an election in all or part of a city, including the extraterritorial jurisdiction, to create a municipal development district and adopt a sales tax to fund the district. The district may undertake a variety of projects including a convention center, civic center, auditorium and other projects eligible for Type B Corporations under Chapter 505 of the Local Government Code. (**Loc. Govt. Code, Chap. 377**.)

FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES (EMS) DISTRICTS*

(0.125, 0.25, 0.375 or 0.5 percent) – Cities with a population between 25,000 and 550,000 or more than 1.9 million may create an EMS district. The district may include all or any part of a city. The district may finance the operation of a fire control, prevention and EMS program. (**Loc. Govt. Code, Chap. 344,** and **Tax Code, Sect. 321.106**.)

MUNICIPAL SALES TAX FOR PROPERTY TAX RELIEF

(Increments of 0.125 percent) – This "additional sales tax" may be imposed by most incorporated cities (there are exceptions in certain counties with rapid transit systems). Revenues are deposited into a city's general revenue fund. Cities adopting this form of local sales tax must reduce the effective and rollback property tax rates within the city. For more detailed information, see the Comptroller's **Using Sales Tax To Reduce The Property Tax Rate** brochure (PDF). (**Tax Code, Chap. 321**.)

* This tax is actually imposed by a board, district or authority created by and for the benefit of a city or county.

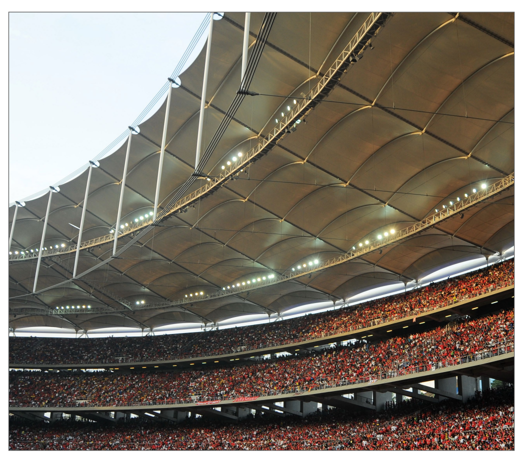
SALES TAX OPTIONS FOR CITIES & COUNTIES

CRIME CONTROL AND PREVENTION DISTRICT*

(Increments of 0.125 percent up to 0.5 percent maximum rate) — This sales tax may be imposed by a city located in a county with a population of more than 5,000 or by a county with a population of more than 130,000. The governing body in a municipality or commissioners court may specify the number of years (5, 10, 15 or 20) the district would be continued. Revenues from the sales tax may be used to finance a wide variety of crime control and prevention programs. (**Loc. Govt. Code, Chap. 363**, and **Tax Code, Sec. 323.105**.)

VENUE TAX "STADIUM BILL"

(Increments of 0.125 percent) — This sales tax is one of several revenue options available to a city or county to fund sports and community "venue" projects. Multiple cities and counties



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in any combination may join to form a venue district under Chapter 335, Local Government Code, as well. Some examples of a "venue" are a stadium, convention center, park or economic development-type facility. (The rate for a county imposing the tax is capped at one-half of one percent.)

For more detailed information, see the Comptroller's **Sports and Community Venue Tax** brochure (PDF). (**Loc. Gov. Code, Chap. 334** and **335**.)

METROPOLITAN AND RAPID TRANSIT AUTHORITIES/ MUNICIPAL TRANSIT DEPARTMENTS*

(0.25, 0.5, 0.75 or 1 percent) – In certain instances, authorities may be created to levy a sales tax to provide transportation services in participating cities. These are not offered statewide to all cities and are generally found in metropolitan areas. Cities may opt to join and, in some cases, withdraw from an authority with voter approval. The tax rate is generally implemented in 0.25-percent increments. (**Tax Code, Chap. 322** and **Transportation Code, Chap. 451**, **452**, and **453**.)

SALES TAX OPTIONS FOR COUNTIES

COUNTY SALES TAX FOR PROPERTY TAX RELIEF

(0.5 or 1 percent) – This sales tax may be imposed by most by most counties also imposing an ad valorem tax. Revenues are deposited into a county's general revenue fund. The rate is 0.5 percent, except in counties with no territory within the limits of a municipality where the rate is 1 percent. Hospital districts also may impose this sales tax, but at different rates.

For more detailed information, see the Comptroller's **Using Sales Tax To Reduce The Property Tax Rate** brochure (PDF). (**Tax Code, Chap. 323.**)

COUNTY ASSISTANCE DISTRICT*

(Increments of 0.125 percent) – Counties may hold an election in all or part of the county, to create one or more county assistance districts and adopt a sales tax to fund the districts. A district may undertake a variety of projects including roads or highways; provision of law enforcement and detention services; the maintenance or improvement of libraries, museums, parks or other recreational facilities; or other services that benefit the public welfare.

For more detailed information, see the Comptroller's **County Assistance District Sales Tax** brochure (PDF). (**Loc. Govt. Code, Chap. 387.**)

EMERGENCY SERVICES DISTRICT (ESD)*

(Increments of 0.125 percent) – Counties may hold an election in all or part of the county, to create one or more emergency services districts and adopt a sales tax to fund the districts. Funds may be used to hire emergency personnel, contract with other entities to provide emergency services, and/or purchase equipment and facilities. (**Health and Safety Code, Chapters 775.**)

* This tax is actually imposed by a board, district or authority created by and for the benefit of a city or county.

Sales taxes paid on purchases this month are generally remitted to the Comptroller **next month** and allocated to local taxing entities **the following month**.

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Glenn Hegar
Texas Comptroller of Public Accounts

This publication is intended as a general guide and not as a comprehensive resource on the subjects covered. It is not a substitute for legal advice.

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