



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** July 27, 2020
SUBJECT: Consider Resolution No. 2020-031 directing the designated officer to calculate the Voter-Approval tax rate for the City of North Richland Hills in accordance with Texas Tax Code 26.04 (c-1).
PRESENTER: Robert Myers, Director of Budget and Research

SUMMARY:

Council is requested to consider directing the designated officer to calculate the Voter-Approval Tax rate for the City of North Richland Hills in accordance with Texas Tax Code 26.04 (c-1).

GENERAL DESCRIPTION:

On March 13, Governor Abbott declared a state of disaster in every Texas county due to the COVID-19 pandemic. Texas Tax Code 26.04 (c-1) allows any City to calculate the Voter-Approval Tax rate in a manner provided for a special taxing unit if any part of the taxing unit is located in an area that is declared a disaster area during the current tax year by the governor of the state or by the President of the United States. This change effectively changes the calculation of the Voter-Approval Tax rate from a 3.5% increase over the No-New-Revenue tax rate to an 8% increase over the No-New Revenue tax rate.

Staff is requesting City Council to consider directing the City's designated officer to calculate the Voter-Approval tax rate for the City of North Richland Hills in accordance with the manner identified in State law for special taxing units under Texas Tax Code 26.04 (c-1).

This change will not set the City's Tax Year 2020 tax rate; it will only designate the method by which the Voter-Approval Tax rate will be calculated for this tax year in accordance with State law.

RECOMMENDATION:

Approve Resolution No. 2020-031 directing the designated officer to calculate the Voter-Approval tax rate for the City of North Richland Hills in accordance with Texas Tax Code 26.04 (c-1).