

**TABULATION SHEET FOR OFFICIAL CANVASS OF PRECINCT RETURNS
IN THE SPECIAL ELECTION TO AUTHORIZE THE IMPOSITION OF A ONE-
HALF OF ONE PERCENT SALES AND USE TAX PURSUANT TO SECTION 4B
OF ARTICLE 5190.6, TEXAS REVISED CIVIL STATUTES (THE
“DEVELOPMENT CORPORATION ACT OF 1979”)
IN THE CITY OF WEBSTER,
COUNTY OF HARRIS, STATE OF TEXAS
ON SATURDAY, AUGUST 14, 1999**

VOTES CAST	Election Day	114
	Early Voting By Personal Appearance	127
	Early Voting By Mail	3
		====
	Total Votes	244

PROPOSITION NO 1	TOTAL	ELECTION DAY	EARLY
FOR	<u>204</u>	<u>98</u>	<u>106</u>
AGAINST	<u>40</u>	<u>16</u>	<u>24</u>

This tabulation was made at the City of Webster Municipal Building (City Hall), 311 Pennsylvania, Webster, Texas on Tuesday, August 17, 1999, during a regular meeting of the City Council. In accordance with Texas Election laws, this tabulation was made from the sealed election return sheets submitted to the Mayor by the Presiding Judge of the election precinct and the Early Voting Ballot Board of the election held on August 14, 1999. These sealed documents were opened at the regular meeting at the time designated for the official canvass and tabulated in the presence of the public. From this tabulation sheet, the official order declaring the results of the election is to be made.

Floyd H. Myers, Mayor

Doug Pohler, Position No 1

Reyes Sonora, Position No 2

R. C Hall, Jr , Position No 3

Donna Rogers, Position No 4

Michael Weber, Position No 5

Jack Temple, Position No 6

RESOLUTION NO 99-18

A RESOLUTION CANVASSING THE RETURNS AND DECLARING THE RESULTS OF A SPECIAL ELECTION HELD ON AUGUST 14 1999, REGARDING A PROPOSITION TO AUTHORIZE THE IMPOSITION OF A ONE-HALF OF ONE PERCENT SALES AND USE TAX PURSUANT TO SECTION 4B OF ARTICLE 5190 6 TEXAS REVISED CIVIL STATUTES (THE "DEVELOPMENT CORPORATION ACT OF 1979"), AND CONTAINING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, a special election was held in the City of Webster Texas on August 14, 1999 at which a proposition was submitted to the duly qualified voters of the City for their action thereon. such proposition relating to the imposition of a one-half of one percent sales and use tax to be used to pay costs of projects, as now or hereafter defined in said Section 4B, including, but not limited to (i) projects suitable for use for professional and amateur (including children's) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, museums, exhibition facilities and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities and related roads, streets, and water and sewer facilities, or (ii) projects to promote or develop new or expanded business enterprises, including public safety facilities, streets and roads, drainage, and related improvements, demolition of existing structures, general municipally owned improvements, as well as any related improvements or facilities and any project determined by the board to promote or develop new or expanded business enterprises, and to pay maintenance and operating costs of publicly owned and operated projects purchased or constructed under said Section 4B and

WHEREAS said election was duly and legally held in conformity with the election laws of the State of Texas, and the results of said election have been verified and returned by the proper judges and clerks and

WHEREAS, it appears that a total of 244 votes were cast in such election, NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WEBSTER, TEXAS

SECTION 1 The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

SECTION 2 The official canvass of the returns of the special election held on August 14 1999, reflects that the following votes were cast regarding Proposition No 1

The adoption of an additional sales and use tax at the rate of one-half of one percent as authorized by Section 4B of Article 5190 6, Vernon's Ann. Civ Stat. as amended, to pay costs of projects, as now or hereafter defined in said Section 4B, including, but

not limited to, (i) projects suitable for use for professional and amateur (including children's) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, museums, exhibition facilities and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities and related roads, streets, and water and sewer facilities, or (ii) projects to promote or develop new or expanded business enterprises, including public safety facilities, streets and roads, drainage, and related improvements, demolition of existing structures, general municipally owned improvements, as well as any related improvements or facilities and any project determined by the board to promote or develop new or expanded business enterprises, and to pay maintenance and operating costs of publicly owned and operated projects purchased or constructed under said Section 4B

For Proposition No 1 204 votes

Against Proposition No I 40 votes

The number of votes by which the proposition was approved is 164 votes

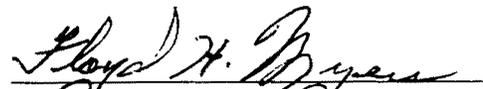
SECTION 3 The special election relating to the authority of City Council to adopt a one-half of one percent sales and use tax pursuant to Tex. Rev Civ Stat. § 4B of Article 5190 6 as reflected in Proposition No 1, has resulted as follows

For the adoption of an additional sales and use tax within the City at the rate of one-half of one percent to be used to pay costs of projects, as now or hereafter defined in said Section 4B including, but not limited to (i) projects suitable for use for professional and amateur (including children's) sports, athletic entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, museums, exhibition facilities and related store restaurant, concession, and automobile parking facilities, related area transportation facilities and related roads, streets, and water and sewer facilities, or (ii) projects to promote or develop new or expanded business enterprises, including public safety facilities, streets and roads, drainage, and related improvements, demolition of existing structures, general municipally owned improvements, as well as any related improvements or facilities and any project determined by the board to promote or develop new or expanded business enterprises, and to pay maintenance and operating costs of publicly owned and operated projects purchased or constructed under said Section 4B

SECTION 4 It is hereby found and determined that the NOTICE OF MEETING relating to the regular meeting of the City Council at which this Resolution was considered and the posting thereof, was proper and said notice and posting are hereby authorized, approved, resolved, ratified, and confirmed.

PASSED, APPROVED, AND ADOPTED this 17th day of August, 1999

CITY OF WEBSTER, TEXAS


FLOYD H. MYERS, Mayor

ATTEST


TERRY BOLDMAN, Acting City Secretary

APPROVED AS TO FORM


RANDALL B. STRONG, City Attorney

ORDER OF SPECIAL ELECTION

A Special Election is hereby ordered to be held on August 14, 1999 for the purpose of submitting to the qualified voters of the City a proposition regarding the authority of the City to levy and collect additional sales and use taxes within the City pursuant to the provisions of Section 4B of Tex. Rev. Civ. Stat. Ann. Art. 5190.6, as amended, the Development Corporation Act of 1979.

The proposition is as follows.

PROPOSITION NO. 1

The adoption of an additional sales and use tax at the rate of one-half of one percent as authorized by Section 4B of Article 5190.6, Vernon's Ann. Civ. Stat., as amended, to pay costs of projects, as now or hereafter defined in said Section 4B, including, but not limited to, (i) projects suitable for use for professional and amateur (including children's) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, museums, exhibition facilities and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities and related roads, streets, and water and sewer facilities, or (ii) projects to promote or develop new or expanded business enterprises, including public safety facilities, streets and roads, drainage, and related improvements, demolition of existing structures, general municipally owned improvements, as well as any related improvements or facilities and any project determined by the board to promote or develop new or expanded business enterprises; and to pay maintenance and operating costs of publicly owned and operated projects purchased or constructed under said Section 4B.

LOCATION OF POLLING PLACE

City Hall

311 Pennsylvania

Webster, Texas 77598

Early voting by personal appearance will be conducted each weekday at the office of the City Secretary, City Hall, 311 Pennsylvania, Webster, Texas, from 7:30 a.m. to 5:30 p.m. Monday through Thursday, 7:30 a.m. to 11:30 a.m. on Friday, beginning on July 28, 1999 and ending on August 10, 1999

Applications for ballot by mail shall be mailed to:

Pauline Small

**City Secretary
311 Pennsylvania
Webster, Texas 77598**

**Applications for ballots by mail must be received no later than the close of business on
August 6, 1999**

Issued this the 8th day of June, 1999.



Floyd H. Myers, Mayor

The board of directors authorized under §4A and §4B serves at the pleasure of the governing body and must conduct meetings within the city's boundaries.

A few other requirements to know a corporation's registered agent must be a Texas resident, and the corporation's registered office must be within the city's boundaries.

How can tax revenue be used?

Many cities often ask what the differences are between a §4A tax and a §4B tax.

§4A The tax is primarily intended for manufacturing and industrial development, and cities must use the tax revenues to focus on these areas

§4B The tax provides cities with a wider range of the use of the tax revenues because it is intended to give communities an opportunity to undertake a project for quality of life improvements, including economic development.

§4A Sales Tax

Cities may use the money raised by this sales tax to acquire land, buildings, equipment, facilities and improvements for purposes related to:

- manufacturing and industrial facilities, recycling facilities, distribution centers, small warehouse facilities;
- commercial development and expansion in blighted or economically depressed areas and development areas;
- a general aviation business service airport that is an integral part of an industrial park, and
- port-related facilities to support waterborne commerce.

Changes by the 75th Legislature now provide that, after a public hearing and voter approval, §4A corporations may now use their revenues to undertake projects eligible under §4B, without voting to abolish the §4A tax and impose the §4B tax. The legislation specifies the §4A corporation's requirements for publishing notice of a proposed §4B project and the procedures for holding at least one public hearing on the proposed project before the election. The ballot must clearly describe the §4B projects that will be funded from the §4A tax.

Corporation created under §4A cannot assume, or pay principal or interest on, debts that existed before the city created the corporation.

§4B Sales Tax

Cities may use money raised by this sales tax for a wide variety of projects including land, buildings, equipment, facilities and improvements related to projects defined in Section 2 of the Act (same uses as authorized for §4A) or found by the board of directors to be required or suitable for use for:

- professional and amateur sports (including children's sports) and athletic facilities; tourism and entertainment facilities; convention and public park purposes and events, (including stadiums, ballparks, auditoriums, amphitheatres, concert halls, learning centers, parks and open space improvements, municipal buildings, museums, exhibition facilities);
- related store, restaurant, concession, parking and transportation facilities;
- related street, water and sewer facilities; and
- affordable housing.

To promote and develop new and expanded business enterprise, a city may provide:

- public safety facilities;
- recycling facilities;
- streets and roads;
- drainage and related improvements;
- demolition of existing structures;
- general municipally owned improvements;
- maintenance and operating costs associated with projects; and
- any other project that the board determines as contributing to the promotion or development of new or expanded business enterprise.

Before spending §4B sales tax revenues, a corporation is required to hold at least one public hearing on the proposed project that will be funded by this tax.

Reporting Requirements of §4A and §4B Corporations

The 75th Legislature added §4C to require §4A and §4B corporations to file an annual report with the Comptroller by February 1. The report must include

the corporation's economic development objectives, total revenues and expenditures for the preceding fiscal year, a breakdown of these expenditures, and a list of the corporation's assets. The report form and instructions for submitting the report are available through the Local Government Assistance Division of the Comptroller's office.

The Comptroller will use this information to report to the Legislature each biennium about the use of §4A and §4B sales tax revenues to encourage economic development.

Can you undertake projects outside the city limits?

An economic development corporation may undertake projects outside of the city limits so long as it is clear that the city benefits from the project. If a city undertakes a project outside its city limits, it must receive permission to do so from the governing body of the entity with jurisdiction in that area. For example, if a city locates a project beyond its city limits, it should receive approval from the county's commissioners court.

How do you impose the tax?

City voters *must approve* this special, dedicated tax—just like all other sales tax options.

Call for an Election

Cities may call for this election in two ways.

- the governing body may call an election on its own, or
- the city must call for the election if petitioned by a number of qualified voters of the city

Petitioning voters must equal at least 20 percent of the number of votes cast in the most recent regular municipal election.

The city's governing body must adopt an ordinance calling for the election at least 45 days before the election.

The election must be held on one of the uniform election dates according to V.T.C.A., Election Code §41.001

- the third Saturday in January;
- the first Saturday in May;
- the second Saturday in August, or
- the first Tuesday after the first Monday in November

CITY OF WEBSTER FIVE YEAR FINANCIAL PLAN

Year	Type	SALES TAX REVENUE	cumulative increase	% increase EACH YR.	General Fund EXPENSES	cumulative increase	% increase EACH YR.	Residential W&S Billing	Property Tax Reduction	Revenue Increase
1997/1998	ACTUAL	8,454,374			8,101,159					
1998/1999	BUDGET	8,750,000			10,694,677					
1998/1999	ACTUAL	9,000,000		6 5%	10,694,677					
1999/2000	PROJECT	9,936,000	1,186,000	10 4%	11,764,145	1,069,468	10%	110,000	=	6,532
J00/2001	PROJECT	10,929,600	2,179,600	10 0%	12,705,276	2,010,599	8	110,000	=	59,001
2001/2002	PROJECT	12,022,560	3,272,560	10 0%	13,721,698	3,027,021	8	110,000	=	135,539
2002/2003	PROJECT	13,224,816	4,474,816	10 0%	14,407,783	3,713,106	5	110,000	=	1,710
2003/2004	PROJECT	14,110,879	5,360,879	6 7%	15,272,250	4,577,573	6	110,000	=	23,305
2004/2005	PROJECT	15,056,308	6,306,308	6 7%	16,188,585	5,493,908	6	110,000	=	2,399

avg increase in sales tax in last 5 years 10 82%

4b projected sales tax collections

1999/2000	PROJECT	1,871,280	eff 1/1/2000 for 8/99 election
2000/2001	PROJECT	3,643,200	
2001/2002	PROJECT	4,007,520	
2002/2003	PROJECT	4,408,272	
2003/2004	PROJECT	4,703,626	
J04/2005	PROJECT	5,018,769	
		<u>23,652,667</u>	
		(16,935,312)	Unfunded eligible 4B projects
		<u>6,717,355</u>	Remaining for other projects

7.75 to 8.25

Property tax value & levy analysis

Year	Type	Valuation	% Increase	Levy	Rate
1998/1999	ACTUAL	657,506,160	3 4%	1,907,162	0.29006
1999/2000	PROJECT	690,381,460	5 0%	1,800,000 *	0.26073
2000/2001	PROJECT	704,189,080	2.0%	1,800,000 *	0.25561
2001/2002	PROJECT	718,272,860	2.0%	1,800,000 *	0.25060
2002/2003	PROJECT	732,638,310	2.0%	1,350,000 **	0 18427
2003/2004	PROJECT	747,291,070	2.0%	700,000 **	0 09367
2004/2005	PROJECT	762,236,890	2.0%	-	-

avg increase in property values in the last 4 years. 7 7% * \$200,000 of debt service fund balance to be used each year
** Reduced due to additional sales tax collections

WEBSTER COMMUNITY MEETING

**4B SALES TAX
INFORMATION**

JULY 21

8:00 p.m.

Walnut Park

**WEBSTER CITY MANAGER
ROGER CARLISLE
WILL SPEAK AND
ANSWER QUESTIONS**

**ALL RESIDENTS ARE
INVITED TO ATTEND**

