

LETTER TO LEON VALLEY CITIZENS
From Mayor Chris Riley
August 18, 2023

CITY COUNCIL MEETING –AUGUST 15, 2023

Councilman Martinez was absent due of the passing of his beloved mother, Ida. Our sincere condolences to him and his family.

The following are highlights of council actions from the August 15th council regular meeting:

REGULAR AGENDA

Mom & Son LLC, Bakery: Council met in executive session before this agenda item to review confidential information which was requested by the economic development director Salinas. In open session, he presented the **request from Mom & Son LLC for a grant to purchase general commercial equipment to start a new bakery at 6430 Bandera Road**, in the center where the Wing Daddy Restaurant is located at Seneca and Bandera. They will be in the space of a former restaurant, Picnic Deli. An itemized list of equipment totaling \$20,222 was presented. The Council approved up to a \$10,000 grant for this new business, which must purchase the equipment and will be reimbursed by the City. Mom & Son LLC will be open Tuesday – Saturday from 6 am to 6 pm. Both parties will enter into a grant agreement with detailed performance terms listed.

Council approved a re-plat with requested variances on 0.854 acre tract of land on Huebner Road, next to the Silos between Hoofs and Evers roads. The property owner wishes is to build duplexes on the property. Platting is required before any construction. The variance requested is to construct the water and sewer mains and sidewalks at the time of construction, rather than before construction, and to replat only a portion of Lot 7.

PRESENTATIONS

Discussion of the Proposed Budget for FY 2024: Dr. Caldera presented an updated budget as per council's on-going discussion at the council retreat on how to meet the needs of our community, and keep our taxes low. I would urge citizens to go online and view the proposed detailed budget. On September 5th, the Council will once again review the FY 2024 budget and vote on its approval

Some significant highlights of the budget discussions:

Items deleted from the budget: The MIH (medical integrated health) position in the fire department; the Jazz Festival for next year; a Dog Park; Hot spots at Library; Microsoft Office 365 G5 license; Fire Department Lexipol policies and procedures; full time library aide; a Public Works backhoe and various other cuts and reductions were made. The Leon Valley library will begin closing on Sundays and Mondays, beginning October 1st.

Items added to the budget: Staff Utilization study; (3) outdoor patio fans for library; Patrol vehicles purchased from Traffic Safety fund (Red light camera); Sprinkler systems for pocket parks and Hike & Bike Trail on El Verde (paid for from tree mitigation funds); and kitchenette for the Conference Center.

Total Resources: \$15,945,763 total revenue dollars, which is an increase of \$1,250,882 over FY 2023. Staff is recommending keeping the FY 23 tax rate of \$0.484739 cents per \$100 of valuation for FY 24.

Total Expenditures: \$14,241,551, not including capital expenditures. This is an increase over last year of \$954,765.

Each employee is eligible for a 2% merit increase, but there will be no cost-of-living adjustment. All qualifying employees will receive longevity pay in November and all employees' medical, dental and life insurance is paid for by the city. The city funds retirement benefits at 19.86%, effective January 1, 2024.

Discussion of the 2023 Tax Rate: The no-new-Revenue tax rate provides the City with about the same amount of tax revenue it spent the previous year for day-to-day operations. This rate is calculated at \$0.421067. The Voter-approval tax of \$0.500397 is the highest tax rate that the City may adopt without holding an election to seek voter approval of the rate. Staff recommended and Council's consensus was to stay at the same tax rate as last year, which is \$0.484739. The 20% homestead exemption will reduce the average tax bill for homeowners by \$126. per year. Councilman Martinez sent an email to the mayor and city manager requesting his comments be read into the record. He stated he is in favor of adopting the \$0.500397 rate because he felt it would be more fiscally responsible. For FY 2024, the projected fund balance in the General Fund is: \$2,877,030 in the capital reserve fund and \$1,000,000 in the Emergency fund, for a total of \$3,877,030.

Awarding of FY 24 Group Health Insurance Bid for Employee Medical, Dental and Life Insurance by Gallagher Benefit Services: During the preliminary budgeting process, staff estimated this year's insurance benefits would be an 11% increase. Gallagher was able to renegotiate a new plan with Blue Cross Blue Shield of Texas for a 4.65% increase, saving the city \$27,000 from its budgeted amount. The medical insurance increase was at zero for the prior two years.

Discussion/Action to Create a New Economic Development Program to Demolish and Clear Vacant Lots for Redevelopment – The Sonic on Wurzbach, which has been abandoned for years, was used as an example of how this new policy can work. Simplified, a developer after meeting all eligibility criteria would apply for an Economic Development Grant for demolition and enter into a performance agreement with the City. Completion of demolition must occur within six months of the grant approval with the start of the permitting process to develop 6 months after demolition. The owner must have erected a new structure within 2 years after the completion of the demolition. Funding is limited to \$100,000 and subject to the availability of economic development funds. Funding recommendations will be made by the Economic Development Director and must be approved by Council. The goal is to attract viable businesses to promote redevelopment in our community.

Our next regular city council meeting is scheduled for Tuesday, September 5th ,6:00 p.m. at city hall. The Crime Control and Prevention annual board

meeting will be held with the FY 23 minutes and budget for FY 24 approved.

GOOD NEWS!!

The **Forest Oaks swimming pool** will remain open (on weekends only), September 9-10, 16-17, 23-24, 2023 from Noon to 8 p.m.

Goodwill Industries drop off at 4949 Northwest Loop 410 (close to Home Depot) takes Household Hazardous Waste (paint, batteries, light bulbs).

Bexar County has additional federal **American Rescue Plan** (ARP) funds that need to be spent for water and sewer infrastructure projects. Bexar County Commissioner Justin Rodriguez's office has asked our city to apply once the Request for Proposal is finalized. Minimum requirement is \$750,000. Public Works has a shovel ready sewer project on El Verde road which we will submit.

Comfort Café has returned! It opened on Friday, August 11th and is located at 6812 Bandera, Suite 101. Hours are Friday – Sunday from 8am to 4 pm. This restaurant supports people who are recovering from an addiction. There are no prices on the menu, but a donation is requested. Bon Appetite!

Continue to stay safe. COVID is back! Please do not hesitate to contact me or any councilmember if we can be of assistance. We are here to serve you.

Sincerely, Chris
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