

City of Smithville State of the City Update



**Chamber of Commerce Quarterly Luncheon
Thursday, July 31, 2019**

FUMC – 400 Olive Street (11:00 am -1:00 pm)

City of Smithville State of the City Update

Wednesday, July 31, 2019

Agenda:

- Financial Situation
- Current Issues
- Infrastructure Projects
- Development Projects
- Top 3 Observations
- Future Plans
- Q&A



Review financial situation / discuss current issues, projects, and future plans.

Current Financial Situation



City of Smithville - State of the City Update

Wednesday, July 31, 2019

Current Financial Situation:

- Utility Revenue is LESS THAN forecast but RECOVERING.
- Unassigned Fund Balance (reserves) are IMPROVING.
- [BCAD Property Tax](#) values (certified roll) are significantly HIGHER than last year.
- [Hot Tax](#) and [Sales Tax](#) revenues are STABLE.
- FY19/20 budget process currently underway.



FUND BALANCE

GF = \$316k

>\$1,100,529

3X Operating

**Completed 83%
(10-months) of Fiscal Year**

Current Issues



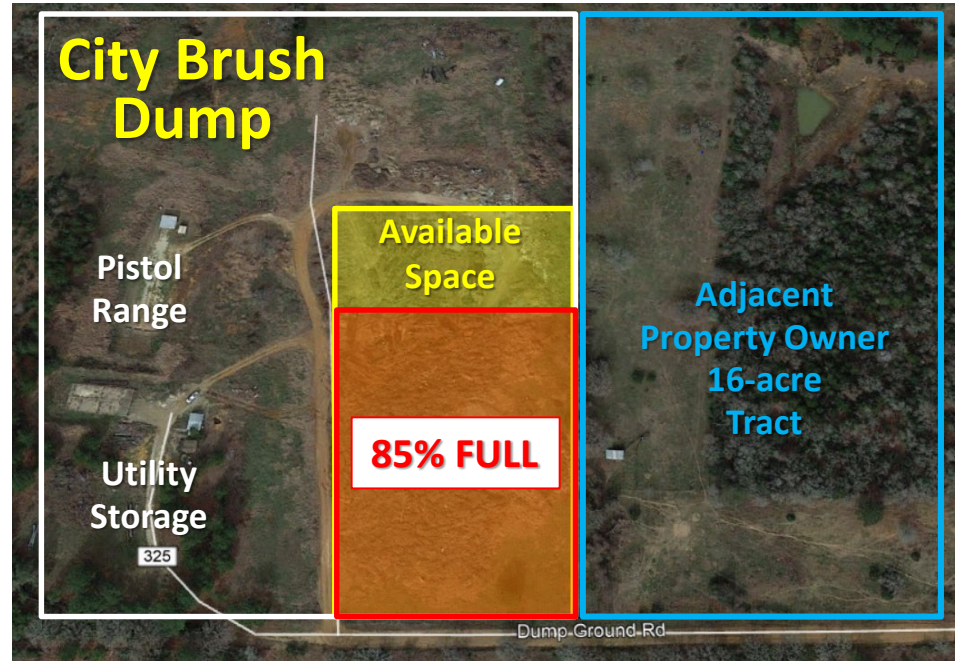
Brush Dump / Tiny Homes

State of the City Update - ISSUES

Wednesday, July 31, 2019

- **City Brush Dump:**

- Nearing capacity due to June 6th thunderstorm
- Increased fire risk
- Need Contractor with tub-grinder to chip trees/limbs into mulch
- Cut from FY18/19 budget
- Estimated cost **\$30-50k**



State of the City Update - ISSUES


Wednesday, July 31, 2019

TINY HOMES:

- More Tiny Homes coming to our community.
- No ordinance that addresses where Tiny Homes may be placed or the requirements for placement.
- City Council adopted ordinance on April 8, 2019 establishing a **700 ft² (minimum)** single-family dwelling size.

RECOMMENDATIONS/OPTIONS:

- **Discuss** if and where Tiny Homes will be allowed in our community (Pros/Cons);
- **Request** citizen input via **E-survey**; Forum
- **Determine** minimum size and building design requirements;
- **Modify** ordinance to add or prohibit Tiny Homes



Citizen Input - Tiny Home Survey

The City of Smithville is seeking public input regarding Tiny Homes. Your feedback is extremely valuable as the City Council considers the issue to allow (or not to allow) Tiny Homes within our community. Please complete the following survey. The nine (9) question survey will take 3-5 minutes to complete.

- Are you a citizen of Smithville who resides within the city limits?
☐ YES
☐ NO
- Do you feel Tiny Homes should or should not be allowed in Smithville?
☐ YES - ALLOW TINY HOMES
☐ NO - DO NOT ALLOW TINY HOMES
- If you answered "YES" to Question 2 above, WHERE should Tiny Homes be allowed in Smithville?
☐ Anywhere within the Smithville city limits
☐ Within the SF-1 (Single Family) zoning district
☐ Within the SF-2 (Single Family / Duplex) district
☐ Within the MF (Multi-family Residential) zoning district
☐ Create a special zoning district for Tiny Homes
☐ Other (please specify) _____
- Do you feel the City should develop standards for the design and installation of Tiny Homes?
☐ YES
☐ NO
- If you own a site-built home, would you object to a Tiny Home being located next door?
☐ YES
☐ NO
- In your opinion, what is the ideal size for a Tiny Home that would be allowed in Smithville?
☐ < 100 sq. ft.
☐ < 200 sq. ft.
☐ < 400 sq. ft.
- In your opinion, what are the benefits of allowing Tiny Homes in Smithville?
- In your opinion, what are the risks of allowing Tiny Homes in Smithville?
- Are there any other comments that you would like to add?

Infrastructure Improvement Projects



State of the City Update – DRAINAGE

Wednesday, July 31, 2019

- **Drainage**: Improvements in flood-prone areas of town have helped reduce the potential for flooding but still more to be done. Several FEMA HMG drainage projects in process or pending approval.
- **DR-4223 & DR-4266**: 7th Street Detention Pond & Storm Water Conveyance - **\$1.4M - COMPLETE**
- **DR-4245**: Upgrade drainage channel along UPRR track to help alleviate flooding at 1st & Marburger **\$140k – PENDING UPPR APPROVAL**
- **DR-4272**: Build detention pond behind City Warehouse to help alleviate flooding on SE 1st, SE 2nd, and MLK - **\$680k – PENDING FINAL DESIGN**
- **DR-4332**: Upgrade drainage system from 2nd & Gresham to Hwy 95 to help alleviate downtown flooding - **\$1.8M – PENDING FEMA APPROVAL**
- **Miscellaneous** city-wide drainage projects:
On-going



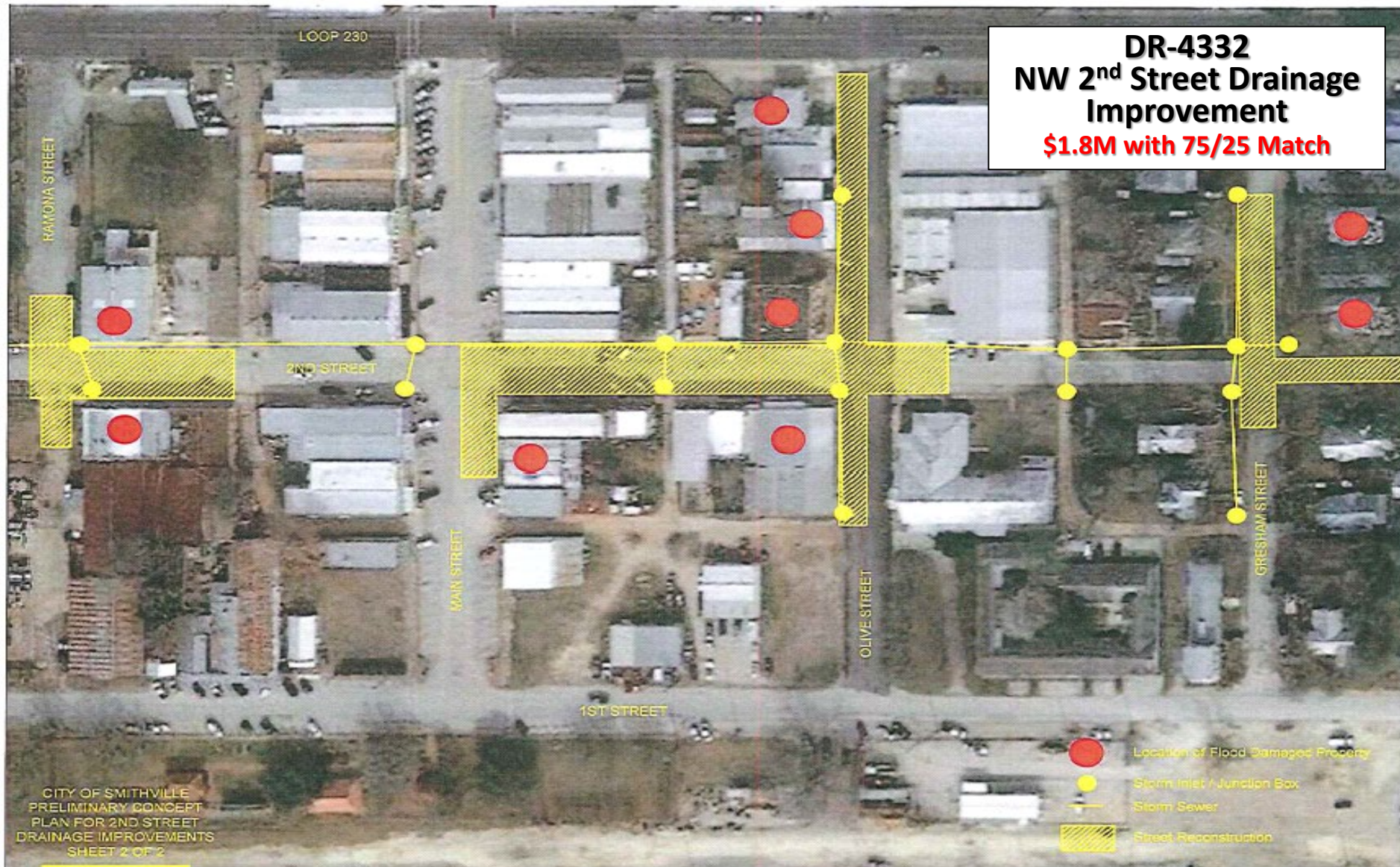
DR-4245 Marburger Drainage Improvement Project



DR-4272 MLK & SE 2nd Street Drainage Improvement Project



DR-4332 NW 2nd Street Drainage Improvement Project



Chamber of Commerce Quarterly Luncheon

State of the City Update - DRAINAGE

Wednesday, July 31, 2019

FEMA Hazard Mitigation Grant (HMG) Summary

Disaster Number	Grant Amount	75% FEMA Match	25% City Match	Purpose	Status
DR-4223	\$1,108,000	\$831,000	\$277,000	7th Street Detention Pond	COMPLETE
DR-4245	\$140,800	\$105,600	\$35,200	1st & Marburber Drainage Improvement	AWARDED
DR-4269	\$199,000	\$149,250	\$49,750	7th Street Conveyance	COMPLETE
DR-4272	\$667,900	\$500,925	\$166,975	SE 2nd (Warehouse) Detention Pond	AWARDED
DR-4332	\$1,843,900	\$1,382,925	\$460,975	NW 2nd Drainage Improvement	PENDING APPROVAL
TOTAL	\$3,959,600	\$2,969,700	\$989,900		

- Five (5) Federally Declared Disasters b/n May 2015 and Aug 2017
- Bastrop County will cover **DR-4332 Match** (Hurricane Harvey)
- 25% City Match obligation is \$528k (adjusted)
- 7X Return on Investment (ROI)

Miscellaneous City-wide Drainage Improvement Projects

McSweeney & Loop 230



McSweeney & Loop 230



Hill Street



1st Street (B/N Mills and Short)



NW 2nd Street



4th Avenue



“Smaller” Drainage Projects that typically cost between \$2-8k

State of the City Update – ROADS

Wednesday, July 31, 2019

City-wide Street Repairs and Paving Schedule					
Street	From / To	Paving Material	Prep Completed	Road Closure	Paving Date
1st Street	Hwy 95 to Olive	Seal Coat	YES	YES	COMPLETE
2nd Avenue	Live Oak to Hickory	Chip Seal	NO	YES	July/August
4th Street	Marburger to McSweeney	Chip Seal	NO	YES	July/August
Hickory Street	200 Block	Chip Seal	NO	YES	July/August
McSweeney	300 Block	Chip Seal	NO	YES	July/August
Old Uptown Road	Old Uptown Rd to Uptown Drive	Chip Seal	NO	YES	July/August
Olive Street	Loop 230 to 1st	Seal Coat	YES	YES	COMPLETE
Shade Street	300 - 400 Block	Chip Seal	NO	YES	July/August
Walker Street	500 - 600 Block	Chip Seal	NO	YES	July/August
Webb Street	Willows to End of Street	Chip Seal	NO	YES	July/August
Whitehead	200 Block / 400 - 700 Block	Chip Seal	NO	YES	July/August

Inclement Weather and Bastrop County availability have delayed paving schedule. Minor street repairs continue throughout the City.

TRANSPORTATION

Upgrade SH 95 in Smithville to include turn lane with shoulders and pedestrian improvements

86(R) SB 1512 – UTILITY RELOCATION

Relating to relief from local matching funds
requirements for certain counties.

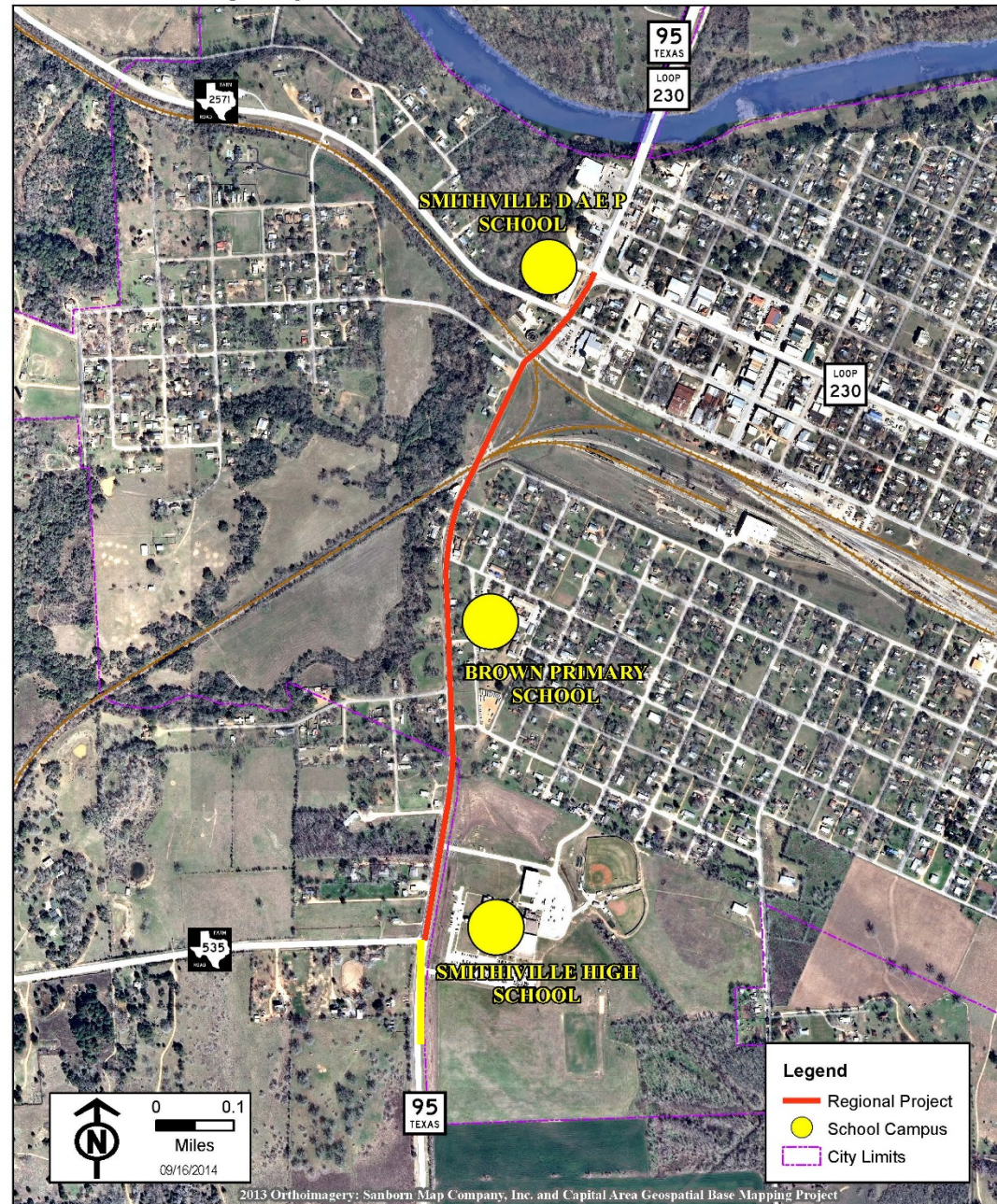
6/10/2019 - Signed by the Governor

DESIGN is **95% COMPLETE***
CONSTRUCTION START = **2021**

COST = **NOW \$7M +**
\$2.5M FOR UTILITIES RELOCATION

CAMPO 2018 Call For Projects – Bastrop County

State Highway 95 from Loop 230 to Farm to Market Road 535



State of the City Update - WATER

Wednesday, July 31, 2019

City-wide Water Storage

- Elevated Water Tower(s) and Ground Storage Tank(s) need repainting / repair:

- 250k Gallon Dorothy Nichols “Golf Ball” – (\$350k)
- 250k Gallon Rec Center “Golf Ball” – (\$350k)
- 600k Gallon Ground Storage Tank @ Fawcett – (\$700k)
- 100k Gallon Ground Storage Tank @ Heilberg Park – (\$50k)
- NEW 150k Gallon Ground Storage Tank @ SISD – (\$500k)

WATER = \$2.0M

SEWER = \$500k

ROADS = \$500k

\$3.0M C of O

- Miscellaneous Wastewater Improvements at Gazley (\$300k)
- Wastewater Diverter Valve and Miscellaneous Improvements – (\$100k)
- Engineering Design Study for Wastewater expansion @ Willow Creek WWTF - \$50k

- Certificate of Obligation authorized by Council action 12/8/18
- RFQ for Engineering Services awarded to BEFCO ENGINEERING
- Construction pending completion of project design and selection of construction contractor via RFP

State of the City Update - WATER

Wednesday, July 31, 2019

MLK / Miller 10" Water Line Upgrade Project

- \$300k CDBG grant with 15% City match (\$45k) = **\$345k**
10" Water Line Upgrade
(3,500 Linear Feet)
- Improve water volume, pressure, and Available Fire Flow (AFF).
- Project Start = Feb 2019
- Final Inspection: COMPLETE
- Contract Completion Date
July 8, 2019



**Texas Department of Agriculture (TDA)
Community Development Block Grant (CDBG)**

Development Projects



Current Development Projects



Smithville Development Projects as of 7/29/2019

	Company / Investor Name	Status	# of Jobs	Description	Confidential?	Issues	Comments
1	Millsbaugh Holdings, LLC	Expanding (Pending Investment)	TBD	PENDING	No	No	Developer met with City to discuss infrastructure requirements, permitting, variances, and overall project timeline. Need updated plans and project timelines.
2	Riverside Resources	Expanding (Pending Investment)	TBD	PENDING	No	No	Property annexed via 380 economic development w/ City on 12/11/16. Zoning changed from SF-1 to Industrial (I) via City Council action on 1/9/17. Property still on the market.
3	Go Big Solar NEW	Expanding (Pending Investment)	TBD	PENDING	No	No	Investor / developer looking to purchase 5-10 acres on American Legion Road (outside City limit) for 1MW Solar Farm. City is exploring possibility of entering into a Purchased Power Agreement (PPA).
4	Creekside RV Park NEW	Construction Pending	N/A	CONSTRUCTION PENDING	No	No	16-acre property located at Hwy 71 East & Loop 230 (outside City Limits). Bastrop County approved development. City water line to be extended at Developer's cost. Sewer, water, and electric to be provided by City. Water extension pending approval by City Council.
5	M5 Subdivision (formerly 230 Properties, LLC)	Construction Pending	N/A	CONSTRUCTION PENDING	No	No	Preliminary plat approved by Council 2/11/19. Variances granted for 500' centerline radius and < 60' ROW approved by Council on 2/11/19. Construction plans and drainage study currently under review. Will require final plat approval by P&Z and Council.
6	Hurta Land Holdings, LLC	Under Construction	N/A	CONSTRUCTION COMPLETE!	No	No	Property annexed via 380 economic development w/ City. Zoning changed from SF-1 to Planned Development District by City Council action on 12/11/17. Project is COMPLETE. 15 of 50 lots SOLD or have contracts pending. One site built home nearing completion.
7	Regency Health Care	Under Construction	35	UNDER CONSTRUCTION	No	No	Property annexed via 380 economic development w/ City on 12/11/16. Zoning changed from SF-1 to C3 via City Council action on 1/9/17. Developer seeking variance for monument sign. Neighbors are still concerned about drainage. Project on-schedule with completion in Fall 2019.
8	Smithville ISD Athletic Complex / JRHS	Under Construction	15-25	UNDER CONSTRUCTION	No	No	Construction progressing as planned. The athletic complex construction is complete. The Junior High school is schedule for completion in August 2019. Alignment of SISD entrance with FM535 and traffic light 95% complete. Property owners east of the stadium still concerned about drainage but post-development storm water flow is less than or equal to pre-development flow.
9	Capella	Expanding (Pending Investment)	TBD	ISSUES	No	YES	Capella has pulled-out of the project. Property back on the market. The cost of bringing wastewater services to the property was cited as the reason for abandoning the project. Property remains zoned PDD.
10	The Sage House (formerly The Verdante)	Construction Pending	5-7	ISSUES	No	YES	Property rezoned from SF-1 to C1 (with deed restrictions) by Council action on 8/13/18. Developer was granted a 5' side yard set-back variance on 12/10/18. Developer now seeking change in use to include restaurant in Main House utilizing same footprint. Must go before P&Z and Council for approval to modify prior documented use. August P&Z / Sept Council.

ISSUES



CITY OF
SMITHVILLE
TEXAS

Current Development Projects

ISSUES

The Sage House

- Country Inn - 407 Ramona
- **\$1.5-2M Investment Value**
- Outdoor Gardens / Farm to Table Cuisine
- Zoning – C1 (Commercial w/ Conditions)
- Construction Start: **October 2019**
- Construction End: August 2020



ISSUES:

- Developer requesting change of use (within C1 zoning category) to allow public to access restaurant. **Must be authorized by P&Z and Council.**

STATUS:

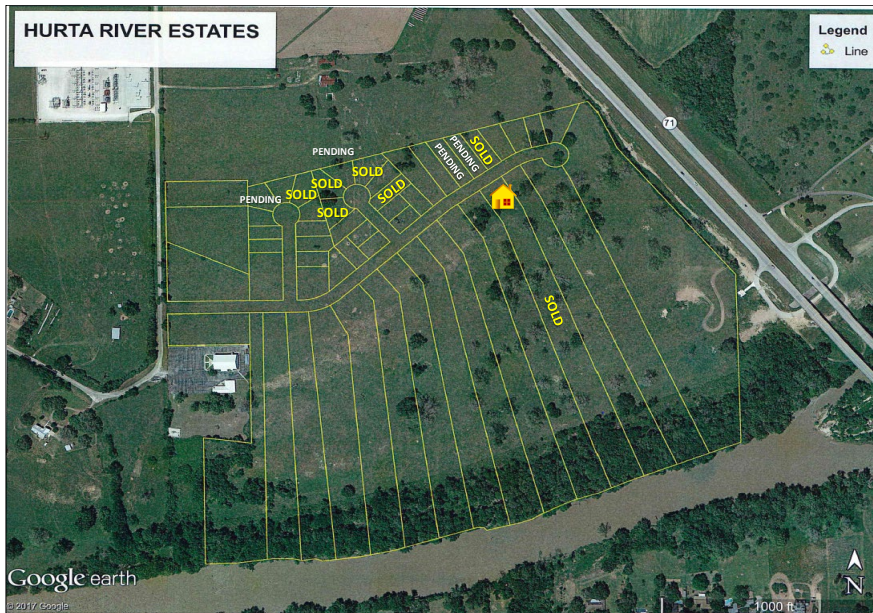
- Construction Plan Review and Building Permit pending outcome of change of use request.

Current Development Projects

UNDER
CONSTRUCTION

Hurta River Estates

- 97-Acre Subdivision – 50 Homes
- **Est. Value = \$15,000,000**
- Lot Sizes Range from .25-12.0 Acres
- Zoning – Planned Development District (PDD) in December 2017
- Infrastructure Construction
Start Date: July 2018
- End Date: February 2019 – **COMPLETE!**



ECD: December 2022 (All Lots Sold)

ISSUES: None

STATUS: Infrastructure (utilities, roads) 100% complete. Several Lots SOLD and/or Contracts PENDING

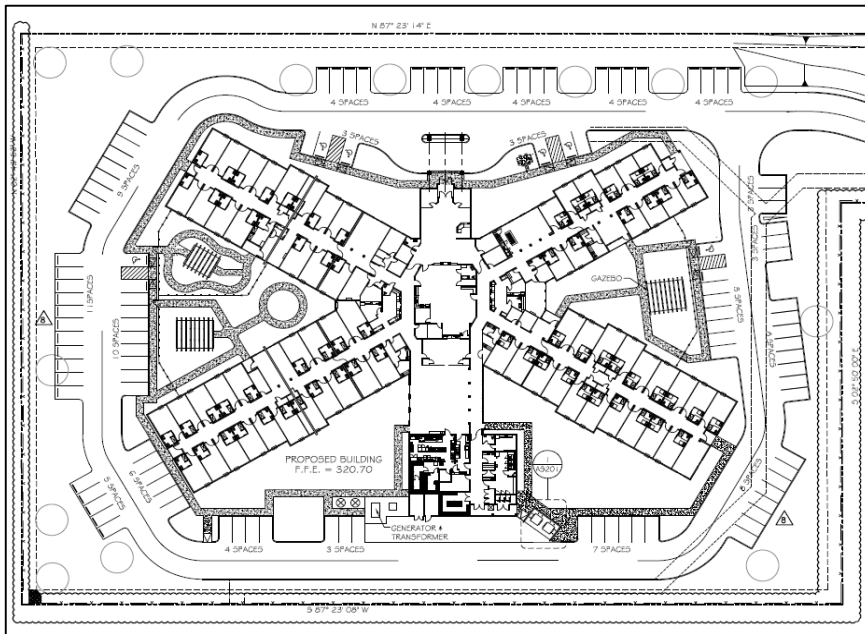
SALES: On-going

Current Development Projects

UNDER
CONSTRUCTION

Regency Health Care

- 120 Bed Nursing Home Facility
- **\$11,000,000 Value (Tax Exempt)**
- Zoning – C3 (Highway Commercial)
- Construction Start: August 2018
- Construction End: **Fall 2019**



ISSUES:

- Variance for Marquis / Monument Sign approved by P&Z / Council on 7/8/19. Neighbors concerned about drainage.

STATUS:

- Construction in Progress.

Current Development Projects

UNDER
CONSTRUCTION

SISD Athletic Complex / Junior High / Renovations

- \$35M Bond Election – 11/8/16
- Bond Passed by 57% Margin
- Zoning – CF (Community Facilities)
- Construction Start – March 2018
- Construction End: **August 2019**



ISSUES:

- Drainage, parking, and traffic control issues have been addressed.

STATUS:

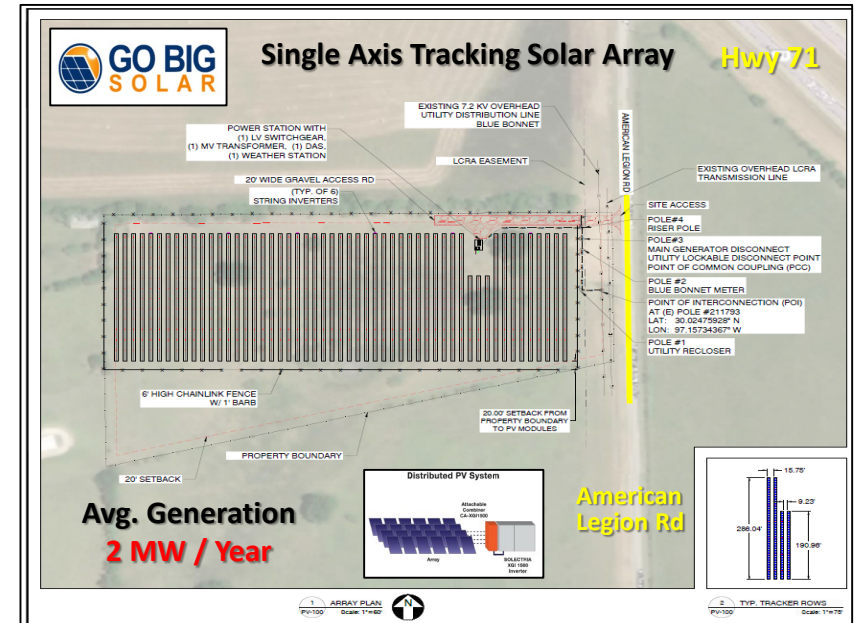
- Final Inspection Completed 7-30-19
C of O pending.

Current Development Projects

PENDING

Go Big Solar

- 1-MW Solar Installation
- 10-acre tract on American Legion Rd
- **\$1.1M Developer Investment**
- Property Located Outside City Limits
- City can purchase up to 15% of Load
- DRAFT Power Purchase Agreement (PPA) under review

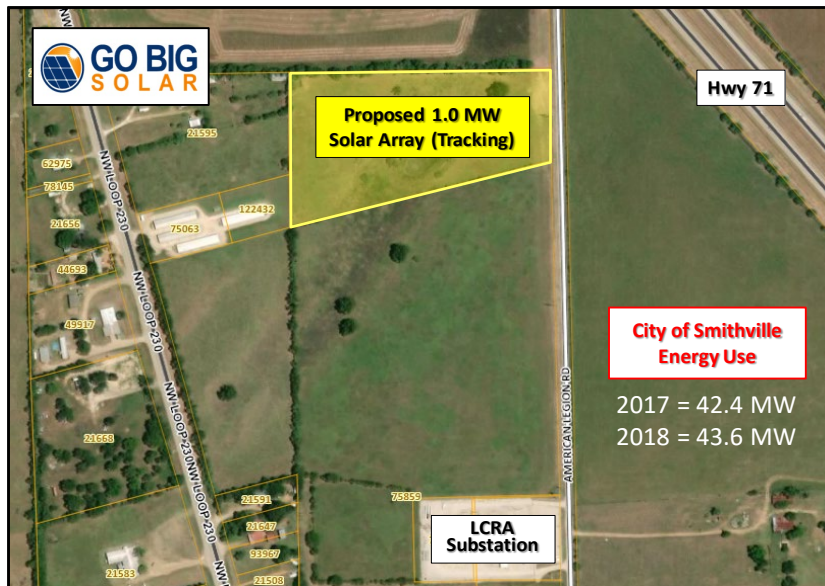


ISSUES:

- 25-year Contract / Price per kWh

STATUS:

- Project requires review and approval by LCRA and Bluebonnet
- PPA terms and conditions (including price per kWh) still under review by City of Smithville General Counsel. **Must show long-term benefit to the City of Smithville**

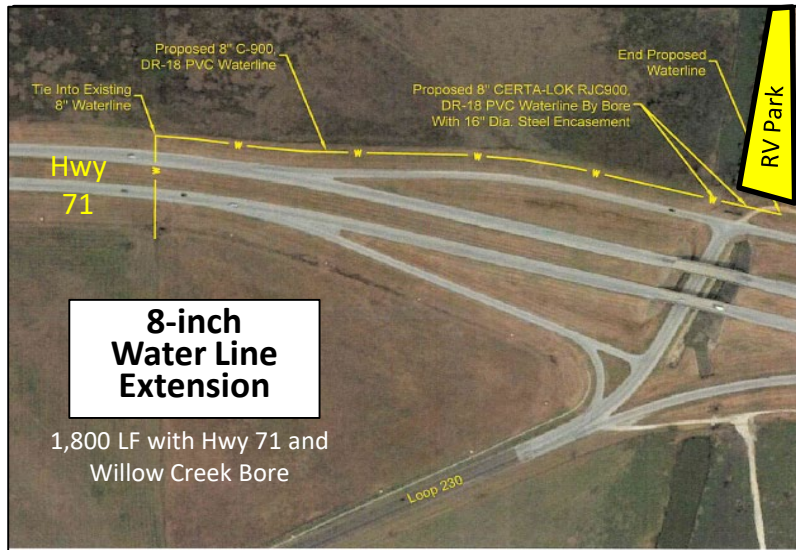
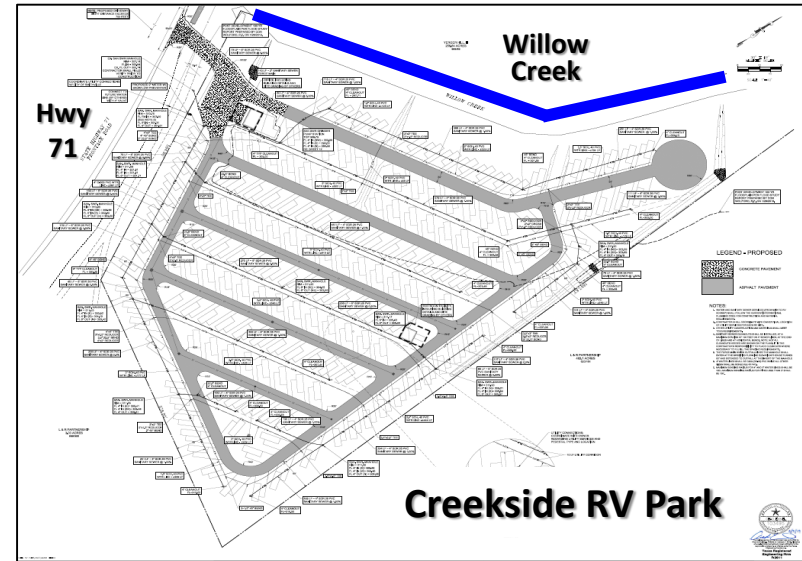


Current Development Projects

PENDING

Creekside RV Park

- 179 Space RV Park
- 16-acre tract Hwy 71 East & Loop 230
- **\$1.5-2.0M Developer Investment**
- Development plans approved by County
- City to provide all utility services
- Increase tourism / short-term lodging
- Construction Start: **November 2019**
- Construction End: Fall 2020



ISSUES:

- Water extension (outside City Limits) requires Council approval.

STATUS:

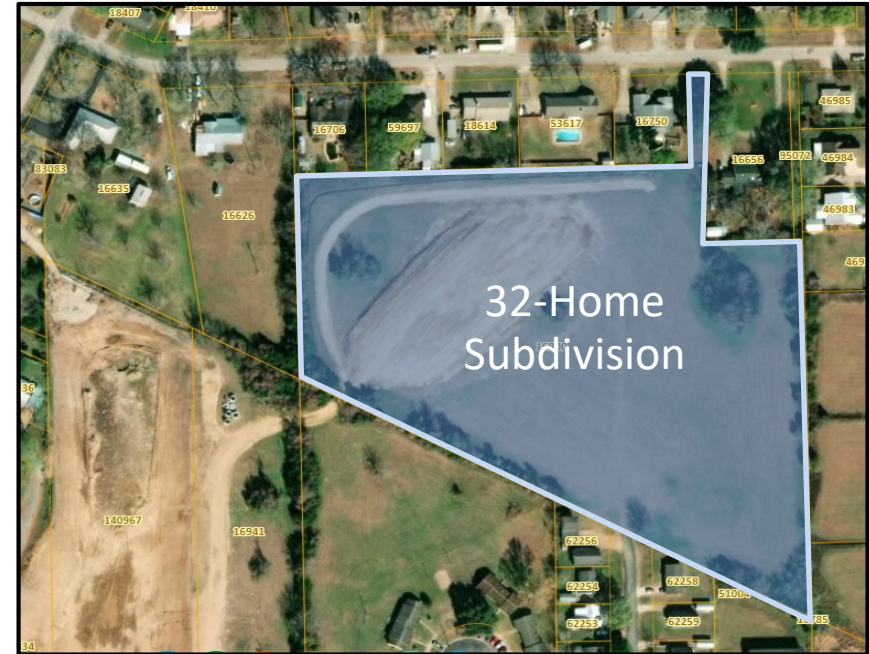
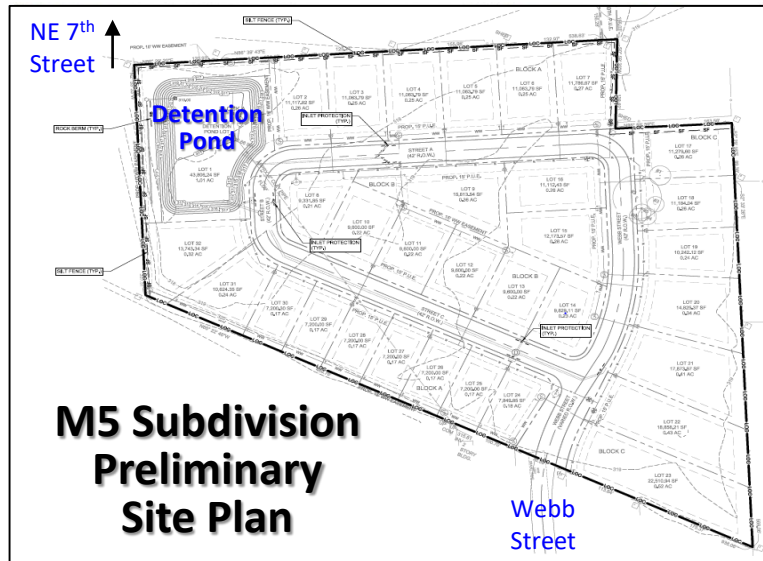
- 380 Cost Share Agreement for water extension being explored. Could include future voluntary annexation.
- **Must show long-term benefit to the City of Smithville**

Current Development Projects

PENDING

M5 Subdivision

- 10.65-acre Subdivision – 32 homes
- Zoning: Single-Family (SF1)
- **Estimated Value = \$7,200,000**
- \$1.5M Developer Investment
- Target Price Range = \$225-285k
- Construction Start: **December 2019**
- Construction End: Fall 2021



ISSUES:

- None

STATUS:

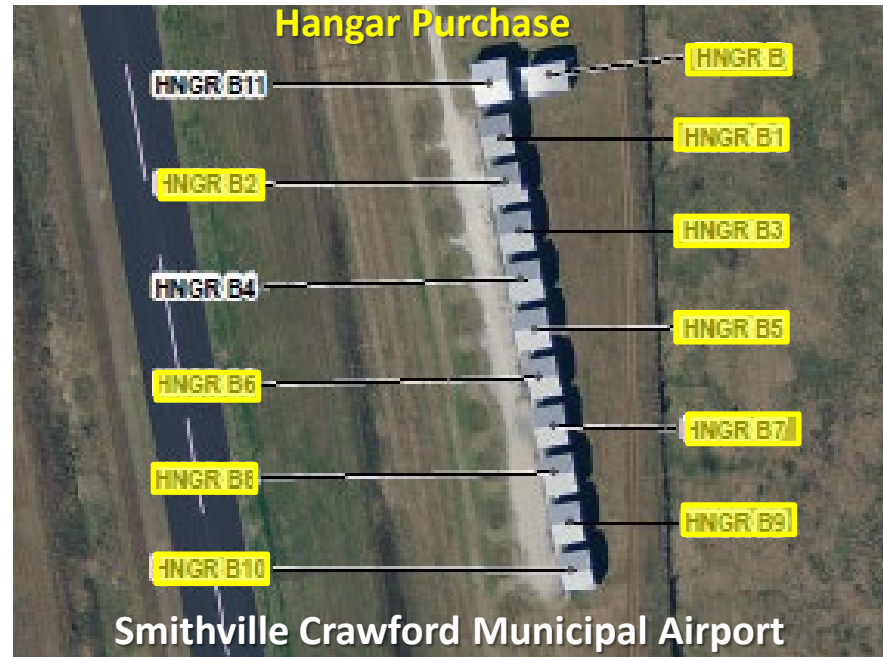
- Must address drainage via on-site detention. Post development flow must be equal to (or less than) pre-development flow.
- Construction Plan and Building Permit pending review / approval by City.

Current Development Projects

PENDING

Airport Hangar Purchase

- Seeking **\$500k** TXDOT Aviation Non-Primary Entitlement (NPE) funds to purchase ten (10) 30'x40' privately owned aircraft hangars.
- Estimated value = \$45-50k / hangar
- Requires 10% (\$50k) City Match
- Avg. hangar rental = \$250-300 / month
- Will net **\$30-36k revenue / year** from monthly rental versus current \$1.2k / year from Ground Lease.
- ROI = 17 months.



ISSUES: None to Report

STATUS:

- Funding Request(s) approved by TXDOT Commission on **6/27/19**
- FMV offer ISSUED on **7/26/19**
- Aeronautical Survey PENDING

Aeronautical Survey

- Also seeking **\$80k** in NPE funds to complete Aeronautical Survey for Instrument Approach.

Current Development Projects

PENDING

Chamber / RR Museum

- Chamber Offices / RR Museum / Visitor Center destroyed by arson fire – 3/24/19
- Temporary office opened @ 100 Main
- Building Committee established
- **\$378k estimated cost to rebuild**
- Demo of old structure COMPLETE
- Preliminary (concept) Design COMPLETE
- Architect Firm Selected



ISSUES: Rebuild pending UPRR approval and receipt of grant funding

STATUS:

- \$82k Insurance payment received. Donations are still coming in with several grants pending.
- Building plans are being developed
- Rebuild will be managed by City

City Manager Observations



TOP-3 OBSERVATIONS AS CITY MANAGER

PEOPLE
are the
City's
greatest
Asset

FACEBOOK
is the most
reliable
source of
misinformation
on the planet

CHANGE
is a
universal
constant

5-years....61 Days

Future Plans

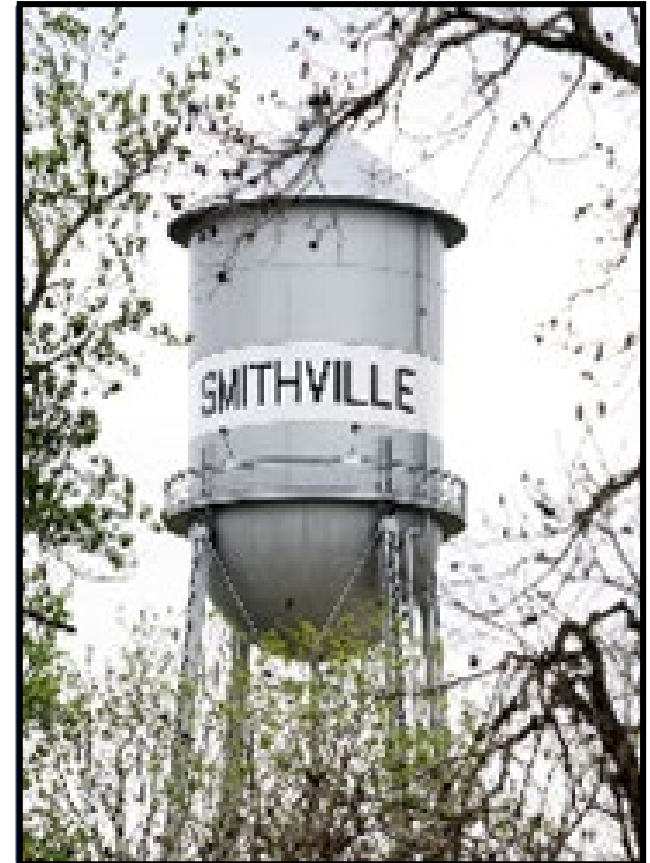


City of Smithville State of the City Update

Wednesday, July 31, 2019

Future Plans:

- **Schedule** Public Forum on Tiny Homes - **TBD**
- **Enforce** ordinance prohibiting Trailers / RV's parked in City ROW, Junk Vehicles, and Unwholesome Conditions. HHW Event – **8/3/19**
- **Identity** FY19-20 Projects & Plans
- **Complete** FY19-20 Budget Process
- **Schedule** Budget Workshop(s) and Public Hearings. Adopt Budget by **September 30, 2019**

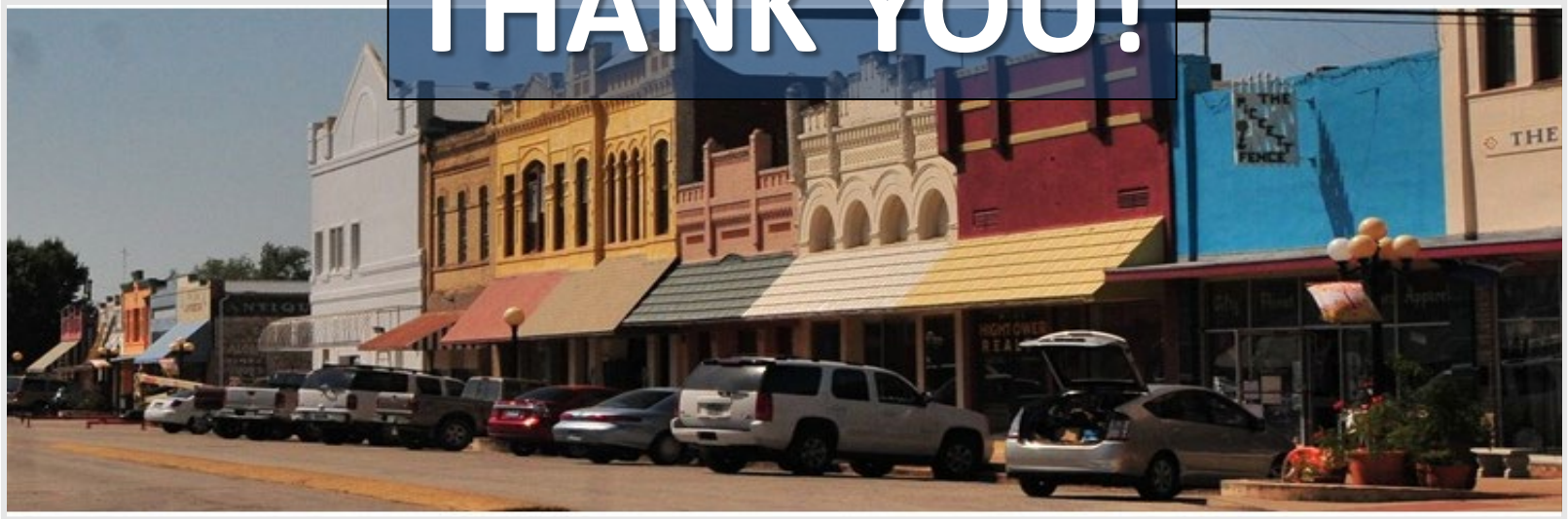


Questions???





THANK YOU!



Chamber of Commerce Quarterly Luncheon



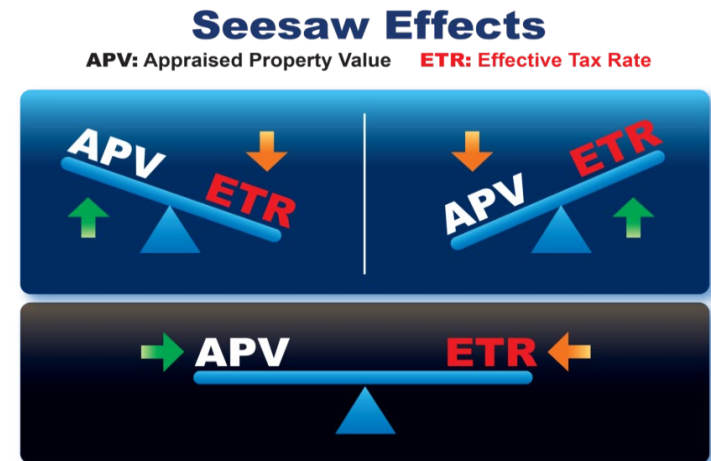
Back Up

2019 BCAD Assessed Property Values / Tax Rate

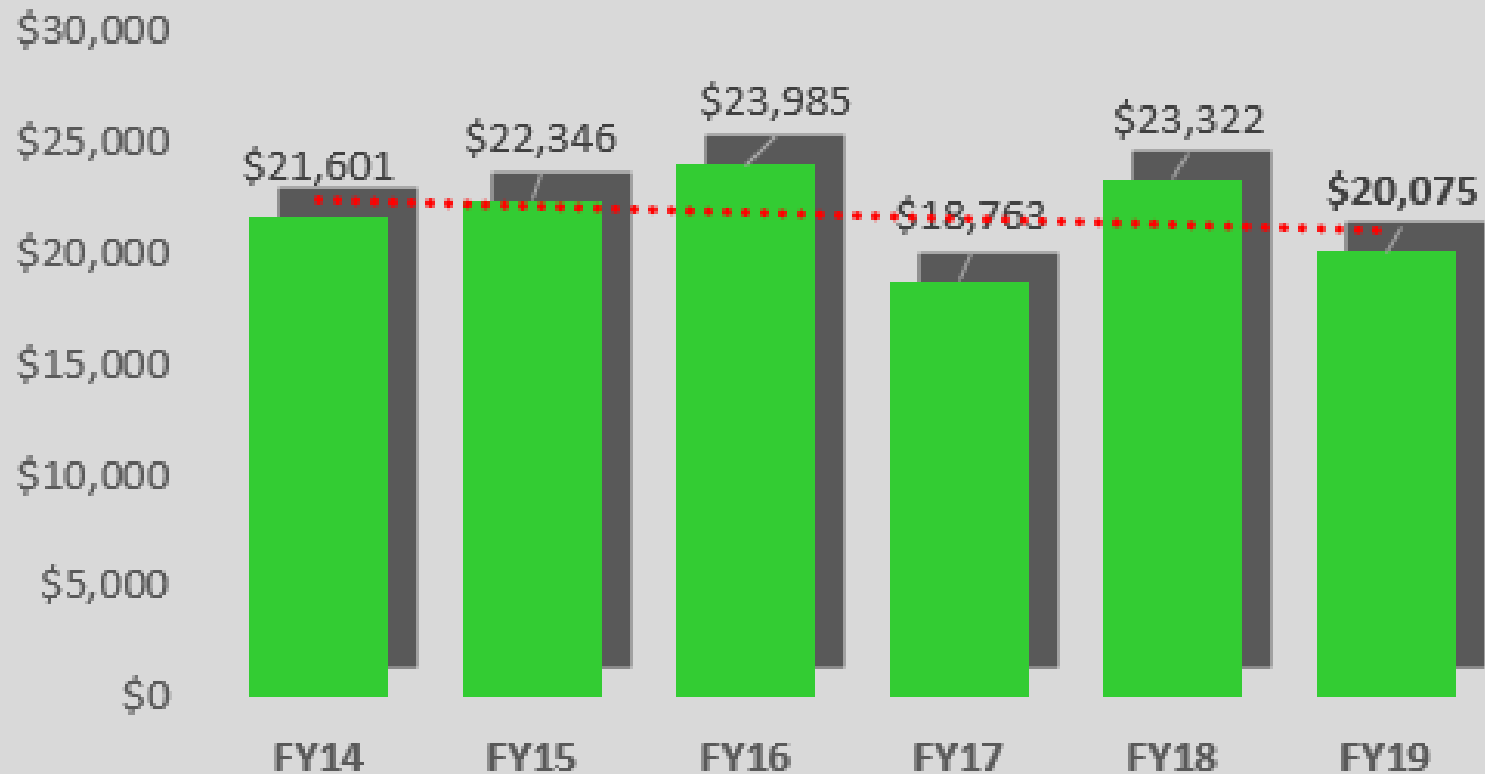
- BCAD property values (net taxable minus exemptions) in Smithville for 2019 is **\$275,033,703**.
- 10.90% increase** over last year's net taxable value of \$247,992,239.
- This will add **\$153,866** of revenue to the FY19-20 General Fund.
- Increase due to the number of remodeled buildings and newly constructed homes (23 in the past 1-1/2 years).

Year	Assessed Valuation	% Change in Value	M&O Rate	I&S Rate	% Change	Total Tax Rate
2019	\$275,033,703	10.90%	TBD			
2018	\$247,992,239	3.82%	\$0.4455	\$0.1235	5.57%	\$0.5690
2017	\$238,861,226	14.15%	\$0.4166	\$0.1224	-4.77%	\$0.5390
2016	\$209,255,193	5.48%	\$0.4276	\$0.1384	2.28%	\$0.5660
2015	\$198,375,435	9.25%	\$0.4075	\$0.1459	0.00%	\$0.5534
2014	\$181,581,421	1.34%	\$0.3990	\$0.1544	9.37%	\$0.5534

The **Effective Tax Rate** is the tax rate the City would pass to collect the same tax revenue as last year (FY18) using this year's (FY19) appraised values.



Hotel Occupancy Tax (HOT) History

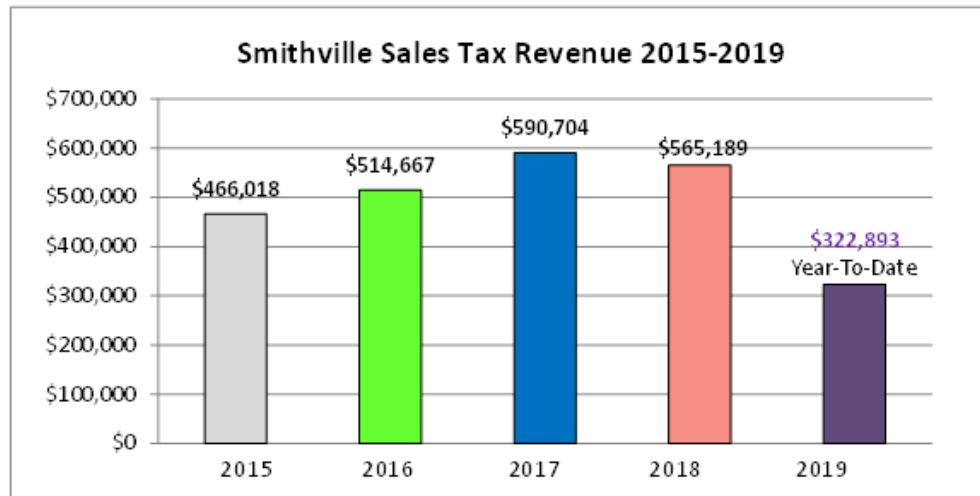
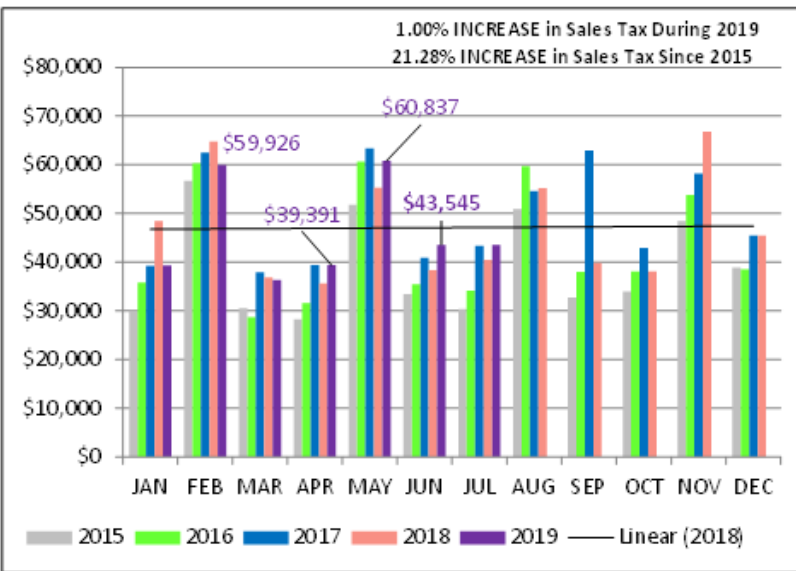


- Avg. Annual Hotel Occupancy Tax Revenue = \$21,685
- Five hotel / lodging establishments currently paying HOT
- 7% of Taxable Receipts with 1% Discount if paid before the quarterly DUE DATE

Smithville Sales Tax Revenue (2015-2019)

	2015	2016	2017	2018	2019
JAN	\$30,001	\$35,747	\$39,255	\$48,401	\$39,325
FEB	\$56,657	\$60,281	\$62,519	\$64,805	\$59,926
MAR	\$30,535	\$28,644	\$37,897	\$36,869	\$36,333
APR	\$28,243	\$31,632	\$39,410	\$35,610	\$39,391
MAY	\$51,774	\$60,668	\$63,296	\$55,277	\$60,837
JUN	\$33,405	\$35,497	\$40,886	\$38,393	\$43,545
JUL	\$30,426	\$34,105	\$43,363	\$40,403	\$43,536
AUG	\$50,911	\$59,668	\$54,582	\$55,210	
SEP	\$32,731	\$38,057	\$62,939	\$39,823	
OCT	\$33,983	\$38,080	\$42,846	\$38,093	
NOV	\$48,415	\$53,749	\$58,192	\$66,784	
DEC	\$38,937	\$38,539	\$45,521	\$45,521	

Sales Tax	2015	2016	2017	2018	2019
Revenue	\$466,018	\$514,667	\$590,704	\$565,189	\$322,893



Data Source: <https://mycpa.cpa.state.tx.us/allocation/AllocHistResults.jsp>

SHOP LOCAL

It makes a difference!!!

Sales Tax Revenue helps pay for Fire, Police, Street Repairs, Library, and Animal Control

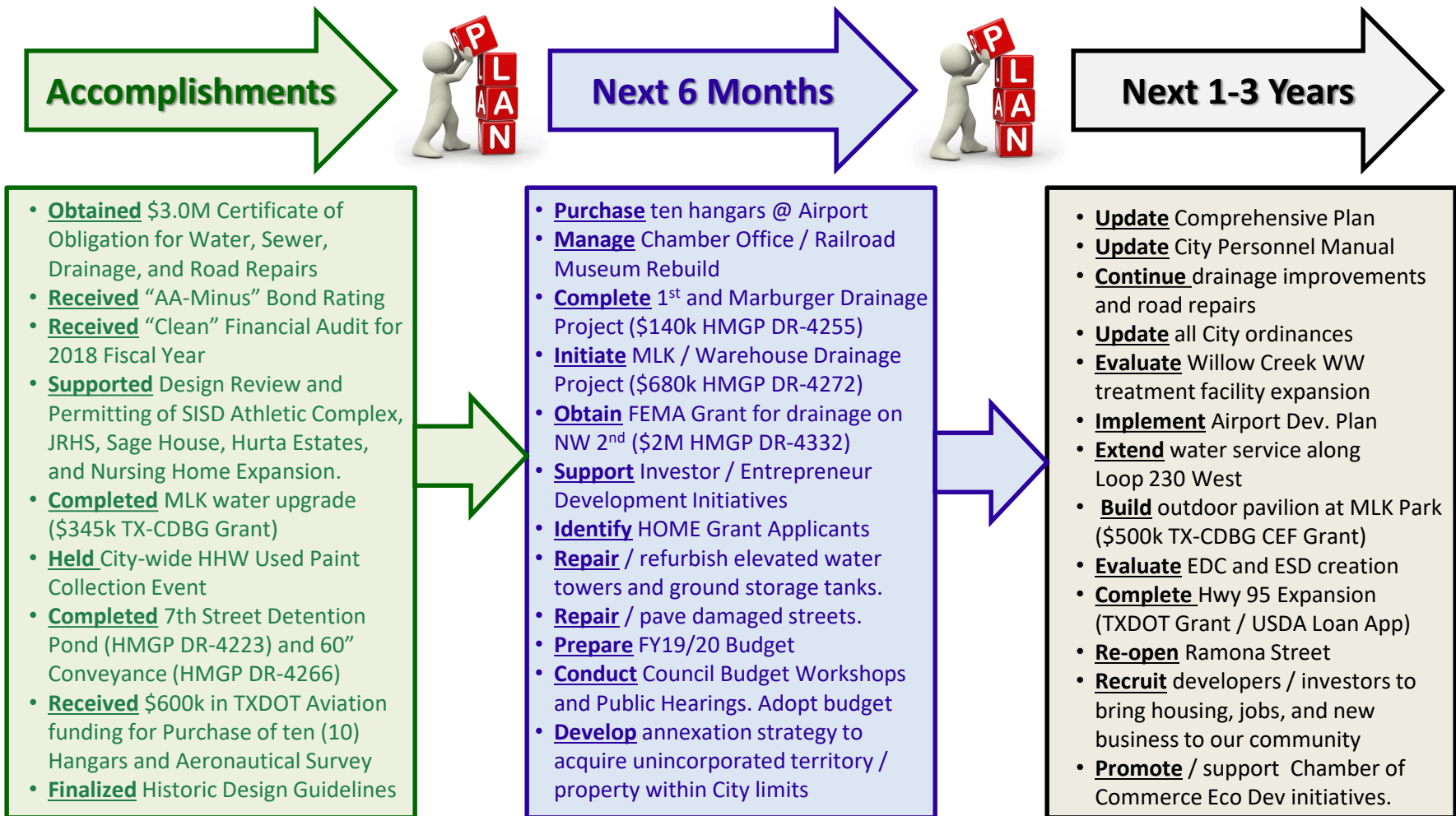
Chamber of Commerce Quarterly Luncheon



Roadmap / Future Plans










CITY OF SMITHVILLE – 2019/21 STRATEGIC ROADMAP



- Much has been accomplished but still much to be done.
- **Strategic Focus** - Infrastructure Improvement, Eco Development, and Fiscal Responsibility.
- Partner with the Community, Chamber, and County to proactively manage growth in a manner that preserves and protects our small-town look, feel, and charm.

City of Smithville State of the City Update

Wednesday, July 31, 2019

<u>PRIOR</u>	<u>KPI</u>	<u>CURRENT</u>	<u>TREND</u>
3817	POPULATION	4150	
\$565K	SALES TAX	\$570K	
\$23K	HOTEL TAX	\$20K	
\$247M	BCAD VALUES	\$276M	
\$11.7M	BUDGET	TBD	
\$0.5690	TAX RATE	TBD	
11	NEW BUSINESS	13	

Smithville City Council Workshop - Issues

Thursday, June 27, 2019

86th LEGISLATURE UPDATE:

- **SB-2 – REVENUE CAPS** (Property Tax Rollback Rates):
Established 3.5% Rollback Rate. However, cities under 30,000 population may exceed the 3.5% cap without triggering a rollback election as long as the tax rate does not:
 - Increase revenue by more than \$500,000*
 - Increase the tax rate by more than 8%*

*Note: Rollback election in these scenarios requires a petition
- **HB-2439 – BUILDING MATERIALS AND STANDARDS:**
Applies to commercial and residential structures.
A municipality cannot:
 - Prohibit or limit use of a building material approved by IBC / IRC in the past three years.
 - Establish a standard for a “building product, material, or aesthetic method” more stringent than the IBC / IRC.



EXEMPTIONS

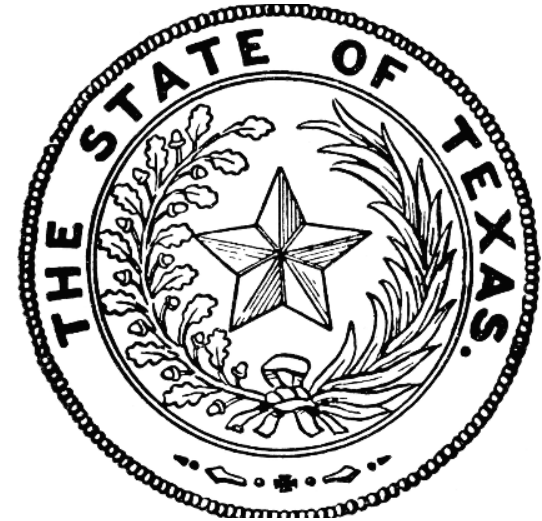
- Historic areas designated by City before **4/1/19**.
- Areas on the National Register of Historic Places.
- Areas designated for development / preservation as “Main Street City”.

Smithville City Council Workshop - Issues

Thursday, June 27, 2019

86th LEGISLATURE UPDATE:

- **HB-2840 – PUBLIC COMMENT:** City must allow every member of the public that desires to address the “governmental body” (e.g. city council, planning and zoning, etc.) to do so before or during the body’s consideration of an item.
 - The City is expressly authorized to limit the time that each speaker gets and to adopt other reasonable rules.
 - If the City does not use “simultaneous translation equipment” a speaker that requires a translator gets twice as much time.
 - The City’s current policy of taking 3 speakers for and 3 speakers against an item is no longer enforceable.
 - City will develop “other reasonable rules” with assistance from General Counsel on or before 9/1/19.



**Legislation Goes
Into Effect
September 1,
2019**