



State of the Community

March 27, 2019

Brenham City Council



Keith Herring, Andrew Abel, Albert Wright, Danny Goss
Clint Kolby, Mayor Milton Tate, Susan Cantey



FY 2019 Adopted Budget

- FY19 Budget Overview — \$69.9M

General Fund	\$18.2 M	26%
Utility Funds (Electric, Water, Wastewater, Sanitation and Gas)	\$39.3 M	56%
Debt Service (General Fund) Other Funds	\$4.4 M \$8.0 M	6% 12%

- Standard & Poor's (S&P) **AA- Rating**
- Strong Reserves (90 days operational)

S&P February 2019 report to the City:

The AA- rating reflects Brenham’s history of stable budgetary performance that has contributed to the growth of very strong reserves and has historically maintained very strong budgetary flexibility with reserves in excess of 20% of operations.

Moody's		S&P		Fitch		Rating description				
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term					
Aaa	P-1	AAA	A-1+	AAA	F1+	High grade	Investment-grade			
Aa1		AA+		AA+						
Aa2		AA		AA						
Aa3		AA-	AA-							
A1		A+	A+	F1						
A2	A	A-1	A	F1	Upper medium grade					
A3	P-2	A-	A-2	A-	F2	Lower medium grade				
Baa1		BBB+		BBB+						
Baa2	P-3	BBB	A-3	BBB	F3					
Baa3		BBB-		BBB-						
Ba1	Not prime	BB+	B	BB+	B	Non-investment grade speculative				
Ba2		BB		BB						
Ba3		BB-		BB-						
B1		B+		B+						
B2		B		B						
B3		B-	B-							
Caa1		CCC+	C	CCC	C	Substantial risks	Non-investment grade aka high-yield bonds aka junk bonds			
Caa2								CCC	CCC	Extremely speculative
Caa3								CCC-	CCC	Default imminent with little prospect for recovery
Ca		CC	C	CCC	C	Default imminent with little prospect for recovery				
C	C									
/	D	/	DDD	/	In default					
			DD	/						
			D	/						

June 2008 — S&P upgraded the City’s rating two notches from an A- to an A+

December 2008 — the City earned another upgrade to AA- affirming a stable economic outlook

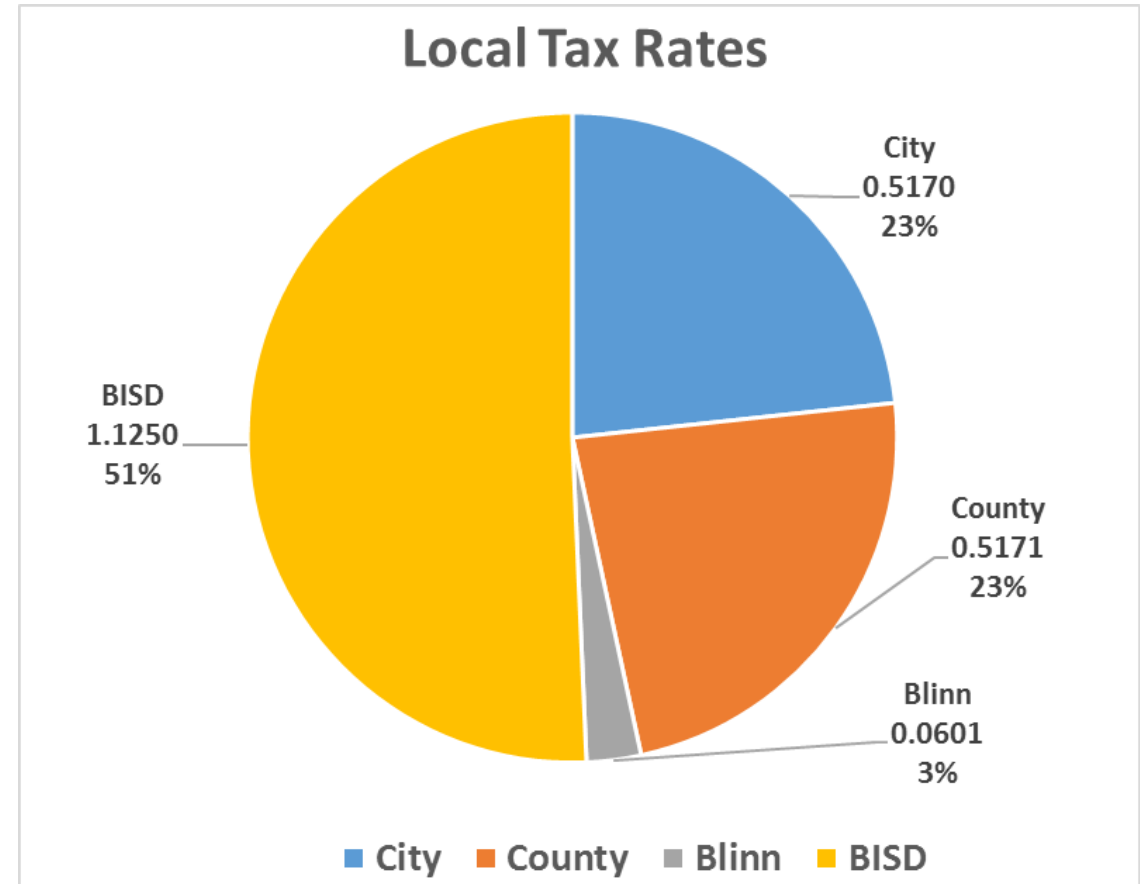
Despite some economic downturns in our local economy, conservative fiscal management and budgeting has allowed the City to maintain its strong bond rating over the last **11** years.



Local Property Tax Rates

	<u>Tax Rate</u>	<u>Percentage</u>
City	0.5170	23%
County	0.5171	23%
Blinn	0.0601	3%
BISD	1.1250	51%
	2.2192	100%

Avg. home value	163,852
City taxes	847.11
County taxes	847.28
Blinn taxes	98.48
BISD taxes	1,843.34
Total tax bill	3,636.20

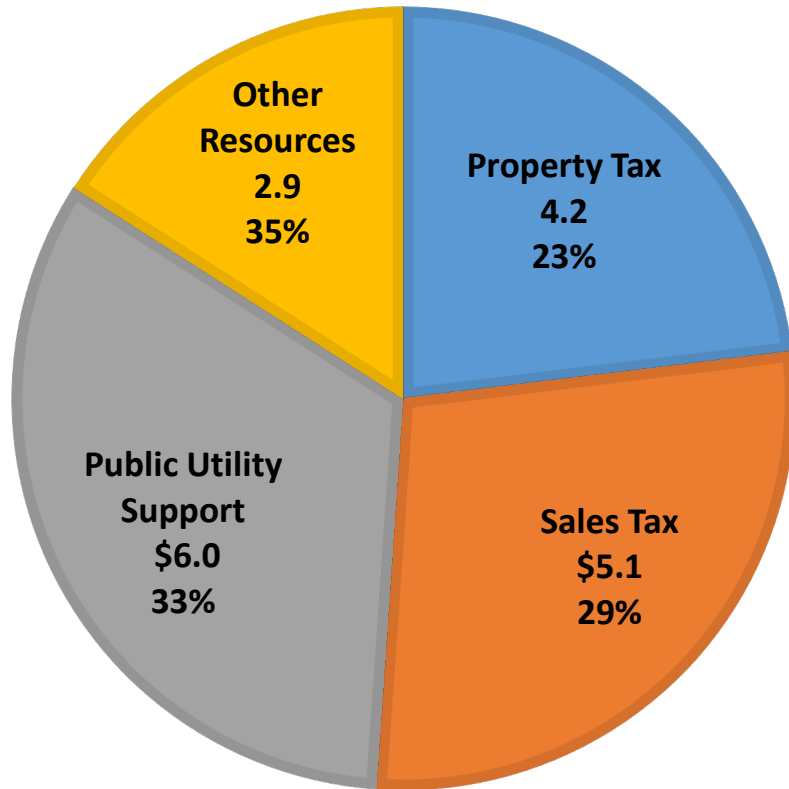




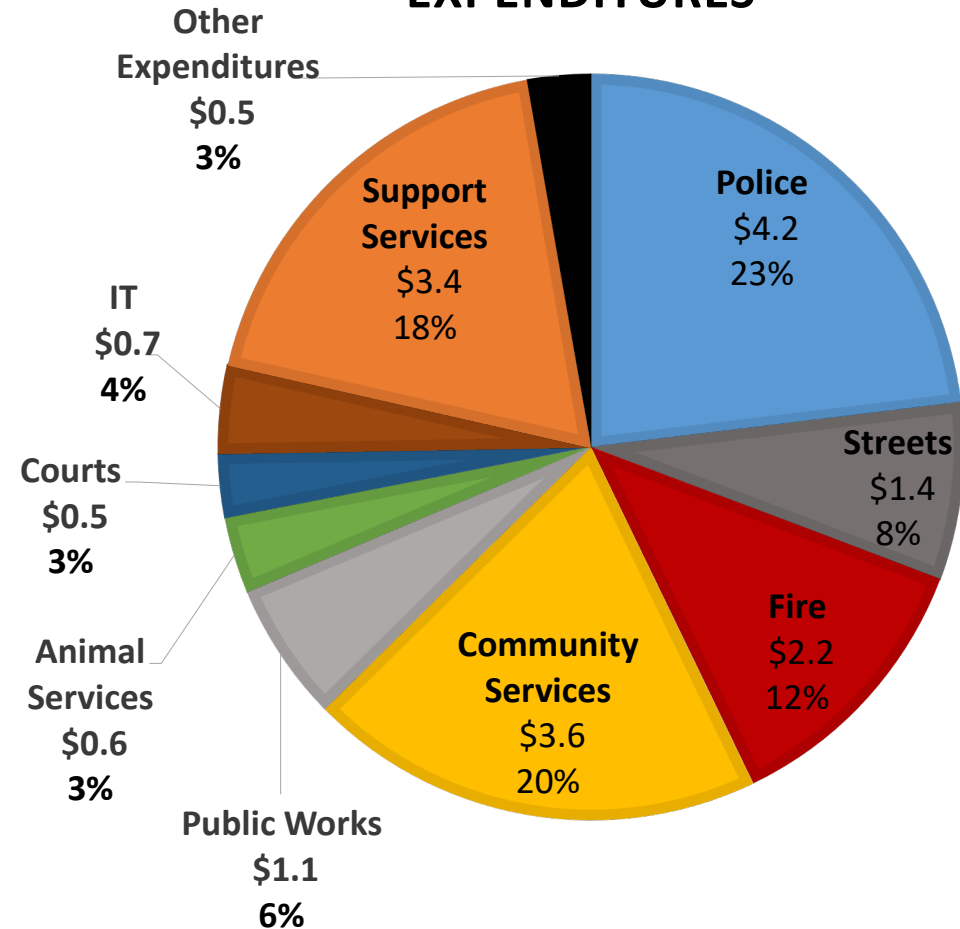
FY 2019 ADOPTED GENERAL FUND

Available Resources Distributed Over Major Spending Areas (\$ in millions)

REVENUES



EXPENDITURES



Comprehensive Plan



- Current Comprehensive Plan adopted in 2008
- Focus Areas of the Plan:
 - Growth Capacity
 - Land Use & Development
 - Transportation
 - Economic Development
 - Housing & Neighborhoods
 - Recreation & Amenities
- Largest component of the project is community engagement and input
- Project wrap up and plan adoption scheduled for September 2019
- For more information: <https://cityofbrenham.org/compplan>
- Questions: Contact Stephanie Doland 979-337-7269 sdoland@cityofbrenham.org



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Special Session of City Council

Alton Elementary 3rd-grade Students



Tourism Master Plan

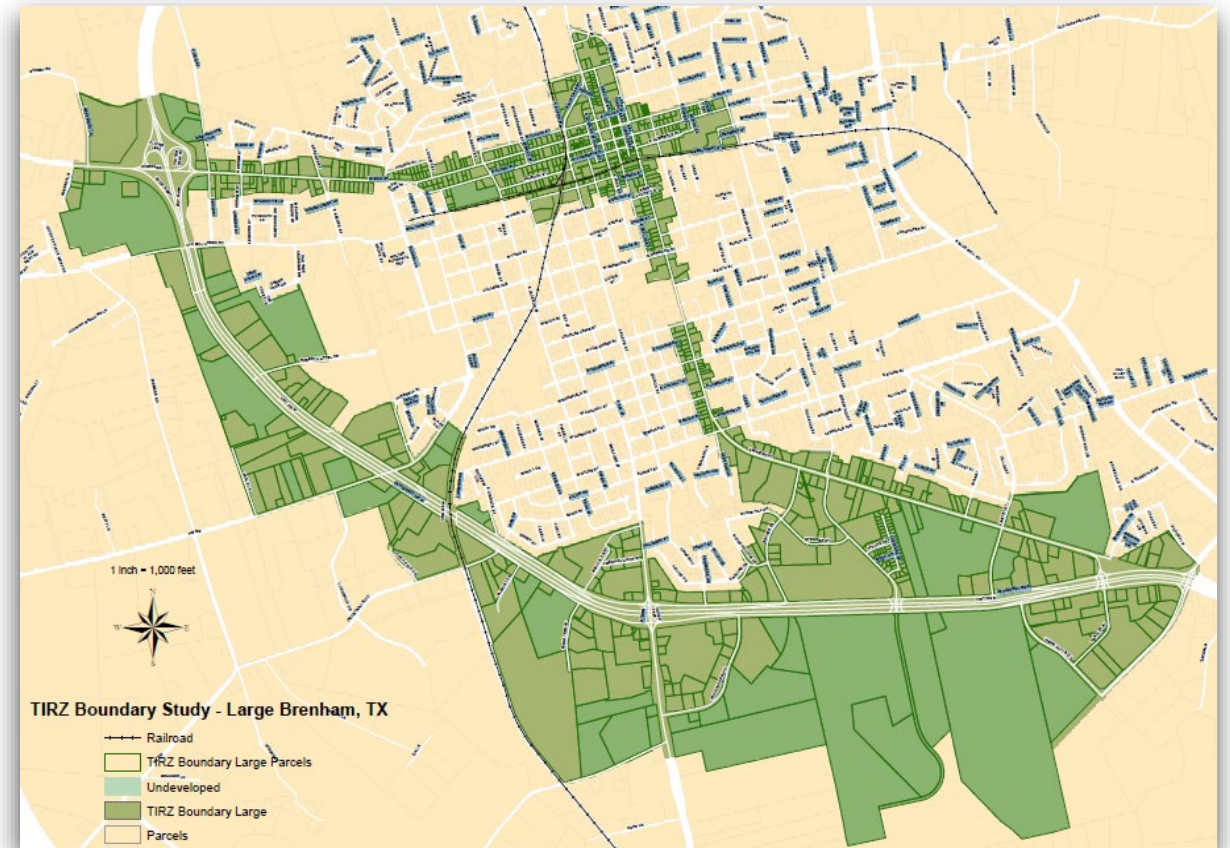
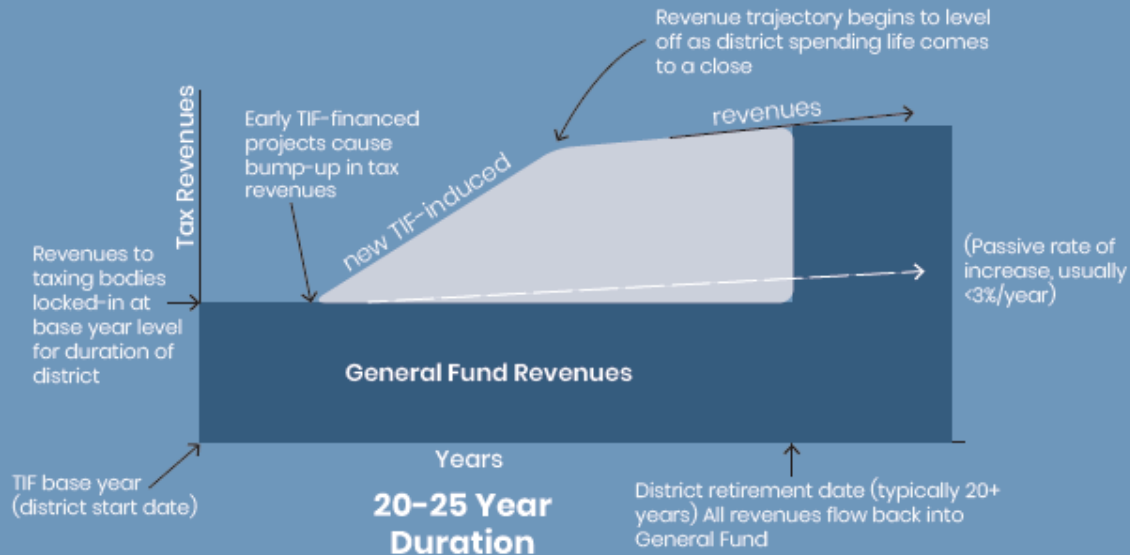
- Main Street 20th Anniversary — celebration to take place in the Fall 2019 as we are recognized as a Nationally Certified Main Street Community
- Master Plan to be presented to Council in the Summer
- Strategic Action Plan for Tourism — the City is working with each of the communities within Washington County
- Gatlin Bros concert was *sold out*, more concerts as well as family-friendly entertainment coming to the Barnhill Center
- Caz Muske – Main Street Manager, contact at 979-337-7249 or cmuske@cityofbrenham.org

Communications/PR

- New website launched – clean design, clear message, streamlined navigation
- Building relationships with citizens, BISD, Blinn, Chamber of Commerce, and many other community organizations
- Upcoming City newsletter for the community
- Melinda Beckendorf-Gordon – Communication and Public Relations Manager
Contact at 979-337-7251 or mgordon@cityofbrenham.org

What is a TIRZ? (Tax Increment Reinvest Zone)

Section 311 of the Texas Tax Code allows cities to create special districts to encourage new investment in areas that might not otherwise attract development. A TIRZ is an economic development tool to attract new investment in an area. TIRZs help finance costs of redevelopment and encourage development in areas that would otherwise not attract sufficient market development in a timely manner. Taxes attributable to new improvements (tax increments) are set-aside in a fund to finance public improvements within the boundaries of the zone.



Tax Increment Reinvestment Zone

- Dec 13, 2018—Council approved creation of a TIRZ
- 11 • Includes 2,201 acres in areas that would benefit most from encouragement of new investment and development attraction



Economic Development

- Retail Projects:
 - BK Agreement
 - Market Square

- Enterprise Project
 - Blue Bell Creameries

- Tax Phase-In Expansion Projects
 - Moser Media, LLC
 - D Bar B Sausage & Meats LLC. Dba Kountry Boys
 - Stanpac USA
 - MIC—East
 - MIC—West

Have questions?

Contact Susan Cates 979-337-7231 scates@cityofbrenham.org



Economic Development

BCDC revenue source has allowed the City to create business parks and recreational facilities, providing for new development opportunities.

Business Parks Overview

The City offers two business parks for commercial/industrial opportunities:

- Brenham Business Center
- Southwest Industrial Park

Business Park Overview

BRENHAM BUSINESS CENTER



Brenham Business Center is a Class A business park with careful attention to land use and is restricted to non-retail commercial uses only. Currently there is 105 acres available for sale

Business Park Overview

SOUTHWEST INDUSTRIAL PARK



Southwest Industrial Park is an established business park with minimum deed restrictions and is ideal for light and heavy industrial business opportunities. In FY17, Section III was expanded with the acquisition of just under 45 acres for new unrestricted industrial sites. The 4B sales tax provided \$478,150 in funding which was supplemented with a \$500,000 note from the City of Brenham. Currently, there is 143 acres of land available for sale

Police Department —

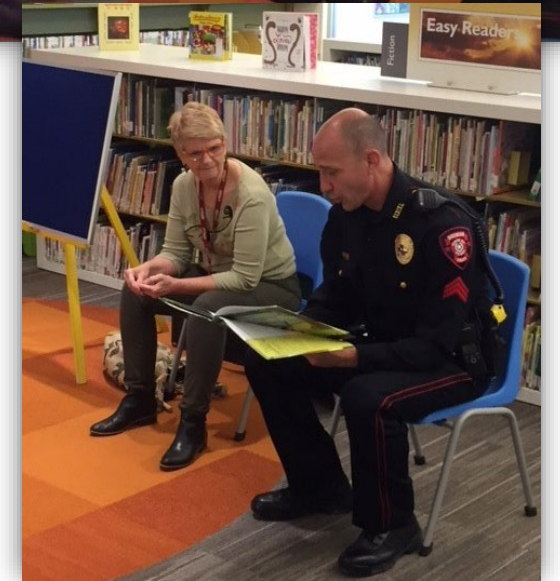
Promotion of Eight Officers



Blue Santa:
16 families,
40 children
served



No Shave November raised \$14,547



Pages with Police

Fire Department —

- 2018 hit an all time high in alarms: 854
 - 2008: 409 alarms
 - 1988: 183 alarms
- Simultaneous alarms are up
 - 2018: 14.92% of calls (127) had simultaneous alarms going
 - 2017: 11.77% of calls (83) had simultaneous alarms going
- Fire Prevention – the Bucket Brigade visited the following schools:
 - Somerville Elementary
 - Burton Elementary
 - Grace Lutheran School
 - Krause Elementary
 - Citadel Christian School
 - Alton Elementary
 - Brenham Elementary
 - First Baptist
 - St. Paul's Christian Day School
 - Brenham Early Childhood Learning Center



Brenham Bucket Brigade





Parks and Recreation

Parks Overview

- Parks are often the economic engine that drives tourism in many communities. The City of Brenham offers first-class facilities that appeal to both residents and visitors
- In FY19, the recreational portion of the 4B sales tax funding is over \$1 M for improvements to our existing park facilities and Aquatic Center

Parks Statistics

- City maintains 191 acres of parkland
- Eight city parks, 17 baseball/softball fields, 16 soccer fields, tennis courts, Aquatic Center, skate park, and Antique Carousel
- More than 400 athletic games and 30 tournaments held each year, attracting over 50,000 players and fans

Parks and Recreation

- Partnered with VFW Post 1704 on F-111 Retired Aircraft for display in Henderson Park



- Awarded Phase I Henderson Park Improvements on February 17, 2019 council agenda. Over the last 2 years, BCDC has allocated \$594,900 toward enhancements to Henderson Park

Parks and Recreation



New Items:

Gravity rail, Aquatics Inflatables, Pickle Ball Courts, and more



Parks and Recreation



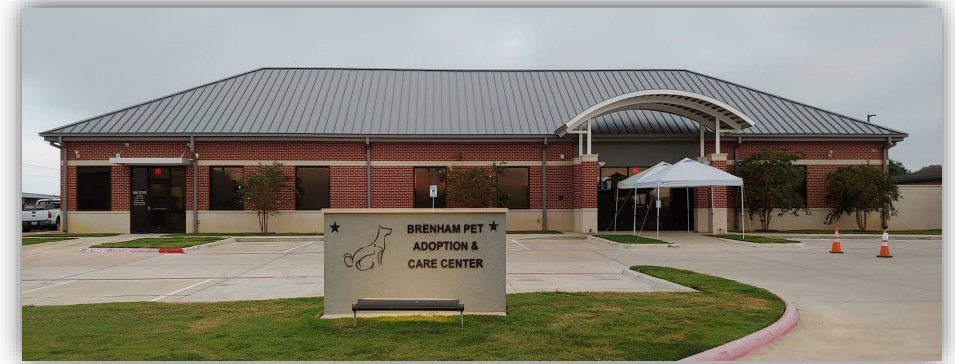
January-October: rain or shine!



Join us June 8 at Jackson Street Park

Animal Shelter

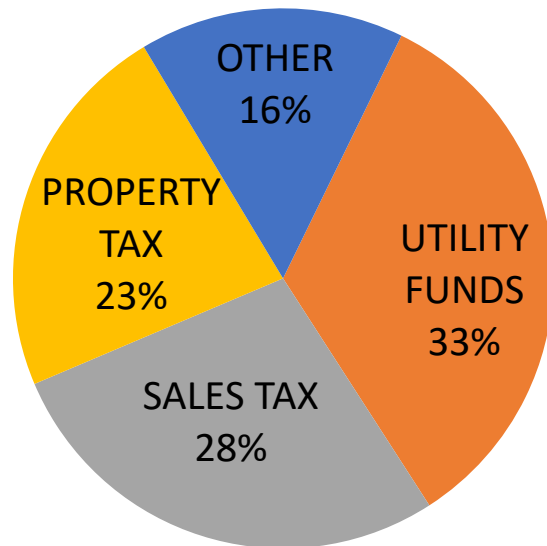
- Total of 664 adoptions, 249 cats and 415 dogs
- 12 events including:
 - Carnival at Animal Friends, Hot Nights, Cool Tunes, and the Lighted Christmas Parade
- Additionally we've made a partnership with Puppy Dawgs and Cat Tails to do adoption events



Public Utilities



GENERAL FUND SOURCES OF FY19 BUDGET FUNDING



\$18.2 M OPERATING BUDGET

Largest supporter of General Fund — \$6.0 million or 33%

- ✓ \$2.5 million in franchise fees
- ✓ \$3.5 million for shared services



Utility System Improvements

- Electric System
 - Copper Conductor Replacement Program – Design phase completed for 6 sections ; construction begins in April
 - Converting overhead to underground – Saeger and American Legion
 - Pole Replacement Program
 - Tree Trimming Program

- Gas System
 - TML Safety Audit—score of 100
 - Oasis pipeline interconnection
 - Adding sectionalizing valves
 - Over 7100 ft. of pipeline laid, including 1400 ft. for Silver Sage facility



Utility System Improvements

■ Water System

- Reinstated water plant's ability to recycle process water to headworks
- Completed TCEQ 3-Year Compliance Inspection with positive results and feedback
- Church tower de-leaded and painted

■ Wastewater System

- Various lift station upgrades
- Hog Branch Erosion Project

■ Water and Sewer Construction

- Over 7000 ft. of water and sewer pipe laid, including 1480 ft. of cast iron piping changed out with PVC



- Total Estimated Damages \$5 M, with Mitigation \$8.3 M
- Possible grants \$3.3 M from GLO, HMGP (75/25), and NRCS (90/10)
- FEMA Obligated Funds to date \$1,725,676

- May 2016 funding under FEMA is 75/25
- The Hurricane Harvey funding is 90/10. Burleson St., Jefferson St., and Barbee St. received additional damages due to Hurricane Harvey

- Hazard Mitigation is funded at 75/25 for both events

- In-house Street Reconstruction – \$360,000; approximately 15 Streets or 2.5 Miles
- Wayfinding Signage Project completed
- Downtown Drainage and Streetscape Project approved March 17, 2019
- TxDOT – Widen, Curb, and Gutter FM389 to FM332

DRIVE to 2025



- Thoroughfare Plan
- Street Improvements
- Downtown/Main Street
- Competitive Benefits for Employees—TMRS and Medical
- Vehicle Replacement Policy
- Replacement Police Department Vehicles
- City Facilities and Properties

“I am convinced that nothing we do is more important than hiring and developing people.
At the end of the day you bet on people, not strategies.”

-Larry Bossidy



- Uptown Swirl in Downtown Brenham – January
- Spring Eggs Art Walk – March/April
- First year for Cool Nights, Hot Tunes – April 13
- Maifest – May
- Movies in the Park – May-August
- Summer Sip Wine Walk – June
- Hot Nights, Cool Tunes Summer Concert Series – July
- Scarecrow Extravaganza – October
- Kid Fish – October
- Harvest on Main: Main Street 20th Anniversary Celebration – Fall 2019
- Christmas Stroll – December

Citizen Safety –

Downtown Bollard Project, paid for by a LCRA grant, enhances public safety during festivals and community events in the downtown area

**So how are things in the
Brenham Community?**



They're Great!