



CITY OF SUGAR LAND

CITY COUNCIL AGENDA

Sugar Land City Hall
2700 Town Center Boulevard North
Sugar Land, Texas 77479

TUESDAY, SEPTEMBER 14, 2021

SPECIAL CITY COUNCIL MEETING

CITY COUNCIL CHAMBER

5:30 P.M.

I. ATTENTION

- A.** *Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through videoconferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view, and are recorded as per the Texas Open Meetings Act.*

The meeting will live stream at <https://www.sugarlandtx.gov/1238/SLTV-16-Live-Video> or <https://www.youtube.com/user/SugarLandTXgov/live>. Sugar Land Comcast Cable Subscribers can also tune-in on Channel 16.

II. PUBLIC COMMENT / PUBLIC HEARING

- A. Option 1:** Members of the public desiring to submit written comments to be read during the Public Comment or Public Hearing portions of the meeting, will be allowed to submit their comments to the Office of the City Secretary (citysec@sugarlandtx.gov). Written/e-mailed comments must be received by 3:00 p.m., Tuesday, September 14, 2021.

Option 2: Members of the public desiring to participate virtually during the set/posted time of the Public Comment or Public Hearing must e-mail (citysec@sugarlandtx.gov) or call ((281) 275-2730) the Office of the City Secretary by 3:00 p.m., Tuesday, September 14, 2021. Once properly registered, the Office of the City Secretary will provide instructions for direct participation during the Public Hearing.

Option 3: Members of the public desiring to address the City Council, Board and/or Commission in person with regard to matters on the agenda must complete a "Request to Speak" form and give it to the City Secretary, or designee, prior to the beginning of the meeting.

Each speaker is limited to three (3) minutes, and speakers requiring a translator will have six minutes, regardless of the number of agenda items to be addressed. Comments or discussion by the City Council, Board, and/or Commission Members, will only be made at the time the subject is scheduled for consideration.

Disclaimer: *The City of Sugar Land reserves the right to remove any written/mailed comments deemed inappropriate or not adhering to the public comment rules outlined in this notice. The City reserves the right to not read any comments containing -*

- *Links to for-profit sites*
- *Advertising*
- *Promotion of illegal activities*
- *Sexual oriented/explicit comments and sites*
- *Information promoting discrimination/harassment*
- *Political/religious rhetoric, advocacy, or commentary*

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

III. PUBLIC HEARINGS

- A. PUBLIC HEARING 5:30 P.M.:** To receive and hear all persons desiring to be heard on the City of Sugar Land 2021 Tax Year Proposed Property Tax Rate.

Jennifer Brown, Director of Finance

THE MAYOR AND CITY COUNCIL RESERVE THE RIGHT, UPON MOTION, TO SUSPEND THE RULES TO CONSIDER BUSINESS OUT OF THE POSTED ORDER. IN ADDITION TO ANY EXECUTIVE SESSION LISTED ABOVE, THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THIS MEETING FOR THE PURPOSE OF CONSULTATION WITH THE ATTORNEY AS AUTHORIZED BY TEXAS GOVERNMENT CODE SECTIONS 551.071 TO DISCUSS ANY OF THE MATTERS LISTED ABOVE.

IF YOU PLAN TO ATTEND THIS PUBLIC MEETING AND YOU HAVE A DISABILITY THAT REQUIRES SPECIAL ARRANGEMENTS AT THE MEETING, PLEASE CONTACT THE CITY SECRETARY, (281) 275-2730. REQUESTS FOR SPECIAL SERVICES MUST BE RECEIVED FORTY-EIGHT (48) HOURS PRIOR TO THE MEETING TIME. REASONABLE ACCOMMODATIONS WILL BE MADE TO ASSIST YOUR NEEDS.

THE AGENDA AND SUPPORTING DOCUMENTATION IS LOCATED ON THE CITY WEBSITE (WWW.SUGARLANDTX.GOV) UNDER MEETING AGENDAS.

Posted this 10th day of September, 2021 at 1:42 p.m.



City Council Agenda Request

SEPTEMBER 14, 2021

AGENDA REQUEST NO: III.A.

AGENDA OF: City Council Meeting

INITIATED BY: *Jennifer Brown, Director of Finance*

PRESENTED BY: *Jennifer Brown, Director of Finance*

RESPONSIBLE DEPARTMENT: Budget

AGENDA CAPTION:

PUBLIC HEARING 5:30 P.M.: To receive and hear all persons desiring to be heard on the City of Sugar Land 2021 Tax Year Proposed Property Tax Rate.

RECOMMENDED ACTION:

Receive and hear all persons desiring to speak on the proposed property tax rate for tax year 2021.

EXECUTIVE SUMMARY:

Background

The City has a long history of recognition as a leader in financial stewardship, with strategies specifically tailored to the community and designed to maximize both the conservative nature of the City's finances and to offset the residential tax burden. Because of these practices, the City was in an excellent financial position as the country started to feel the effects of the novel coronavirus (COVID-19) and throughout the year.

The proposed Fiscal Year 2022 (FY22) budget and five-year Capital Improvement Program (CIP) follows guidelines in the City Council-adopted Financial Management Policy Statements and builds on the success of the strategies implemented in FY21 to withstand the economic impact of the COVID-19 pandemic. The focus on this year's budget is on

continued leadership in conservative, resilient and responsible stewardship – balancing continued uncertainty regarding the economy with guarded optimism about recovery. The proposed budget ensures continued financial strength and resiliency by meeting all fund balance requirements, including the structural balance of the General Fund, and includes the first steps in beginning to restore the Sugar Land Way investments made in the FY20 budget that were delayed or reduced due to the pandemic.

For the FY22 budget, the focus is on balancing financial and operational stability – in essence, providing additional funding for the City’s highest priorities while also protecting against continued downside risk and economic uncertainty. These efforts include a focus on the highest priorities identified by residents in the 2020 citizen survey; the second phase of meeting the City’s commitment to voters to fulfill the 2019 bond election projects – with an emphasis on drainage and public safety; investments in the City’s championship workforce; and further security of the long-term future of the City’s utility system through the continued implementation of the citizen-led Integrated Water Resources Plan (IWRP). Additionally, staff has internally outlined priorities for a mid-year budget amendment should recovery occur more quickly than is anticipated in the budget, recognizing that the proposed budget as presented does not fully meet the Sugar Land Way – the result of a multi-year delay and reset of recurring revenues due to the economic impacts of the pandemic.

Priorities for funding in the proposed budget include base budget increases and limited restoration of funding levels for services to departments to allow provision of services to the public – with restoration primarily focused on infrastructure rehabilitation and investments in the fleet and high-tech replacement funds. Additionally, funding is also included for community priorities such as supplemental sidewalk rehabilitation, mobility and traffic safety, and special events; citizen engagement and customer service enhancements; public safety training, equipment, facilities, and operations; and efforts to further turn the disruptions over the past two years into opportunities – including citywide “better than before” planning efforts and increased innovation.

Truth in Taxation Calculations

The Fort Bend Central Appraisal District (FBCAD) is charged with assessing property values within Fort Bend County. The City of Sugar Land contracts with the Fort Bend County Tax Office (a separate entity from FBCAD) for Tax Assessor/Collector services, including calculation of tax rates as directed by the Tax Code. Based on calculations performed by the Tax Assessor/Collector, the required rates have been calculated and submitted to the governing body as follows:

Proposed Tax Rate:	\$0.346500
No New Revenue Tax Rate:	\$0.339025
Voter Approval Tax Rate:	\$0.355394

These calculations were recorded into the minutes as received by the City Council at the August 17th City Council meeting.

Record Vote on Proposed Tax Rate

After discussion at two budget workshops held on August 6th and 12th, staff recommends a tax rate to fund the FY22 budget, including a one-cent increase tax rate to fund the second phase of the voter-approved GO bond projects, with a focus on drainage and public safety. Building on the revised 2019 general obligation bond election implementation plan that was established last year due to the ongoing impacts of the pandemic, this increase represents a cumulative reduction to-date from the previously planned year-one tax rate increase of three cents. With that, the recommended tax rate for 2021 is \$0.346500, resulting in an average residential tax bill impact of \$50 per year. The remainder of the projects and increases are planned to occur in future years, with implementation of the projects now spread over five years instead of three.

At the August 17th City Council meeting, City Council voted to consider a tax rate of \$0.346500 and to hold a public hearing on the proposed tax rate on September 14th.

Public Hearing

No action on the tax rate will be taken at this meeting- it is only to receive feedback on the proposed tax rate from the public. Action to adopt the 2021 tax rate will be taken on September 21st after the budget for FY22 is approved.

Staff recommends City Council hold a public hearing to receive all persons wishing to speak on the 2021 proposed tax rate.

BUDGET

EXPENDITURE REQUIRED:

CURRENT BUDGET:

ADDITIONAL FUNDING:

FUNDING SOURCE:

ATTACHMENTS:

Description	Type
□ Public Hearing Notice	Other Supporting Documents

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.346500 per \$100 valuation has been proposed by the governing body of City of Sugar Land.

PROPOSED TAX RATE	\$0.346500 per \$100
NO-NEW-REVENUE TAX RATE	\$0.339025 per \$100
VOTER-APPROVAL TAX RATE	\$0.355394 per \$100

The no-new-revenue tax rate is the tax rate for the 2021 tax year that will raise the same amount of property tax revenue for City of Sugar Land from the same properties in both the 2020 tax year and the 2021 tax year.

The voter-approval rate is the highest tax rate that City of Sugar Land may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that City of Sugar Land is proposing to increase property taxes for the 2021 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON September 14, 2021 AT 5:30 PM AT Sugar Land City Hall, 2700 Town Center Blvd North, Sugar Land TX 77479.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, City of Sugar Land is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the Members of the City Council of City of Sugar Land at their offices or by attending the public hearing mentioned above.

**YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE
CALCULATED AS FOLLOWS:**

Property tax amount= (tax rate) x (taxable value of your
property)/100

FOR the proposal:

Joe R Zimmerman
Jennifer J Lane
Stewart Jacobson
Carol K McCutcheon

Naushad Kermally
Suzanne Whatley
William Ferguson

AGAINST the proposal:

PRESENT and not voting:

ABSENT:

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by City of Sugar Land last year to the taxes proposed to be imposed on the average residence homestead by City of Sugar Land this year.

	2020	2021	Change
Total tax rate (per \$100 of value)	\$0.336500	\$0.346500	increase of \$0.010000, or 2.97%
Average homestead taxable value	\$333,446	\$338,335	increase of \$4,889, or 1.47%
Tax on average homestead	\$1,122.05	\$1,172.33	increase of \$50.28, or 4.48%
Total tax levy on all properties	\$55,619,589	\$56,806,024	increase of \$1,186,435, or 2.13%

For assistance with tax calculations, please contact the tax assessor for City of Sugar Land at 281-341-3710 or fbcinfo@fbctx.gov, or visit www.fbctx.gov for more information.